

NON-FINANCIAL REPORT

DOM DEVELOPMENT S.A. CAPITAL GROUP



2023

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Letter

from the President of the Management Board

LADIES AND GENTLEMEN,

As the largest developer in Poland, we are keenly aware of our impact on the environment and society, and of the importance of upholding the highest standards of corporate governance. We are certain that through diligent effort we can increase the positive impact of the Dom Development Group on the environment. The DOM 2030 ESG strategy implemented last year has set the direction for our activities allowing us to work towards building a better tomorrow.

Looking ahead, we recognise the significant macroeconomic factors - inflation pressures, and the resultant continuing high interest rates adversely affecting the availability of mortgage loans, economic growth, employment, and consumer spending. These factors continue to have a significant impact on our business. However, the medium- and long-term fundamentals of the market remain strong. Demographic data indicates a substantial need for new living spaces, particularly in major urban areas, signalling sustained demand.

Our operational discipline, diversified project portfolio and robust financial position make us resilient and flexible, thus allowing us to deliver excellent results and be able to effectively adapt to changes in the coming years.

I am confident that the Group's ongoing and forthcoming efforts to achieve the ESG objectives will strengthen our position as a modern and conscious organisation open to dialogue. In times of dynamically changing market conditions and emerging challenges in the social, economic and geopolitical background, it is more important than ever for companies to act in a manner not only allowing them to achieve strategic priorities, but also to benefit society and the environment.

I would like to extend a sincere invitation to carefully study our 2023 Non-Financial Report.



Respectfully yours,
Jarosław Szanajca
President of the Management Board



Letter

from the Member of the Management Board for ESG Compliance



LADIES AND GENTLEMEN,

Another year of implementing the ESG strategy at our Group is behind us. We have achieved all the objectives set in the DOM 2030 ESG Strategy for this period. Yet, our ambitions extend further – we are aware that much work remains to be done. At the same time, I firmly believe that we are clearly on the right path.

As the leader on the housing market in Poland, we feel responsible for the local communities and ecosystems of the agglomerations we serve. Last year, we launched the ambitious Green Project Card and are proud to continue consistently meeting the requirements of this internal standard, which is important for the Group. We have implemented the “We are Fair” programme across all cities in which we operate and have refined local CSR strategies to best support local communities and the most vulnerable groups. We have also achieved our goal of having a female representation of over 40% on the Supervisory Board at Dom Development S.A.

At Dom Development S.A. Capital Group, the ESG is understood as recognising changes taking place in the world and society, and taking actions that will allow us to address these changes as effectively as possible in the context of our operations. We skilfully integrate two key aspects – effective business management and social responsibility (people, environment, education), which form fundamentals for the further sustainable development of our Capital Group.

Yet, implementing the ESG strategy is not a sprint but rather a marathon, requiring meticulous preparation and proper allocation of energy and resources to achieve the desired result. This is why we are already investing in the “foundations” today, to pave the way for a better tomorrow.

A handwritten signature in black ink, appearing to read 'M. Konopka'.

Mikolaj Konopka
Member of the Management Board for ESG Compliance

About Us



1

BUSINESS PROFILE

[GRI 2-1, 2-2, 2-6] We are the largest developer in the Polish market - the Company having been founded in 1996. Until the end of 2023, we delivered over 49 thousand apartments.

Dom Development S.A. has been listed on the Warsaw Stock Exchange since 2006, and our shares are included in the mWIG40 index. We are also included in the WIG-ESG, an index comprising the most socially responsible listed companies.

The main area of activity of the Group is the construction and sale of residential real estate.

We offer apartments in multi-family buildings located in the main agglomerations of Poland: in Warsaw, Wrocław, and Cracow, as well as in Tricity, where we operate under our Euro Styl brand.

Our mission is to help our customers to fulfil their dreams of owning their own homes – and it's their sat-

isfaction and peace of mind in which is the main objective of our work.

We are the largest developer in Poland based on assets, revenues, and profits. In terms of profitability, measured by our return on equity, we are number one among Polish real estate WSE listed companies. We are also the largest developer in terms of market capitalisation (PLN 4.3 billion) at the end of 2023.

In addition to the economic aspect, there is also a social aspect to our activities. By following our mission, we contribute directly to the achievement of our Sustainable Development Goals. For us, customer satisfaction is a key performance measure, so we listen carefully to their opinions and follow their needs. We build responsibly, keeping in mind future social and climate-related challenges. We contribute to reducing housing shortages and improving the quality of life of our customers in the major cities of Poland.



The above figures represent sales of units in 2023 and the number of units under construction and in the land bank as at 31 December 2023. Market share based on the market estimates by REDNET Property Group

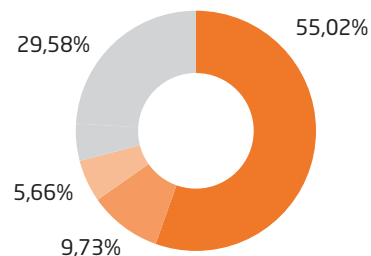
OWNERSHIP STRUCTURE

Dom Development S.A. is the parent company of Dom Development S.A. Capital Group.

The majority stake in the Company is held by Groupe Belleforêt S.à r.l. with its registered office in Luxembourg, which as of 31 December 2023 held 55.02% of the Company's shares. The ultimate parent company of Dom Development S.A. Capital Group is SCOP 2003 Trust, an entity organised under the laws of England and Wales. SCOP 2003 Trust is the sole shareholder in SCOP Luxembourg 2007 S.à r.l., which in turn is the majority shareholder in Groupe Belleforêt S.à r.l.

The ultimate consolidated report is prepared by Groupe Belleforêt S.à r.l.

SHAREHOLDER STRUCTURE



- Groupe Belleforêt S.à r.l.
- PTE Allianz Polska S.A.
- Jarosław Szanajca - President of the Dom Development S.A. Management Board
- Other stakeholders

Ownership structure of Dom Development S.A. Capital Group as of 31 December 2023.



GROUP'S STRUCTURE

The structure of Dom Development S.A. Capital Group as of 31 December 2023 (showing direct and indirect interest of Dom Development S.A. in its subsidiaries):

All the Dom Development S.A. Capital Group companies were registered in Poland and are fully consolidated by the Company.

COMPANY	% OF THE SHARE CAPITAL HELD BY THE PARENT COMPANY	% OF THE VOTES HELD BY THE PARENT COMPANY
Subsidiaries of Dom Development S.A.:		
Euro Styl S.A.	100%	100%
Dom Development Wrocław Sp. z o.o.	100%	100%
Dom Construction Sp. z o.o.	100%	100%
Dom Development Kredyty Sp. z o.o.	100%	100%
Dom Development Kraków 12 Sp. z o.o.	100%	100%
Dom Development Kraków Sp. z o.o.	100%	100%
Dom Development Grunty Sp. z o.o.	46%	100%
Dom Land Sp. z o.o.	-	-
Subsidiaries of Euro Styl S.A.:		
Euro Styl Construction Sp. z o.o.	100%	100%
Euro Styl Montownia Sp. z o.o.	100%	100%
GGI Dolne Miasto Sp. z o.o.	100%	100%
Your Destination Sp. z o.o.	100%	100%
Apartamenty Las Jastarnia Sp. z o.o.	100%	100%
Subsidiaries of Dom Development Kraków Sp. z o.o.:		
Dom Development Kraków 1 Sp. z o.o.	100%	100%



GROUP'S STRATEGY

[GRI 2-22, 2-23, 2-24] The strategic goal of the Dom Development S.A.'s Management Board is to maximise the value of the Company and its Group in

the long term by maintaining its leading position in the residential market in the main agglomerations of the country.

The implementation of this strategy is based on the following pillars:

1.
Sustainable
development

2.
Strong balance
sheet

3.
Business development
and consolidation

4.
ROE
maximisation

As the leader of the housing market in Poland, the Dom Development S.A. Capital Group has a significant influence on spatial governance and quality of life in the agglomerations, where it operates. The Company's Management Board supports sustainable urbanisation by implementing internal standards of investment planning. The design of our apartments, from well thought out common areas to creative architectural solutions, including incorporation of green areas – each of these aspects of our development projects is carefully planned to create a friendly place to live in as well as contributing positively to the urban fabric. Sustainable development activities and goals of Dom Development Group companies are set out in the DOM 2030 ESG STRATEGY.



**SUSTAINABLE
DEVELOPMENT**

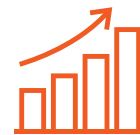
The Company's Management puts particular emphasis on the strong balance sheet of the Company and the Group, and its ample liquidity. Its significant financial resources paired with low debt allows the Management Board to respond with confidence to changing conditions in the real estate development and construction sectors, which are highly cyclical in nature. At the same time thanks to significant cash resources and secured credit lines, the Group companies have an advantage in land market transactions, which often require multi-million PLN payments in a short period of time in order to secure land. In view of the high cost of debt finance, the strong balance sheet and ample liquidity are, in the opinion of the Management Board, a fundamental competitive advantage that enables the Company and its Group subsidiaries to strengthen their respective market position.



**STRONG BALANCE
SHEET**

GROUP'S STRATEGY

The Dom Development S.A. Capital Group is a high-quality organisation with significant development potential. The Company's Management Board recognises the numerous opportunities associated with the further growth of the Group in the main agglomerations of the country. In the coming years, the Company will continue its activities to enhance the Group's position in the Cracow, Wroclaw and Tricity markets. Dom Development S.A. is an undisputed market leader in Warsaw with a market share that has fluctuated around 10% for many years. The Company's Management Board expects that the scale of its operations will gradually increase in the coming years owing to its strong brand, attractive land bank and experience that allows the efficient development of further development projects in this demanding market. Euro Styl S.A. and Dom Development Wrocław Sp. z o.o. have significantly expanded their potential in recent years and are among the top developers in their respective local markets. The Group's activities in these regions are expected to grow further in the coming years. The Cracow market is one of the largest residential markets in Poland both in terms of transaction volumes and price levels. In the opinion of the Management Board of the Company, Cracow is a location with great potential for consolidation in the primary housing market in the future. The Group's activities are aimed at gradual development and strengthening of the local market position in Cracow.



**BUSINESS
DEVELOPMENT
AND CONSOLIDATION**

The Company's Management Board focuses on the long-term maximisation of the return on equity for shareholders by focusing on the profitability of the implemented projects, maintaining adequate scale combine with regular payments of dividends from the Company's profit.



ROE MAXIMISATION



BUSINESS MODEL

[GPW I-P1] Our activities are concentrated in four main Polish markets, where we offer flats in all market segments – from popular, through to upper-standard to premium apartments. The upper-standard segment dominating our portfolio allows us to achieve high margins while maintaining a high scale of business. We subscribe to sustainable governance.

Development companies within the Dom Development S.A. Capital Group have a very similar business model. The role of other Group companies is to support our development activities.

The mainstay of the Group’s business are multi-stage projects with access to urban infrastructure. Our projects shape the urban fabric and add to the infrastructure of these major Polish agglomerations. We are one of the few developers with resources required to carry out such complex and capital-intensive projects.

In 2022, the business model expanded to include the activities of subsidiaries of Euro Styl S.A. in the field of aparthotels and serviced apartments. Once the projects (construction and sale) are completed by the development company, the service for aparthotel suites and serviced apartments is handled by a subsidiary of Euro Styl S.A. (the operator). It carries out sales and marketing activities and provides ancillary services related to rental of units to customers (predominantly) under a short-term lease model. Such a model allows us to increase the likelihood of achieving an optimal margin on sales and service of these units through close supervision and control over the entire process.

Other pillars of our business model are:

- 1. Purchase of land
- 2. Design and securing permits
- 3. Construction
- 4. Sales
- 5. Mortgage advice
- 6. Interior design and fit-out
- 7. Delivery of units
- 8. Dividend

The Group companies actively seek investment land for residential development in Warsaw, Tricity, Cracow and Wrocław. The attractiveness of future project locations is verified at the purchase stage in order to meet the “15-minute city” criteria. Regular purchases of new plots ensure stable and continued operations. According to the Company’s Management Board, the optimum level of the land bank, i.e. land in preparation for development, corresponds to approximately 3-years of sales. In view of the constantly decreasing availability of land and the need to use urbanised areas in a sustainable way, we are implementing more and more projects through the revitalisation of urban spaces.



PURCHASE OF LAND

BUSINESS MODEL

The Group cooperates with recognised architects' offices, paying great attention to the spatial order of the residential estates developed and the functionality of the apartments designed. Our projects meet the highest requirements in terms of energy efficiency, quality of building materials or sustainable development of the project site. A typical project consists of residential buildings with lifts and underground garages and commercial units on the ground floor. All the apartments offered by the Group companies have balconies, terraces, or gardens, and their layouts are carefully designed in accordance with the internal standards. The high-quality offer makes it possible to combine large scale activities with satisfying profitability.



DESIGN AND SECURING PERMITS

The projects are developed by in-house general contractors, which enables the optimisation of project parameters at the design stage, and the very high quality of execution as well as enhancing organisational and cost effectiveness. The general contractors conduct the development by employing specialised subcontractors for specific types of building works. All the Group's projects are built using traditional technology, and the standard lead time is approximately 16-20 months. All our companies are obliged to manage their waste in accordance with applicable regulations, the materials used are of high quality. We do our best to ensure that as much material as possible is sourced from as close to our projects as possible.



CONSTRUCTION

The sale of apartments is carried out directly by Group companies at the sales offices located mostly on project sites and at the premises of our development companies. The Group also provides its customers with the opportunity to meet their account manager online and to conclude transactions remotely. The apartment sale process consists of several stages and payments are made in tranches correlated to the progress of construction works. All of the Group's residential projects have open escrow accounts with leading Polish banks, which are credited with sums paid by customers. The funds are then released to the developer's account proportionally to the progress of construction works, as verified by escrow account banks.



SALES

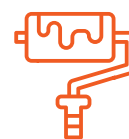
BUSINESS MODEL

In 2023, approximately 41% of the Group's transactions were purchased using mortgage finance. This share increased significantly from 30% in 2022, mainly due to the launch in July 2023 of the "Safe 2% Mortgage" government programme. For 15 years, the Dom Development S.A. Capital Group has been acting as a broker in the process of obtaining loans between apartment buyers and banks. Dom Development Kredyty Sp. z o.o. cooperates with major banks in Poland so that it can provide every customer with a customised offer suited to their individual situation. In 2023, Dom Development Kredyty Sp. z o.o. brokered 957 mortgage loans worth PLN 458.19 million in total. Thanks to the scale of the activities, the company can offer very attractive financing terms tailor-made by the banks to suit the Group's customers.



MORTGAGE ADVICE

The Group companies offer their customers the option to fit-out the apartment according to one of many variations offered or according to their own tailor-made arrangements. The Group also allows modifications to the apartment's design, including the placement of partitioning walls or installations. In 2023, the finishing and fitout works were carried out by the general contractor, which allows for the optimal management of materials and layout design. Layout modifications are supervised by the Group's development companies, which from the customer's perspective significantly simplifies the organisation of work, saves considerable time and enables our customers to have their fitout covered by the developer's warranty. Since 2024, the Group companies have also offered the "Barrier-free Home" fitout package, which increases the comfort and safety of people with reduced mobility.



INTERIOR DESIGN AND FIT-OUT

Finished apartments are handed over to buyers once they pay the full purchase price. In accordance with the International Accounting Standards the handover of a unit allows the recognition of sales revenue and associated expenses. The Company's and the Group's financial results are closely related to the volume and structure of the units handed over to customers in each period.



DELIVERY OF UNITS

Since being listed on the Warsaw Stock Exchange for the first time, Dom Development S.A. has shared its earnings with its shareholders. Over the 17 years since its stock exchange début, the Company has paid more than PLN 2 200 million to shareholders while maintaining a very strong balance sheet and a sufficient cash balance. In 2023, the Company paid PLN 282 million in dividend (69% of the Group's consolidated profit for 2022), i.e. PLN 11 per share. The Management Board of Dom Development also decided to pay an interim dividend for 2023 in the amount of PLN 141 million, i.e. PLN 5.50 per share, to the shareholders in 2023.



DIVIDEND

KEY PERFORMANCE INDICATORS IN 2023



4

MAJOR HOUSING MARKETS
IN POLAND:

Warsaw, Tricity,
Cracow and Wroclaw



642

PERSONS EMPLOYED
IN THE CAPITAL GROUP
(figures as at 31.12.2023)



3 906

UNITS SOLD ON THE
RETAIL MARKET IN 2023

(as at 31.12.2022:
3093 units)

3 831

UNITS DELIVERED
IN 2023

(as at 31.12.2022:
3666 units)

6 708

UNITS UNDER
CONSTRUCTION

(as at 31.12.2022:
5779 units)



**PLN
460 million**

GROUP'S CONSOLIDATED NET PROFIT
(in 2022: PLN 410 million)



PLN 11

DIVIDEND PER SHARE PAID
FROM NET PROFIT
for 2022

**PLN
1.7 billion**

DEFERRED INCOMES
(as at 31.12.2022: PLN 1.6 billion)

32%

GROSS MARGIN ON SALES
(in 2022: 31%)

VALUE CHAIN

[GRI 2-6, 2-8, 204-1] We maintain close relationships with our suppliers and subcontractors to ensure that our development projects are completed efficiently and on schedule in the context of current problems with the sourcing of qualified staff and the challenge to adapt buildings to climate change. We are committed to building lasting relationships with a view to creating partnerships.

For both economic and environmental reasons, we do our best to use building materials manufactured locally. The vast majority of building materials are sourced within a distance not greater than 150 km from the construction site. As a buyer, we insist on the right to audit the supplier, and before deciding on the choice of supplier we visit their respective production plants. The purpose of such visits is to assess the production conditions for materials and the potential for making deliveries.

We work with over two thousand business partners, of which 90% are Polish suppliers of building materials and services.

Dom Development S.A. Capital Group has its in-house general contractors, respectively Dom Construction and Euro Styl Construction. This ensures that the Group's development projects are completed efficiently, on schedule and to the highest standards. It also enables the Group to manage resources on a sound basis and gives it flexibility in adapting to current needs. Thanks to this, we can also exert significant influence over the activities of our subcontractors and the quality and safety of their work. We choose our subcontractors for their quality and timeliness of workmanship. More about the Group's purchases can be found in chapter "Resource use and circular economy".





We attach great importance to timely payment of financial liabilities to our suppliers and subcontractors. This is one of the reasons why they perceive us as a reliable and valued partner with whom they want to work on future development projects. For us, they are the guarantee of proven quality and timeliness.

We have two centralised purchasing departments: in Warsaw and in Gdańsk. They manage supplier relationships and make sure to secure supplies covering all major materials needed in the construction process. Central purchasing allows us to negotiate better terms. This arrangement lets our suppliers:

- enjoy predictability of volumes and revenues,
- have transparent and equal access to the information provided,
- ensure compliance with contractual obligations (in particular payment deadlines).

Due to the specifics of our operations, the construction process is carried out in cooperation with subcontractors. Depending on the phase and the scale of a project, the daily average labour force on our sites is:

- 1360 subcontractor's employees in Warsaw,
- 148 subcontractor's employees in Wrocław,
- 200 subcontractor's employees in Cracow,
- 822 subcontractor's employees in Tricity.

The Code of Conduct for Business Partners is the corporate fundamental from the Capital Group's supply chain perspective. The Code of Conduct was introduced as part of our support measures undertaken by the Company in running our business responsibly. It is a response to environmental and quality requirements set for our business partners, thus enhancing the processes of their compliance verification. The provisions of the said document are periodically reviewed in respect of it being up-to-date with the best market practice and applicable regulations.

INTERESTS AND VIEWS OF STAKEHOLDERS

[GRI 2-29, GPW I-P5] As the Dom Development S.A. Capital Group, we enter relations with different groups of people from our environment with different frequency and in a different way. The process of identifying stakeholders is based on an internal expert anal-

ysis conducted inter alia for non-financial reporting purposes. We have considered the previous materiality assessment and available external documents, namely sector-specific reports.

OUR STAKEHOLDERS

Stakeholders

Employees



Communication channels

- Direct communication
- Workshops, integration meetings, conferences
- Current and periodic appraisal
- Internal email messages
- Intranet

Local communities



- Cooperation with local associations
- Non-Financial Information Report / ESG Reports
- Charity activities / Organization of local events
- Website
- Press releases

Customers



- Customer platform
- Social media
- Customer satisfaction survey (NPS)
- Direct meetings at sales offices
- Email contact
- Phone calls
- Website

Competition



- Conferences
- Meetings at the PZFD (Polish Association of Developers)

Suppliers, subcontractors



- Annual report
- Direct relations with suppliers' employees
- Non-Financial Information Report / ESG Reports
- Contracts
- Website



**Shareholders,
investors,
stock market
and ESG analysts,
banks and financial
institutions**



- Current and periodic reports
- Annual reports
- Non-Financial Information Report / ESG Reports
- Corporate website: www.inwestor.domd.pl
- General Meetings of Shareholders
- Fact to face meeting
- Conferences and tele/video conferences
- Press releases
- Investor Days

Public institutions



- Obtaining approvals, permits, decisions
- Documentation demonstrating compliance with reporting requirements
- Direct meetings
- Non-Financial Information Report / ESG Reports
- Website
- Contracts

PARTNERSHIPS FOR SUSTAINABLE DEVELOPMENT

[GRI 2-28] We are engaged in working with associations, foundations and institutions promoting responsible practices. We are a member of the following organisations:

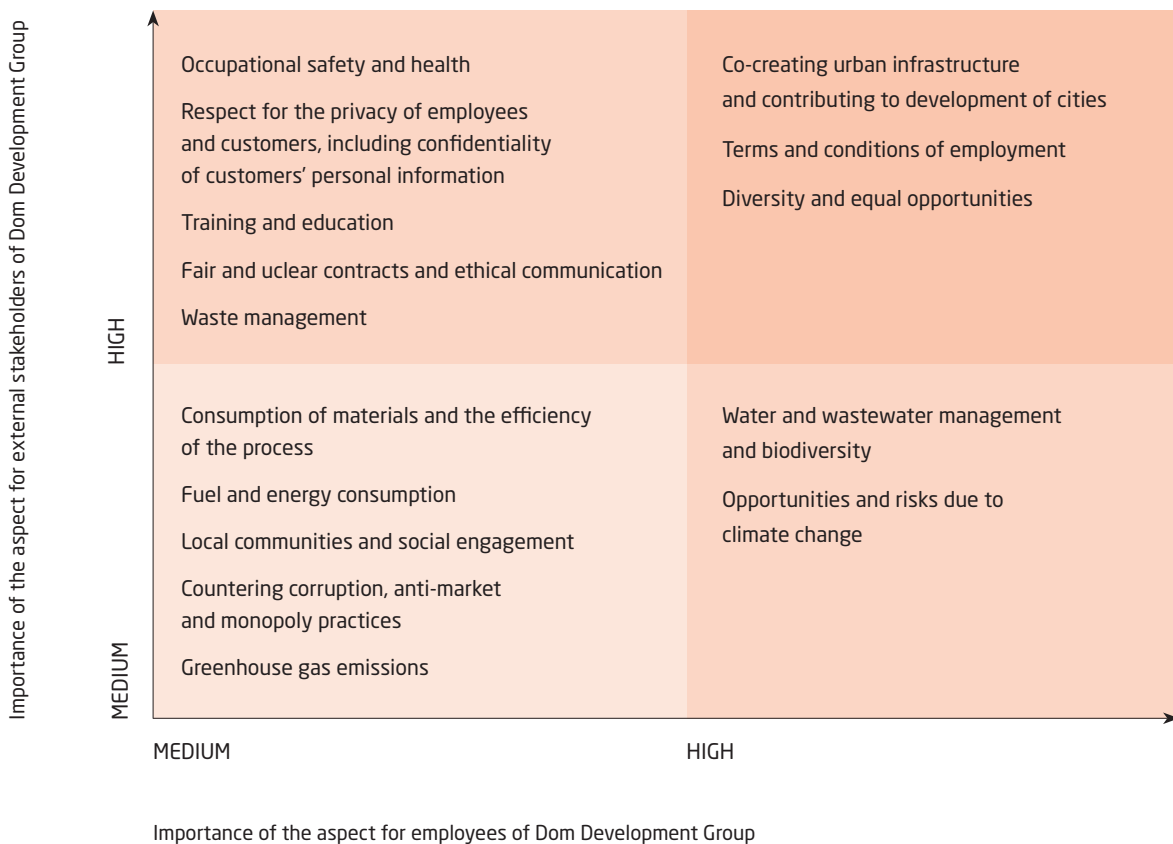


SELECTION OF TOPICS RELEVANT FOR THE DOM DEVELOPMENT S.A. CAPITAL GROUP

[GRI 3-1, 3-2, GPW I-P4] The Dom Development S.A. Capital Group carried out a process that allowed it to identify material topics of responsibility toward its stakeholders, society and environment and define the scope and structure of the report. Through internal discussion we were able to analyse the business model in the context of individual aspects of sustainable development. The factors taken into account included the nature of the sales offer, local markets in which the Group is present, the specificity of the supply chain and

the labour market, as well as the challenges of sustainable development faced by the property development and construction industry. A broad view allowed us not only to make a comprehensive assessment of our business, but also to identify long-term challenges and go beyond the short-term impact on the environment. As a result, we were able to recognise, in addition to the current challenges, also those whose significance will potentially increase in the coming years.

MATRIX OF MATERIALITY OF ESG AREAS FOR THE DOM DEVELOPMENT S.A. GROUP:



SELECTION OF TOPICS RELEVANT FOR THE DOM DEVELOPMENT S.A. CAPITAL GROUP

In the next step, with the involvement of internal and external stakeholders, the previously identified aspects of responsibility have been assessed in terms of their materiality both for the organisation itself and for its environment. The aim was to identify the materiality of such factors from the point of view of the scale and nature of impact. Online surveys were used in the prioritisation process.

The following aspects concerning the environment and the employees gained importance compared to 2022:

- conditions of employment,
- diversity and equal opportunities.

Employees have also begun to recognise the importance of issues pertaining to:

- water and effluent management and biodiversity,
- climate change-related opportunities and risks.

Despite last year's macroeconomic challenges stemming from the conflict in Ukraine which translated into decreased security and availability of goods and services, as well as rising energy prices, stakeholders of the Group have placed less emphasis on the issues concerning consumption of resources, fuels, and energy.

[GRI 2-14] Based on the analyses carried out and supported by the results of consultations with stakeholders, an initial list of indicators has been developed that best describes the results in the areas considered to be key areas. Representatives of the Management Board and shareholders were also involved in the process. The approach adopted, i.e. taking into account the assessment factors indicated above, meets the requirements of the materiality principle of GRI Standards 2021.

Ultimately, the report primarily focuses on the following aspects and GRI standards:

- **Co-creation of urban infrastructure and contribution to the development of cities**
- **Conditions of employment**
- **Diversity and equal opportunity**

The following aspects were also presented:

- Water and effluent management and biodiversity
- Opportunities and risks due to climate change
- Occupational health and safety
- Respect for the privacy of employees and customers, including the confidentiality of customers' personal data
- Development and training
- Fair and clear contracts and ethical communication
- Waste management.



DOM in harmony with nature



2



We build high-quality residential projects in the largest agglomerations of Poland, thus improving the quality of their housing stock, including in terms of energy performance and efficiency.

However, urban development and our operations also entail the development of new areas, affect local ecosystems, while the construction process itself requires the use of significant volume of energy, raw materials, and construction materials.

SUSTAINABLE DEVELOPMENT GOALS



KEY INDICATORS:



95 147

new trees and shrubs planted



179.85 kWp

of total PV power output



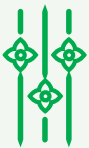
11 000 m²

of green roofs



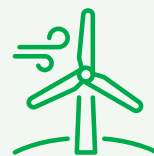
5 300 m²

of rain gardens (SUDS)



44 317

perennials, vines and decorative grass planted



12%

of energy from renewable sources

PURSUING DOM 2030 ESG STRATEGY

In 2023, we implemented the Green Project Card in all Group companies, which is our internal standard that defines environmental requirements, fosters social integration, and aims to improve the quality of life at our residential projects. Currently, each of our projects undergoes verification in terms of meeting the criteria for: attractive location, sustainable design, resilient ecosystem, and barrier-free accessibility. In 2023, 83% of our projects put into construction met the guidelines of the Green Project Card.

Being aware of the impact of development activities on the natural environment, Dom Development Group promotes and engages in activities aimed at revitalizing areas that were previously used for other purposes

(such as former industrial sites). Such areas are often located near to transport and service infrastructure, so their revitalisation through the introduction of a housing function also helps to reduce the harmful phenomenon of so-called urban sprawl.

In the DOM 2030 ESG Strategy, we committed to carrying out revitalisation projects, through which we will recover “forgotten” areas of the cities, endowing them with new functions, for the benefit of local communities.

An excellent example of a project finalised in 2023 is located at Nowodworska 43 in Wrocław. The building is located in the eastern part of the Nowy Dwór housing



estate (formerly the village of Maria Hofchen) at the location of a pre-war housing estate. The original plans for the estate involved the construction of two- and three-story buildings with access to small gardens. The construction of the estate began in the first half of 1938, near a palace. The location, together with farm buildings and a park, served as the central location for the neighbourhood while respecting the rural character of the surrounding areas. The construction was only partially finished due to the outbreak of the war. The war left the building seriously damaged, and it was eventually demolished.

Currently, most of the surviving buildings of the original project have been renovated and are in good technical condition. In many places, home gardens are maintained in line with the original idea.

The Nowodworska 43 project closely follows the historical character of the estate, with special greeneries available to the public and home gardens for the exclusive use of residents planned.

In 2023, a year before the official implementation of the Urban Green Program, together with the town of Rumia, we opened a publicly available recreation area in the Błonia Janowskie in Rumia. Local residents now have access to a playground, a beach volleyball court, a BBQ area and street workout equipment.

Just in 2023, we built more than 400 apartments on degraded land.

In terms of activities minimising the carbon footprint of our business, we purchased almost 4000 MWh of green energy at our construction sites.



OPPORTUNITIES AND RISKS DUE TO CLIMATE CHANGES

[GRI 3-3, 201-2] As extreme weather conditions become more frequent, real property is exposed to both physical and transition risks.

CLIMATE RISKS

PHYSICAL RISKS

including floods, fires, hurricanes, increased ambient temperatures and rising sea levels.

Physical risks are the effects of adverse weather events, including extreme weather events, sea level rise and changing weather conditions. This type of risk also includes social problems that may result from physical operational disruptions.

Climate threats have a few direct and indirect consequences for the real estate sector. Real property is particularly sensitive to climate change due to its permanent location, long service life and potentially expensive or complex smart adaptation.

In the case of real property, both the physical and transition risks associated with climate change have financial implications. Physical risks such as extreme weather conditions, rising temperatures and droughts can lead to increased insurance premiums, higher capex and operating costs and decrease in building values.

Transition risks, which focus on economic, political, and social responses to climate change, could make real properties and even parts of cities less attractive to investors, tenants, and residents due to climate change events. They can also affect infrastructure and supply

TRANSITION RISKS

including the costs of climate regulation compliance, adaptation to new consumer and market behaviours and funding resilient designs for new structures or adaptive retrofitting of existing buildings.

Transition risks are the economic impact of the transition to a low-carbon economy and the resulting changes to regulatory standards and market trends.

Examples include legal, political, technological, market and regulatory risks.

chains. The main risk is the transient risk associated with the decarbonisation of real estate. This results from the changing preferences of investors, customers, and local and national authorities.

The overall level of climate risk for the Group is lower in the short term than in the medium- and long-term perspectives. This is mainly a result of more predictable environment and the actions already taken by the Group in accordance with the DOM 2030 ESG Strategy. In the immediate future, the Group will be most affected by transition risks, particularly those related to regulatory changes. The Group monitors latest EU and national regulations regarding the implementation of the European Green Deal. In the event of regulatory changes, the Group companies will adjust their key strategic and operational assumptions.



After 2030, climate change effects may become more pronounced for the markets in which the Group companies operate. According to scientific studies¹, in the long-term perspective, Warsaw, Cracow and Wrocław will face an increase in the number of days with extremely high temperatures ($T_{max} \geq 25^{\circ}\text{C}$). These changes will be most noticeable in Wrocław, by 2050 it is projected to have six more such days annually compared to the current decade. Rising temperatures will also contribute to the extension of non-precipitation periods with high air temperatures and the intensity of urban heat islands. Another physical risk that the Group companies will face is an increase in average annual precipitation (this phenomenon will be most noticeable in Cracow) and in the number of days with precipitation more than 20mm. These changes will increase the likelihood of:

- river flooding in Warsaw, Cracow and Wrocław,
- sea flooding in the Tri-City,
- flash flooding in the Tri-City.

Dom Development S.A. Group is currently working on an analysis of climate risks for the Group's companies to facilitate good ESG investment decisions which consider the potential impact of climate change on the future value of our assets.

The construction sector has significant potential for positive change and opportunities to increase its resource efficiency, lower environmental impact and im-

prove cost efficiency. Climate change challenges can also create opportunities for Group companies in the longer term. These opportunities involve some costs and require a redesign of the operating models, but in a longer perspective can improve the financial and physical resilience of the sector. The chances and opportunities arising from climate change prevention can be harnessed along the entire value chain. Added value can be created for example through:

- increased investor confidence and better position to attract new investment/financial capital;
- strengthening the brand and reputation;
- acquiring new customers;
- increased efficiency and savings through lower operating costs;
- reduced exposure risk.

New sources of value can be found using low-carbon materials and technologies (such as green concrete or recycled materials) in the construction industry. Value can be created also through the use of renewable energy and more energy-efficient technologies for heating/cooling, lighting and appliances. Innovation in architectural designs and avoiding building in high-risk locations can also produce added value. In the longer perspective, the Group companies can achieve savings as the prices of new materials and technologies fall and the prices of sustainable, low-carbon and climate-resilient buildings increase.

¹ Prepared on the basis of the scenarios of climate change in Poland in the 21st century, prepared by the IEP-NRI as part of the Climate 2.0 project in the RCP 8.5 scenario compared to the 2011-2020 decade (assuming the current rate of growth of GHG emissions) and Urban Adaptation Plans [<https://klimada2.ios.gov.pl/klimat-scenariusze>; accessed on 01. Feb 2024]

ADAPTATION TO CLIMATE CHANGE

Climate change is one of the most pressing global challenges of our time and its effects are felt in various sectors, including construction. Rising temperatures, extreme weather events, changing precipitation patterns and rising sea levels can contribute to significant challenges for the construction industry.

As climate change intensifies, extreme weather events such as heavy rains, floods and storms will become more frequent and more intense. Such events pose a serious threat to conventional building and infrastructure designs. As a result, there is a growing demand for climate-resistant structures that are able to withstand extreme weather conditions. Building materials, designs and construction techniques must be adapted to ensure improved structure durability and safety in the face of changing climatic conditions.

Climate change can also affect building structural features, human living conditions and sewage systems. Dom Development S.A. Group companies prioritise nature-based solutions, as they increase the resilience of projects to the effects of climate change.

[GRI 2-25] ADAPTATION TO THE CLIMATE CHANGE AT DOM DEVELOPMENT GROUP

1. We limit the effect of the urban heat island thanks to the use of bright façades.
2. We use durable and high-quality materials that extend the life of the building.
3. We implement solutions that allow for water retention in urban landscapes. To this end, we adequately plan vegetation arrangement and permeable areas, as well as drain rainwater into open reservoirs.
4. We make drainage systems around buildings, rain gardens, bioretention basins, infiltration swales and green areas that retain water and eliminate the effects of flash floods.
5. We built green roofs, which purify the air, lower the ambient temperature, accumulate rainwater, and contribute to increased biodiversity.
6. We plant companion plants, including hydrophilic and xerophilic plants to reduce air temperature and increase biodiversity.
7. We equip buildings with photovoltaic panels, solar collectors, and heat pumps, ensuring the use of green energy and reducing the cost of power supply to common areas.
8. We use materials that absorb harmful substances, e.g. nitrogen oxides (paints with VOC content of not more than 10g/l, photocatalytic paints, titanium dioxide concrete).

Dom Development S.A. Group has been developing a catalogue of adaptive solutions to reduce the most important identified physical climate threats relevant to activities at the time of building design and construction.

ENVIRONMENTAL PROTECTION

[GRI 2-22, 2-23, 2-24] In the context of climate change, natural environment is one of the Group's priorities. We recognise the responsibility that we have due to the nature of our business, while also recognizing our ability to contribute positively to this transformation. The integrated approach that we have at our Group helps us reduce environmental impact at every stage of project life cycle.

Strategic assumptions for our environmental activities are set out in the DOM 2030 ESG Strategy, which was adopted in 2022. These include:

- reducing emissions as part of scope 1 and 2² by 30% (compared to 2021) per unit under construction by 2030.
- a commitment to revitalise cities and reduce urban sprawl by 2030.
- implementation of the Urban Green Program (according to which we will develop at least one pub-

licly available green area per year in each of our markets) in 2024.

- implementation of the Green Procurement Standard in 2025.
- implementation the Green Project Card in 100% of the projects constructed by 2026.

[GPW E-P5] In 2023, Group companies adopted the Employee Health and Safety and Environmental Policy. The environmental objectives of this Policy include:

- Identification and minimisation of environmental risks arising from the Group's activities.
- Continuous improvements to environmental, health, employee health and safety standards throughout the Group.
- Achieving full compliance of the Group with the implemented employee health and safety and environmental standards by 2030.



² Scope 1 – Direct emissions resulting from the combustion of fuels in stationary installations and the combustion of fuels in cars belonging to the organisation's fleet.
Scope 2 – Indirect emissions resulting from the generation of electricity and heat supplied to the enterprise by the energy supplier.

IN ORDER TO ACHIEVE THE ABOVE OBJECTIVES:

We will prevent pollution, reduce waste, and ensure efficient use of materials, energy, and water.

We will use locally sourced and natural materials with a lower carbon footprint.

We will continue to ensure that all waste, especially hazardous waste, is managed in accordance with the law.

We will minimise noise, road traffic, pollution and disruption to society and local ecosystems, wildlife habitats and heritage conservation.

We will review our activities and identify issues that could have a significant impact on the environment.

We will minimise the risk of environmental events through formulating and adopting appropriate risk management procedures and maintaining the ability to respond to emergencies.

We will engage our supply chain to ensure compliance with this policy.

We will provide the necessary training to enable employees at all levels to understand and contribute to the implementation of this policy.

We will ensure that each of our project has a waste management plan.

[GRI 2-25] In the field of environmental protection, we also cooperate with our business partners. Our Code of Conduct currently requires them to:

- comply with the law as regards the impact of their activities on the natural environment,
- endeavour to reduce the adverse impact of their activities on the environment,
- minimise the generation of waste, reduce the consumption of raw materials, natural resources (includ-

ing water) and limit greenhouse gas emissions associated with its business activities,

- source raw materials in a responsible manner, taking care of the environment and taking into consideration environmental aspects in their operations.

The Code is publicly available at:

<https://inwestor.domd.pl/pl/odpowiedzialny-biznes>



ENERGY CONSUMPTION

[GRI 3-3, 302-1, 302-3, GPW E-P4] The Group's energy demand results primarily from:

- purchase of electricity and heat for construction works,
- administrative operations,
- use of company vehicles.

ENERGY CONSUMPTION STRUCTURE	2023	2022	2021
Consumption of natural gas fuels (MWh)	236.36	190.80	225.85
Consumption of purchased or acquired electricity, heating, steam, and cooling from non-renewable sources (MWh)	28 055,06	26 704,77	35 519,90
Total energy consumption from non-renewable sources (MWh)	28 055.06	26 895.57	35 745.75
Share of non-renewable sources in total energy consumption (%)	87,8%	92.9%	100.0%
Consumption of purchased or acquired electricity, heating, steam, and cooling from renewable sources (MWh)	3 893.43	2 049.00	0.00
Total energy consumption from renewable sources (MWh)	3 893.45	2 049.00	0.00
Share of renewable sources in total energy consumption (%)	12,2%	7.1%	0.0%
Total energy consumption (MWh)	31 948.51	28 944.57	35 745.75
Energy intensity (MWh/PLN)³	0.07	0.07	0.11

Data stated by the location-based method.



³ Calculated as total energy consumption per net profit.

The Group companies are already implementing measures to reduce energy consumption, and therefore emissions through:

- purchasing renewable energy,
- successive replacement of fleet with low emission vehicles,
- daily building and raising of environmental awareness among employees.

The activities of property administrators also contribute to reductions of energy consumption in the offices of the Group's companies. The most important of those are:

- modernisation of lighting control – installation of motion sensors in bathrooms throughout the building and installation of LED lighting in entrance areas,
- installation of central HVAC controllers, setting temperature ranges depending on the season,
- optimisation of the operating time of HVAC units and setting the temperature range,
- limiting the lighting to operating hours.

In 2023, the Group increased its total energy consumption compared to 2022. The increase was directly related to the significant increase in the Group's scale of operations and the resulting greater demand for energy. What is important is that the efforts to improve energy efficiency at the Group are effective, and as such the Group's energy intensity in relation to its revenues (despite the increase in the scale of operations) should be maintained in 2023 at the level of 2022, i.e. 0.07 MWh/PLN.

In 2023, the percentage of energy from renewable sources in the Group's total energy purchases increased by 5% points (to 12%) compared to the previous year. This is evidenced by the guarantees of origin which have been provided by our energy suppliers. The share of renewable sources in our total energy consumption mix is currently insignificant but will gradually increase in the coming years.



GREENHOUSE GAS EMISSIONS

[GRI 3-3, 305-1, 305-2, 305-4, GPW E-P2, GPW E-P3] Scope 1 emissions are direct emissions from sources and activities owned or controlled by Dom Development Group. These emissions include the following sources:

- combustion of fuels such as natural gas and heating oil in stationary sources,

- combustion of fuel such as diesel oil used in mobile equipment and generators,
- combustion of fuels such as diesel or petrol in the vehicle fleet,
- accidental emissions such as leaks from air conditioning equipment.

FLEET USED BY DOM DEVELOPMENT GROUP

	2023	2022
Number of petrol cars	188	170
Number of diesel cars	19	31
Number of hybrid cars	48	31

Scope 2 emissions are indirect greenhouse gas emissions that are a consequence of the Group's activities. The GHG protocol classifies them as emissions from the generation of purchased electricity, heating, steam, and cooling. As in the last year, Dom Development S.A. Group reports emissions according to two methodologies of accounting for greenhouse gas emissions: the market-based method and the location-based method. The location-based method reveals emissions from electricity consumption that the Group emits indirectly, while the market-based method distinguishes emissions for which we are responsible due to our decisions regarding the purchase of electricity from renewable sources.

Scope 3 emissions are other indirect greenhouse gas emissions that are a consequence of the Group's activities but occur from sources that are not owned or controlled by the Group. The Group companies are preparing a process to measure and report Scope 3 emissions.

We are already trying to improve the energy efficiency of transport to and on site of our projects. We have been instructing our subcontractors to reduce to a minimum the idling time of internal combustion engines of construction machinery and equipment and to limit vehicle speeds at the construction sites. We

have also been improving the energy efficiency of lighting installations at the construction sites. We use zone lighting that switches off in the daytime and energy-saving LED lights.

As our efforts to reduce emissions from our activities continue, the decarbonisation of concrete used by us is crucial to our ambitions. In order to reduce the emission factor for our buildings, we have been gradually increasing the use of low-carbon concrete in our projects.

However, the most important issue is related to the use of housing estates built by Dom Development Group throughout their life cycle. In terms of reducing the operational carbon footprint of our buildings, we install:

- roof-top photovoltaic panels,
- heat pumps and solar collectors,
- in common parts: motion/twilight sensors and energy-saving LED lighting,
- lifts with energy recovery system.

The use of low carbon and high-quality building materials by us ensures lower energy consumption in housing estates, but the dominance of fossil fuels in the national energy mix results in relatively high emission footprint of buildings.

CO₂ EMISSION [305-1, 305-2]

Emission type	Year 2021						
	Total	CO ₂	CH ₄	N ₂ O	HFCs	PFCs	SF ₆
	(MgCO ₂ e)	(Mg)	(Mg)	(Mg)	(Mg)	(Mg)	(Mg)
Direct emissions from stationary combustion	88.462	45.613	0.000	0.000	0.000	0.000	0.000
Direct emissions from mobile combustion	456.164	451.902	0.926	3.493	0.000	0.000	0.000
Scope 1, total	544.626	497.515	0.926	3.493	0.000	0.000	0.000
Indirect emissions from purchased/acquired electricity [location based]	6 034.731	6 034.731	0.000	0.000	0.000	0.000	0.000
Indirect emissions from purchased/acquired electricity [market based]	5 381.852	5 381.852	0.000	0.000	0.000	0.000	0.000
Indirect emissions from purchased/acquired heating	9 116.377	9 116.377	0.000	0.000	0.000	0.000	0.000
Scope 2, total [location based]	15 151.11	15 151.11	0.000	0.000	0.000	0.000	0.000
Scope 2, total [market based]	14 498.23	14 498.23	0.000	0.000	0.000	0.000	0.000
Emission factor (Scope 1+2 GHG emissions/number of units under construction)	2.65 MgCO ₂ e/flat						
Emission type	Year 2022						
	Total	CO ₂	CH ₄	N ₂ O	HFCs	PFCs	SF ₆
	(MgCO ₂ e)	(Mg)	(Mg)	(Mg)	(Mg)	(Mg)	(Mg)
Direct emissions from stationary combustion	38.59	38.52	0.05	0.02	0.00	0.00	0.00
Direct emissions from mobile combustion	505.90	505.90	0.00	0.00	0.00	0.00	0.00
Scope 1, total	544.49	544.42	0.05	0.02	0.00	0.00	0.00
Indirect emissions from purchased/acquired electricity [location based]	5 089.58	5 089.58	0.00	0.00	0.00	0.00	0.00
Indirect emissions from purchased/acquired electricity [market based]	3 461.77	3 461.77	0.00	0.00	0.00	0.00	0.00
Indirect emissions from purchased/acquired heating	7 757.32	7 757.32	0.00	0.00	0.00	0.00	0.00
Scope 2, total [location based]	12 846.90	12 846.90	0.00	0.00	0.00	0.00	0.00
Scope 2, total [market based]	11 219.09	11 219.09	0.00	0.00	0.00	0.00	0.00
Emission factor (Scope 1+2 GHG emissions/number of units under construction)	2.32 MgCO ₂ e/flat						
Emission type	Year 2023						
	Total	CO ₂	CH ₄	N ₂ O	HFCs	PFCs	SF ₆
	(MgCO ₂ e)	(Mg)	(Mg)	(Mg)	(Mg)	(Mg)	(Mg)
Direct emissions from stationary combustion	47.81	47.72	0.07	0.03	0.00	0.00	0.00
Direct emissions from mobile combustion	574.03	574.03	0.00	0.00	0.00	0.00	0.00
Scope 1, total	621.84	621.75	0.07	0.03	0.00	0.00	0.00
Indirect emissions from purchased/acquired electricity [location based]	5 805.57	5 805.57	0.00	0.00	0.00	0.00	0.00
Indirect emissions from purchased/acquired electricity [market based]	3 234.05	3 234.05	0.00	0.00	0.00	0.00	0.00
Indirect emissions from purchased/acquired heating	6 770.95	6 770.95	0.00	0.00	0.00	0.00	0.00
Scope 2, total [location based]	12 576.52	12 576.52	0.00	0.00	0.00	0.00	0.00
Scope 2, total [market based]	10 005.01	10 005.01	0.00	0.00	0.00	0.00	0.00
Emission factor (Scope 1+2 GHG emissions/number of units under construction)	1.97 MgCO ₂ e/flat						

The emissions presented in the tables are not subject to regulated emissions trading systems.
The methodology for calculating GHG emissions is described in chapter „Rules for reporting greenhouse gas emissions“.

WATER RESOURCES

[GRI 3-3, 303-3, GPW E-D1] In our operations, we use water primarily for construction works, such as bonding mixture in concrete, masonry and plastering processes or the curing of concrete in summer. We also supply water to our projects for domestic and fire protection purposes as well as use water for demolition works (to prevent excessive dust). The water used comes primarily from municipal mains. We do not source water from surface waters or seas. Sewage drainage systems (plumbing and mechanical systems) discharge wastewater to municipal sewer networks, and subsequently into municipal treatment plants. We do not discharge wastewater directly into the environment. Rainwater is managed, as prescribed in the applicable regulations, within the construction project or discharged into municipal sewer networks.

Water management at our sites can be done in two ways (depending on the soil and water conditions in each area):

- with the use of technical means: retention reservoirs (including tubular ones) or drainage boxes, which ensure gradual drainage of rainwater and its distribution throughout soil,
- with the use of natural means: through the arrangement of rain gardens, which have a positive impact on biodiversity⁴, and/or green roofs, which facilitate rainwater retention.

Wastewater from garage floor undergoes additional treatment in oil separators. Changes in water consumption in our operations are associated with different stages of construction projects.



⁴ Rain gardens (SUDS):

- reduce the need to water nearby plants, thus reducing consumption of water from the mains,
- reduce the temperature of the immediate environment in summer,
- contribute to increasing the amount of water in the environment,
- prevent the lowering of groundwater levels and local flooding during torrential rains,
- they create a microclimate, attract insects and small animals,
- through properly selected vegetation, they purify water and soil.



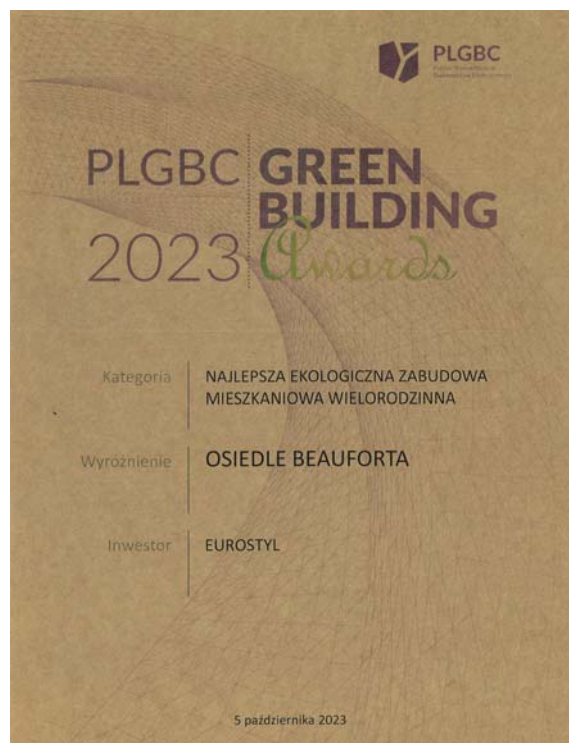
WATER DEMAND

Lokalizacja	j.m	2023		2022		2021	
		in total:	Water stress level*	in total:	Water stress level*	in total:	Water stress level*
Purchased water (water mains)							
Warsaw	m ³	14 335.84	Low (<10%);	17 408.51*	Low (<10%);	23 600.91	Low (<10%);
Cracow	m ³	4 367.00	Medium – High (20-40%)	2 370.71	Medium (10-20%)	303.56	Medium (10-20%)
Tricity	m ³	33 977.70	Medium – High (20-40%)	21 083.90	Low (<10%);	22 112.00	Low (<10%);
Wroclaw	m ³	9 355.01	Low (<10%);	7 604.40	Medium (10-20%)	7 268.99	Medium (10-20%)

* according to the Aqueduct Water Risk Atlas (World Resources Institute)

None of our projects are located in an area of high or very high-water stress. The Group companies do not buy water from areas subject to high and very high-water stress⁵. In 2023, the Cracow and Tricity areas became more exposed (20-40%) to water stress than in previous years.

During the last year we have introduced various types of solutions increasing retention in 10 of our projects. We also make efforts to reuse water, for example, to water green areas. We have implemented such a solution in two Warsaw projects – Dom na Służewcu and Osiedle Boksterska. When a site irrigation system is connected to the retention system, the former draws water first from retention tanks, thanks to automation and humidity sensors, to water green areas.



⁵ A situation in which the amount of adequate quality water available is not sufficient to meet the needs of people and the environment [in:] Water resources across Europe – confronting water stress: an updated assessment. EEA Report 12/2021

BIODIVERSITY

[GRI 3-3, 304-2, 413-2, GPW E-D3] Biodiversity plays an important role in our cities as it helps improve air quality, provides resilience to climate change, increases recreational appeal, and supports the well-being of residents. We implement solutions that create habitats for local flora and fauna, create more green areas and add to the beauty of urban landscape. These include protecting valuable trees, making use of the humus layer on the project site, and not planting foreign species.

Some of the major factors in biodiversity loss are water, soil, and air pollution. In our activities, the scope of environmental impact of a project is local (limited to the construction site), and the nuisance is temporary and reversible. Any issues related to the environmental impact of our projects and activities are always subject to applicable administrative decisions.





The impacts of our property development project, and the related demolitions mostly include:

1. NOISE NUISANCE

Our projects at the stage of construction and/or demolition cause additional noise nuisance only when specific types of construction works are performed. These can be caused by the operation of construction machinery and heavy vehicles that deliver construction materials.

3. IMPACT ON SURFACE WATER

During construction, only domestic wastewater related to activities at the construction site is produced. Wastewater is collected in portable toilets with sealed tanks that prevent the discharge of wastewater to the soil. Wastewater is then collected and handled by specialised external entities.

2. FLUE GAS EMISSIONS

In the course of construction and/or demolition works, pollutants are emitted into the atmosphere in the form of exhaust gases (produced by the engines of operating machinery and means of transport) and dust (produced by the operation of construction machinery and equipment). These pollutants do not pose a risk to human health or life as they do not exceed the permissible concentrations of pollutants in the air.⁶ Such emissions are local to the construction site.

4. TRANSFORMATION OF LAND SURFACE AND SOIL

During construction, soil structure may be disturbed because of:

- earthworks,
- temporary use of the area for construction site temporary structures,
- removal of the top layer of humus before making embankments.

⁶ In accordance with the levels specified in the Ordinance of the Minister of the Environment concerning the levels of certain substances in the air of 24 August 2012 (Journal of Laws of 2012, item 1031)

In justified cases⁷, we are required to perform remediation in accordance with the method specified in the applicable administrative decisions issued by regional environmental authorities. In each case, contaminated soil is transferred to authorised entities outside the site and replaced with imported clean soil.

In 2023, no significant environmental pollution incidents related to the leakage of hazardous substances were identified at any of the Group’s companies. We are making efforts to ensure that every construction site is equipped with the means to neutralise leaks of fuel and/or construction chemicals, such as: hydrophobic loose absorbents, hydrophobic absorbent mats in sheets or rolls, absorbent pillows, and sleeves or bio-preparations.

As a capital group with in-house general contractors, we want to limit our environmental impact when carrying out our projects. Accordingly, we take many actions to minimise our impact on the environment. These include:

- using properly maintained construction equipment and machinery that is in good technical condition,
- efficient site management to keep to a minimum the footprint of construction works and temporary site structures,

- spraying the ground with water to reduce dust during periods of no rain when carrying out earthworks and/or demolition works,
- reusing the topsoil layer.

We organise the construction site temporary structures to protect the ground from possible contamination:

- we harden the ground where the temporary structures are to be located or we locate them on developed and/or anthropogenically transformed sites,
- we secure the parking areas for machinery and/or vehicles operating at the construction site against the possible penetration of harmful substances into the soil or water environment (e.g. through hardening or sealing the surface),
- we transport construction materials mainly via existing transportation routes,
- we keep the construction site and access roads clean, e.g. through cleaning the wheels of vehicles leaving the site,
- we secure the sewage wells,
- we drain rainwater from the construction site through a sand separator or a settling tank.

ACTIVITIES TO PROTECT FLORA AND FAUNA AT THE CONSTRUCTION SITE



Locating parking spaces and construction site temporary structures outside wildlife habitats, protected areas, and wetlands.



Carrying out construction works involving the removal of the surface layer of soil, cutting trees and shrubs outside the breeding season of birds (i.e. excluding the period from 1 March to 15 September).



Locating storage areas for excavated soil, aggregates, building materials, waste, and access roads outside the range of the crowns of trees and shrubs.



Protecting the trunks of trees not intended to be cut that are located at the site of the works.

⁷ – when we acquire the title to a post-industrial property
 – when we are dealing with historical pollution of surface soil (according to the Environmental Protection Act)






RESOURCE USE AND CIRCULAR ECONOMY

[GRI 3-3, GPW E-D4] Circular economy is a systemic solution that addresses challenges such as climate change, biodiversity loss, waste, and pollution. It is a resilient system that is good for business, people, and the environment.

Our objectives and activities related to the circular economy will be presented in a structured manner in the Green Procurement Standard in 2025, in line with the DOM 2030 ESG strategy.

At Dom Development Group, we are already consistently implementing the principles of the circular economy. Our activities are based on building awareness of our employees, which is why, as was the case in 2022, we conducted a series of internal trainings covering the subject of waste management in compliance with the provisions of law and issues of sustainable development at Dom Development Group.

Activities in the field of the circular economy conducted at Dom Development Group are presented in accordance with the ReSOLVE model.⁸

REGENERATE		Circular supply – use and purchase of RES energy
SHARE		Product as a Service: printing services, rental of small equipment, platforms, mobile cranes, chargers, containers, fences
OPTIMISE		<ul style="list-style-type: none"> • Internal resale of furniture, cars • Reduction of waste in the production process • Use of prefabricated elements • The right work sequence, which helps to avoid corrective actions and reduces the volume of generated waste • Solutions to reduce consumption of materials • Increase of asset lifetime
LOOP		Reuse of materials (formwork, humus layer, rubble, metal fences, sales pavilions, materials for hardening construction sites and technical roads)
VIRTUALISE		<ul style="list-style-type: none"> • Electronic document flow • Improvement of the fault review process with the use of mobile devices and a dedicated application • BIM 360 – a technology based on an intelligent model and available on a cloud platform. It integrates structured multi-industry data, enabling the creation of detailed digital representations of a resource throughout its development cycle

⁸ The diagram of the model was presented in the report: „Growth Within: A Circular Economy Vision for a Competitive Europe“ prepared jointly by: Ellen MacArthur Foundation, Stiftungsfonds für Umweltökonomie und Nachhaltigkeit (SUN) and McKinsey Center for Business and Environment

In 2023, we once again organised a collection of used workwear and personal protective equipment in Warsaw, Wrocław and Cracow. We collected a total of 120 kg of waste with code 15 02 03, which was two times more than during the previous event. The used items were collected by an authorised entity and handed over for processing.

[GRI 3-3] The Group companies have strong local roots in the regions where they operate. In our projects, we employ local suppliers and subcontractors, which contributes to the socio-economic development of the region. We are committed to promoting sustainable and long-term relationships with our suppliers and subcontractors, in particular through constructive and continuous dialogue.

We are already looking for innovative, low-emission solutions that support the environment, combat climate change, and facilitate the energy transformation. The purpose of these activities is not only to prevent risks, but also to continue strengthening the environmental effectiveness of our purchases.

We promote green attitudes in our supply chain, obliging business partners to conduct business in a way that minimises negative environmental impacts.

Our subcontractors are already obliged to comply with the rules adopted by us on an equal basis, for example:

- explain to their employees the rules of waste management at the construction site, including compliance with the rules of waste separation and proper storage of hazardous waste,
- carry out the work in the right order to avoid generating waste and minimise the need for mitigating activities,
- store building materials properly to protect them from the elements and thus avoid waste.

Purchases are a key source of the Group's performance. Purchasing processes must understandably always attempt to optimise costs, secure deliveries, and manage risk effectively while building long-term relationships with strategic partners. This approach is in line with the Group's objective of continuously increasing its performance and efficiency.

Purchases can contribute to the Group's environmental, social, and ethical goals only through close cooperation and being a responsible partner.

[GRI 3-3, 301-1] Sound use of materials is important in the approach to sustainable development in our projects. The main non-renewable materials used by us on construction sites are construction reinforcements, sand-lime-blocks and clay blocks.

MATERIAL CONSUMPTION	UoM	2023	2022	2021
Renewable materials				
timber	m ³	159.97	31.25	23.47
shuttering plywood	m ³	58.91	20.72	227.98
OSB	m ³	276.69	22.26	45.69
shipping pallet	pcs.	22 487.00	15 972.00	14 440.44
Non-renewable materials				
construction reinforcement	kg	24 263 594.67	18 195 380.03	13 915 756.59
concrete	m ³	246 417.27	187 414.73	163 742.15
sand-lime blocks	pcs.	3 894 221.00	997 669.69	2 440 634.64
concrete blocks	pcs.	172 912.00	79 232.00	243 737.50
clay blocks	pcs.	445 427.00	381 581.00	521 884.40
XPS	m ³	410.57	835.27	4 585.91
precast concrete balconies	m ²	2 038.61	4 213.15	4 656.27
bricks (clay and clinker)	pcs.	71 919.00	32 680.00	20 662.00

The above figures relate to materials purchased in all markets where the Group operated in 2021, 2022 and 2023.



[GRI 3-3, 306-1, 306-2, 306-3] Waste generated by the Group depends mostly on the number of property development projects being carried out. The waste is generated mainly during construction and demolition works.

In each project, waste management is done in a manner ensuring the protection of human life and health and environment, in accordance with the Environmental Protection Act⁹ and the Waste Act.¹⁰ Firstly, we reduce the generation of waste at the construction site by applying all possible measures to mitigate waste generation (such as using appropriate raw materials and resources) and to keep its amount as low as possible (through separate collection of waste or its immediate reuse at the project site).

Waste management process at construction sites is planned during the drafting of the Safety and Health Protection Plan (SHPP), which includes a Waste Management Plan and is drafted for each project.

Waste generated when carrying out the project is separated and stored separately in separate locations on a watertight surface, in clearly marked containers. We do not store any waste, in particular hazardous waste, long-term.

We dispose transfer generated waste only to entities that have a licence to collect and process waste. Each entity receiving waste from us must have an active BDO (Waste Database) number. This ensures that our waste is reused and returned to economic circulation.

[GRI 306-3] The largest percentage of waste generated at construction sites is mixed construction, renovation, and demolition waste (waste code 17 09 04). In the Group's opinion, the total of waste generated is still too high. The Group companies will strive to gradually reduce it, mainly through:

- adaptation to new requirements concerning the separation of construction and demolition waste¹¹,
- introduction of regular training and inspections of own and subcontractors' employees concerning appropriate waste separation,
- eventual penalties for non-compliance,
- reuse of materials available at the construction sites (e.g. by treating demolition debris as a building material if it has the right parameters).

According to the current interpretation of the law, all material exported from the construction site is considered waste and thus is subject to strict legal procedures. The reuse of waste as building materials involves a number of inspections and meeting of technical requirements.

⁹ Journal of Laws 2001, item 627, as amended

¹⁰ Journal of Laws 2013, item 21, as amended

¹¹ From 01 Jan 2025, the obligation to separately collect, pick up and sort construction and demolition waste should cover at least such waste fractions as: wood, metals, glass, plastics, gypsum, mineral waste (including concrete, brick, tiles and ceramic materials and stone).

WASTE GENERATED

Non-hazardous waste	code	UoM	2023	2022	2021
Brick rubble	17 01 02	ton	685.56	1 137.59	1 291.27
Insulation materials, other than those mentioned in 17 06 01 and 17 06 03	17 06 04	ton	17.62	11.34	83.00
Dredging spoil, other than that listed in 17 05 05	17 05 06	ton	-	-	4.50
Mixed construction, repair and dismantle waste, other than those mentioned in 17 09 01, 17 09 02, 17 09 03*	17 09 04	ton	18 534.10	17 646.19	26 560.99
Mixed household waste	20 03 01	ton	-	0.70	10.69
Wood	17 02 01	ton	629.88	749.00	3 582.20
Mixed concrete, bricks, tiles and ceramics waste and element of equipment, other than those mentioned in 17 01 06	17 01 07	ton	1 523.70	573.37	242.74
Plastics	17 02 03	ton	15.38	122.92	146.77
Soil and stones, other than that listed in 17 05 05	17 05 04	ton	19.00	-	2 538.00
Absorbents, filter materials, wiping cloths and protective clothing, other than those mentioned in 15 02 02	15 02 03	ton	0.24	-	0.06
Paper and cardboard packaging	15 01 01	ton	2.88	1.28	17.72
Concrete waste and concrete debris from demolition and renovation	17 01 01	ton	1 120.62	2 025.52	592.29
Plastic packaging	15 01 02	ton	0.90	-	1.77
Plastics	20 01 39	ton	-	-	0.49
Waste building paper/felt	17 03 80	ton	155.86	0.40	84.72
Wooden packaging	15 01 03	ton	0.24	9.52	-
Removed plaster, wallpaper, veneer, etc.	17 01 80	ton	-	70.02	-
Iron and steel	17 04 05	ton	8.00	12.34	-
Gypsum-based construction materials, other than those mentioned in 17 08 01	17 08 02	ton	-	3.20	-
Paper and cardboard	19 12 01	ton	-	13.72	-
Total		ton	22 713.98	22 377.11	35 157.21
Hazardous waste					
Packaging containing residues of or contaminated by hazardous substances (e.g. plant protection products with toxicity class 1 and 2 – very toxic and toxic)	15 01 10*	ton	2.00	-	0.50
Metallic packaging containing a hazardous solid porous matrix (for example asbestos), including empty pressure containers	15 01 11*	ton	0.36	0.14	-
Other wastes containing hazardous substances	19 02 11*	ton	-	0.80	2.00
Metal waste contaminated with hazardous substances	17 04 09*	ton	-	1.80	1.00
Other wastes containing hazardous substances	11 02 07*	ton	-	-	4.34
Glass, plastic and wood containing or contaminated with hazardous substances (e.g. railway sleepers)	17 02 04*	ton	-	-	1.00
Total		ton	2.36	2.74	8.84

The list contains all types of waste listed in the BDO (Waste Database) system for companies: Dom Construction Sp. z o.o. and Euro Styl Construction Sp. z o.o.

DIGITALISATION

One of the areas of focus for Dom Development S.A. Capital Group is the digitalisation of operations. We have observed the growing impact of technology on the experience of customers, employees, and business partners. Automation of processes is of particular importance here due to the use of data analysis and cloud solutions. We believe that automated processes are efficient, consistent, and more accurate. This has resulted in continuous improvements to the quality of our services and freeing the time and potential of employees for more creative tasks generating greater value. We employ the potential of digitalisation to improve efficiency, optimise resources and reduce the environmental impact of our activities.

The Group companies support an innovative approach to construction through the development and use of modern technologies.

The Group's projects employ the BIM (Building Information Modelling) methodology. Designing building information in the BIM involves more than just preparing a digital model of a 3D project. It is, above all, a new

approach to designing, developing, and managing projects to increase reliability, shorten lead times and control costs. Appropriate BIM tools, such as Common Data Environment (CDE) platforms, enable all stakeholders to actively participate in the project and support decision-making processes. In 2023, there were more than 800 active users on the platform used by the Group. All processes related to the preparation of documentation for the Group's projects are handled using a single platform, which we also use to support selected processes when carrying out our projects. These include:

- updating design documents,
- communication between the general contractor and designers regarding design-related questions,
- approving documents related to building materials,
- inspections of apartments and common areas.

The platform can be accessed at construction sites using mobile devices, including tablets, which makes access to building information easier and allows a significant reduction in the printing of hard copies of documentation.



DOM is people



3



By delivering housing stock and related infrastructure, we support the development of cities. The agglomerations in which we operate have experienced a significant shortage of housing and a positive migration balance. It is the objective of the Dom Development S.A. Capital Group to build housing projects that form high quality urban conurbation with access to all necessary services, green areas, and recreational space.

The direct contribution of residential development to Poland's GDP growth is 1.6% points and the entire construction sector accounts for more than 5% of the GDP. Construction companies are also responsible for creating strong multiplier effects, as construction activities generate demand in many related industries. Accordingly, the actual impact of Polish construction sector on Poland's economy may be as high as 12% – 15% of GDP taking into account the interrelations with other industries.

KEY RESULTS:

  **71 NPS**
 
  maintaining a high level of customer satisfaction

 nearly **PLN 5 million**
 in assistance to people affected by the war in Ukraine

 **642 people**
 employment in the Group at the end of 2023

A large proportion of our profits contribute to society through taxes we pay. In 2023, the companies operating within the Dom Development S.A. Capital Group paid PLN 148 million of CIT to the state budget.


We are a major player in the labour market. In the entire Dom Development Group, we employ 642 people, and indirectly provide work for employees of our subcontractors and suppliers of building materials. As a withholding agent responsible for the correct settlement and payment of withholding tax on salaries, in 2023 we paid on behalf of our employees more than PLN 21 million of withholding tax on PIT.

SUSTAINABLE DEVELOPMENT GOALS



 **100%**
 of apartments delivered to clients by the deadlines specified in the agreement

 the sales **leader**
 in the Warsaw market and a leading developer in other markets

 **86%**
 projektów Grupy spełnia kryteria miasta 15-minutowego

(as at 31.12.2023)

PURSUING DOM 2030 ESG STRATEGY

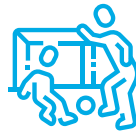
We feel responsible for our environment and try to share the resources we have developed. We have been actively supporting local communities in the education, sports, activation of senior citizens and housing areas for many years. Therefore, in 2023, the Group's

companies, in pursuance of the chosen goal, adopted local CSR Strategies, which systematised our previous activities and helped to define long-term directions in this area.

The company strategies focus on three main pillars:



Implementation
of local prosocial projects



Support
for sport and culture



Sharing
our expertise

Further information concerning our CSR activities can be found in the chapter "Social Engagement".

It is our objective as regards customer relations to maintain our leading position in terms of customer satisfaction as measured by the Net Promoter Score (NPS). We outsource independent feedback research across all our projects, and we analyse customer responses carefully and implement possible improvements. In 2023, our NPS stood at 71 points. The average NPS for the industry in the United Kingdom was 42 points in 2023.

A long-term perspective is also important to us. Our objective is also to meet the criteria of the 15-minute City in 90% of our projects by 2030.

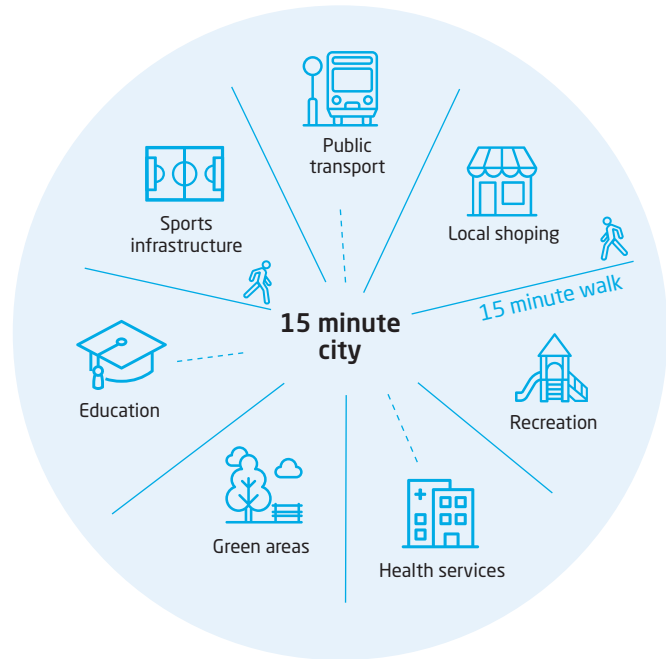
The Carlos Moreno's concept calls for a change in urban infrastructure to create multi-functional city districts. It is based on the belief that the quality of life in the city is inversely proportional to the amount of time spent in transit, in particular in a car. Accordingly, it involves providing residents with access to basic services within a short walking distance.





SEVEN MAIN CRITERIA FOR DETERMINING THE ATTRACTIVENESS OF A LOCATION HAVE BEEN DEFINED:

1. Public transport: bus, tram, metro, and light rail stops, long-distance railway stations, bicycle-sharing stations, car-sharing bases.
2. Local shopping: small retail, shopping malls, supermarkets, drugstores, deli, bakeries, post offices.
3. Entertainment and recreation: cinemas, theatres, dining, playgrounds
4. Healthcare: hospitals, surgeries, doctors' practice establishments, pharmacies
5. Education: nurseries, preschools, primary schools, secondary schools, universities, libraries
6. Green areas: urban parks, pocket parks, green spaces, gardens, woods
7. Sports infrastructure: sports fields, skate parks, tennis courts



Each of our projects must have access to at least one mean of public transport and at least two elements of each type listed above.



” Since 2022, each time we purchase a property, we analyse our projects in terms of the 15-minute city concept. This approach helps us to create attractive places for our customers. It promotes integration, improves the quality of life, and has a positive impact on the development of city districts. ‘The 15-minute city concept allows us to reconcile sustainable development with activities aimed at shaping new models of life, work and rest.’

Justyna Wilk, Dom Development S.A.

Every year a summary report is prepared, which indicates how many of our Group's projects meet the criteria of the 15-minute city.¹²

Year	Warsaw	Wroclaw	Tricity	Cracow	Capital Group
2022	93%	100%	86%	100%	93%
2023	71%	89%	100%	100%	86%

¹² The report includes only projects where construction works started in the year concerned.

EMPLOYEE RELATIONS

[GRI 2-7, 2-8, 2-30, 3-3, 401-1, 401-2, GPW S-P2] Human Relations in Warsaw, Wrocław and Cracow is managed by the HR Director of Dom Development Group, who reports to the President of the Management Board of Dom Development S.A.

Human Relations in our Tri-City companies is managed by the Financial Director of Euro Styl S.A., who reports to the President of the Management Board of Euro Styl S.A.

The human capital management process in the Group focuses on acquiring, developing, and maintaining competences that are crucial for the effectiveness of the organisation and achieving the Group's strategic goals, and internal rules are based on regulations that are drafted taking into account best market practices and generally applicable laws.

Internal documents in this area prioritise equal treatment of employees in human resources processes, promotion of ethical values, lack of tolerance for malpractice, creating an appropriate atmosphere and organisational culture, respecting diversity in the workplace and the belief in the potential and opportunities of both young people who are taking their first steps in the professional world, as well as experienced people whose knowledge and work experience can support younger employees.

We are convinced that the development of our Group greatly depends on the knowledge, competence, experience, and commitment of our employees.

In accordance with the schedule set forth in the DOM 2030 ESG Strategy, in 2025 we intend to implement the Dom Development Group HR Strategy. Its scope





will include, among others, a system for monitoring pay gap and will allow us to manage the development of employees more effectively. This policy will be compliant with relevant internationally recognised standards, including the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. We already respect and comply with human rights, including those concerning the prohibition of child and minor labour. We strongly oppose all forms of violation of such rights, both within our organisation and throughout the value chain.

We do not use any form of forced labour. Employees have the right to terminate their employment after an appropriate period of notice agreed with the employer and in accordance with the provisions of labour law.

Social protections afforded to employees of our companies are guaranteed by the government through public programs. They protect all employees of the Group working under contracts of employment from loss of income due to any of the following serious life events:

- illness,
- unemployment from the moment the employee is hired by the company,
- accident at work and any resulting disability,
- parental leave,
- retirement.

[GRI 2-19] We offer a package of fringe benefits to all our employees (regardless of the form of employment, position, or years of service). These include:

- private health care for employees and their family members,
- sports cards,
- group insurance.

We also participate in the Employee Capital Plans program, under which employees together with the employer can accumulate additional funds for the future.

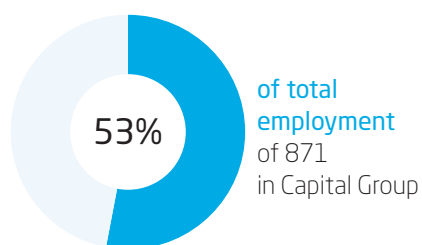
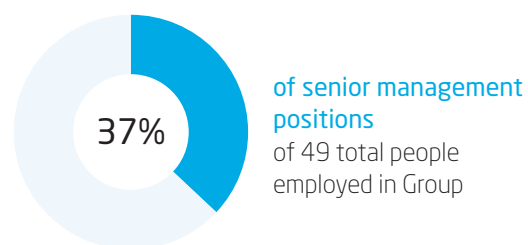
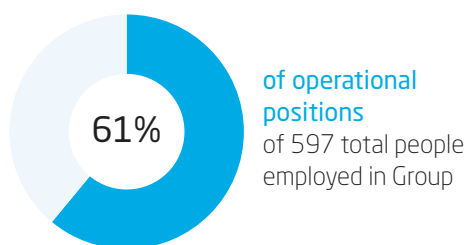
Restrictions concerning concluding fixed-term employment contracts are regulated by the Labour Code¹³. In accordance with the Code: "The employment period based on an employment contract for a fixed term, as well as the total employment period based on employment contracts for a fixed term concluded between the same parties to the employment relationship, may not exceed 33 months, and the total number of these contracts may not exceed three. For this reason, when recruiting new employees at Dom Development Group, we typically employ them for a trial period, which is followed by a twelve-month period contract, to finally engage them as permanent employees with an indefinite term contract. In some cases, an indefinite term contract may be concluded immediately after the trial period.

Each newly hired employee undergoes onboarding training intended to help them adapt quickly and easily to the new workplace. Employees are provided with basic information about the company, internal procedures, training opportunities and social benefits. Each employee also undergoes OHS training and is provided with access to the internal intranet, which contains training materials and internal regulations.

¹³ Journal of Laws 2023, item 1465

STRUCTURE OF EMPLOYMENT

There are three grades in the employment structure of Dom Development S.A. Group: operational level, managerial level, and senior management level (excluding Management and Supervisory Board). **In 2023, women under all types of contracts, were holding:**



EMPLOYMENT* AT THE END OF THE YEAR

	2023			2022		
	Women	Men	Total	Women	Men	Total
by position type						
operational level	317 (69%)	142 (31%)	459	290 (71%)	120 (29%)	410
managerial level	64 (38%)	104 (62%)	168	67 (40%)	99 (60%)	166
senior management level	11 (73%)	4 (27%)	15	12 (67%)	6 (33%)	18
by contract type						
indefinite term	361 (62%)	220 (38%)	581	336 (61%)	218 (39%)	554
fixed term	26 (57%)	20 (43%)	46	24 (80%)	6 (20%)	30
trial period	5 (33%)	10 (67%)	15	9 (90%)	1 (10%)	10
casual	0	0	0	0	0	0
by full-time equivalent						
full time	368 (61%)	238 (39%)	606	345 (62%)	212 (38%)	557
part-time	24 (67%)	12 (33%)	36	24 (65%)	13 (35%)	37
by age						
under 30	114 (68%)	53 (32%)	167	117 (70%)	49 (30%)	166
31 to 40	169 (62%)	105 (38%)	274	158 (61%)	101 (39%)	259
41 to 50	82 (55%)	67 (45%)	149	76 (58%)	55 (42%)	131
over 50	27 (52%)	25 (48%)	52	18 (47%)	20 (53%)	38
by location						
Warsaw	204 (56%)	161 (44%)	365	193 (56%)	150 (44%)	343
Cracow	41 (69%)	18 (31%)	59	38 (75%)	13 (25%)	51
Tricity	87 (74%)	30 (26%)	117	84 (74%)	29 (26%)	113
Wroclaw	60 (59%)	41 (41%)	101	54 (62%)	33 (38%)	87
Total	392 (61%)	250 (39%)	642	369 (62%)	225 (38%)	594

*Dom Development S.A. Group operates in four largest Polish agglomerations and does not employ employees outside the country where it operates. The figures show the total number of employees employed under an employment contract at the end of the reporting period.

	2023			2022		
	Women	Men	Total	Women	Men	Total
by position type						
operational level	47 (34%)	91 (66%)	138			
managerial level	14 (25%)	43 (75%)	57			
senior management level	7 (21%)	27 (79%)	34			
Individuals engaged under civil law contracts or self-employed, including field advisers, etc. (not including individuals under appointment)	68 (30%)	161 (70%)	229	47	157	204

The dominant form of employment in the Dom Development S.A. Group is an employment contract. At the end of 2023, as many as 90% of our employees were employed on the basis of an employment contract for an indefinite term. Moreover, 94% of employees worked on a full-time basis.

[GRI 2-8] The specifics of the labour market for certain professions (architects, lawyers, construction managers) means that such professionals prefer to work based on contracts other than an employment contract, including short-term contracts (e.g. when rendering services as sole proprietors), which is related to project staging. In the case of experts who are self-employed and prefer this form of work relationship, we agree to the B2B cooperation.

EMPLOYMENT AT THE END OF THE YEAR BY LOCATION*

	2023					2022				
	Warsaw	Cracow	Tricity	Wroclaw	Total	Warsaw	Cracow	Tricity	Wroclaw	Total
by position type										
operational level	262	44	88	65	459	239	36	82	53	410
managerial level	95	15	25	33	168	97	13	26	30	166
executive level	8	0	4	3	15	7	2	5	4	18
by contract type										
indefinite term	339	48	107	87	581	330	44	101	79	554
fixed term	15	8	10	13	46	8	6	11	5	30
trial period	11	3	0	1	15	5	1	1	3	10
casual	0	0	0	0	0	0	0	0	0	0
by full-time equivalent										
full time	352	56	101	97	606	326	49	98	84	557
part-time	13	3	16	4	36	17	2	15	3	37
by age										
under 30	84	16	27	40	167	95	14	26	31	166
31 to 40	166	22	49	37	274	150	21	50	38	259
41 to 50	82	14	33	20	149	73	11	31	16	131
over 50	33	7	8	4	52	25	5	6	2	38
Individuals engaged under civil law contracts or self-employed, including field advisers, etc. (not including individuals under appointment)	116	32	67	36	251	81	31	65	27	204

*Employment data were collected from the HR systems of the companies and consolidated at the level of the Capital Group. Employee classes were agreed and defined in consultation with the HR Department of the Capital Group.



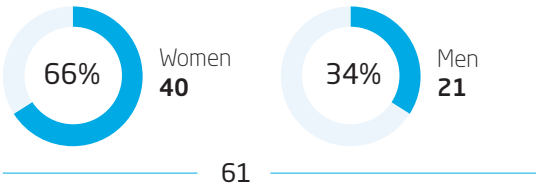
[GRI 401-1, GPW S-P6] In 2023, 116 new employees, of whom 64 (55%) were women, joined the Group's companies, and 61 employees, of whom 40 (66%) were women, terminated their employment. The turnover rate was 10%.

NEW EMPLOYEE HIRES

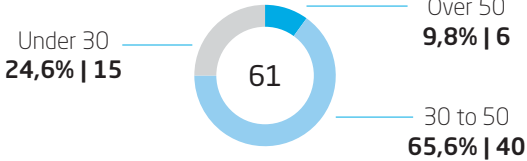
	2023			2022		
	Women	Men	Total	Women	Men	Total
Warsaw						
under 30	16	10	26	28	13	41
31 to 40	12	8	20	6	19	25
41 to 50	2	7	9	3	5	8
over 50	0	3	3	1	7	8
Total	30	28	58	82	133	215
Cracow						
under 30	2	3	5	7	3	10
31 to 40	5	1	6	9	2	11
41 to 50	2	1	3	5	1	6
over 50	0	3	3	1	2	3
Total	9	8	17	22	8	30
Tricity						
under 30	5	2	7	4	3	7
31 to 40	5	0	5	1	1	2
41 to 50	2	1	3	5	2	7
over 50	0	2	2	0	0	0
Total	12	5	17	10	6	16
Wroclaw						
under 30	8	9	17	10	2	12
31 to 40	3	1	4	6	3	9
41 to 50	2	0	2	0	1	1
over 50	0	1	1	0	0	0
Total	13	11	24	16	6	22
Total						
under 30	31	24	55	45	18	63
31 to 40	25	10	35	21	24	45
41 to 50	8	9	17	8	7	15
over 50	0	9	9	2	9	11
Total	64	52	116	76	58	134
% of new employees in a team	16%	21%	18%	21%	26%	23%

Total number of employees who left the organisation during the reporting period **[GRI 401-1]**

Gender



Age

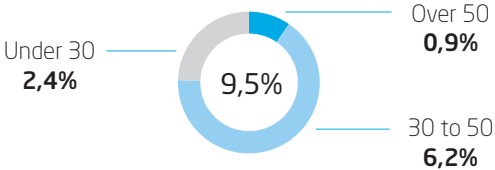


Rotation rate (%)

Gender



Age



[GPW S-P7] Our employees are not covered by collective labour agreements.



EMPLOYEE ENGAGEMENT

We engage our employees in initiatives which promote healthy lifestyles and cultural activities. In 2023:

Over **100** employees
took part in running events



As part of the sports challenge we ran :

8 018 km
cycled:
12 991 km
walked:
18 228 km



As part of the We Fulfil Dreams initiative, we managed to raise, through sports efforts of our employees, over

PLN 24 thousand

for the people under the care of the Fundacja "Słoneczko" (Charity Foundation for People with Special Needs "Słoneczko") and the Fundacja Trzeba Marzyć (Dreamers Foundation)

COMMUNICATION WITH EMPLOYEES



” Dom Development Group has an internal communication strategy and plan. The aim of our communication strategy is to ensure the achievement of the company’s objectives and to support the mission and vision of the organisation through consistent, regular, and transparent communication with employees.

The strategy aims to provide all employees with equal access to information about the company and its processes to build their commitment, sense of belonging and enable the smooth functioning of the business.

The aims of internal communication at the Dom Development Group are to:

- Provide tools and channels for the internal communication process,
- Build internal employer branding,
- Ensure that the organisation’s internal communication is consistent with the business objectives of Dom Development Group
- Implement communication standards for all processes,
- Ensure the well-being of employees through communicating and organizing events,
- Benchmark efficiency regularly to facilitate continued improvements to processes.

Magdalena Bielecka, Dom Development Group HR Director



DIVERSITY METRICS

[GRI 2-9, 3-3, 405-1, 405-2, 202-1, GPW S-P1]

Dom Development S.A. and the Group companies have been pursuing the Diversity Policy since 2022, while respecting a diverse, multicultural society and placing special emphasis on the policy of equal treatment regardless of gender, age, disability, health, race, nationality, ethnic origin, religion, political beliefs, trade union membership, sexual orientation, gender identity, family and social status, lifestyle, position in the Company and other individual features.

We foster a workplace free from discrimination or other kinds of inappropriate conduct that could compromise the integrity or self-esteem of our employees. The Group's strength comes from the commitment, experience, knowledge, and diversity of its employees, who make a significant contribution to the Group's development. All employees are important to us, and each employee is of unique value.

The objectives of the Policy are:

- to fully utilise the potential of workers, their diverse skills, experiences, and talents in an atmosphere of respect and support,
- to promote the attainment of the Company's strategic objectives by defining the principle of diversity with respect to Supervisory Board members, Management Board members and employees,
- recruiting employees with diverse skills, education, and professional experience in the recruitment process,
- ensuring non-discrimination in recruitment and human resource management processes.

A description of the actions specified in the Diversity Policy for employees, members of the Company's Management Board and members of the Supervisory Board is available at: www.inwestor.domd.pl

DIVERSITY METRICS

	2023				2022			
	Women		Men		Women		Men	
	quantity	%	quantity	%	quantity	%	quantity	%
Management Board								
under 30	-	-	-	-	-	-	-	-
31 to 50	-	-	1	20	-	-	1	20
over 50	1	20	3	60	1	20	3	60
Total	1	20	4	80	1	20	4	80
Supervisory Board								
under 30	-	-	-	-	-	-	-	-
31 to 50	2	29	2	29	1	14	1	14
over 50	1	14	2	29	-	-	5	71
Total	3	43	4	57	1	14	6	86

ADEQUATE WAGES

Working conditions, in particular wages, working time and supplementary benefits for a standard working month, are in accordance with the Labour Code and internal regulations. These terms are communicated to each employee clearly in writing, before the commencement of employment or resulting from changes in employment. We do not allow deductions from pay as a disciplinary measure.

[GRI 2-20] Salaries in the companies of the Dom Development Group correspond to the type of work performed and the qualifications of employees. All employees, regardless of their position, are remunerated in the form of base salary and bonuses in accordance with their responsibilities and performance. These matters are always subject to arrangements with the Management Board. They also consider the quantity and quality of the work provided. We offer a competitive benefits package consisting of base salary, bonus schemes and additional benefits. The annual objectives of top managers, managerial and operational

staff with responsibility for specific ESG-related areas include the tasks associated with this area. All employees employed under a contract of employment receive remuneration above the minimum wage.¹⁴

All employees, both office workers and construction workers, are encouraged to organise and plan their work properly. In compliance with national regulations, working time in all positions does not exceed 8 hours a day and the standard five-day working week, which is 40 hours on average. The provisions of Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union have not yet been implemented in Poland.

The principles of calculating the remuneration of the members of the Supervisory Board and the Management Board are described in the subchapter "Principles of Remuneration of Managers" in the section devoted to corporate governance.



¹⁴ The definition is provided in the Minimum Wage Act of 10 October 2002 (Journal of Laws of 2023, item 1667).

TRAINING AND SKILL DEVELOPMENT METRICS

[GRI 3-3, 404-2, 404-3] We strive to make our companies an attractive place of work and to enable our employees to develop their potential at every stage of their career.

Once a year, the quality of work of people employed in the Group's companies is assessed during an annual periodic assessment. This analysis is based on the criteria known to the employee and his/her supervi-

sor. The HR Department may also be involved in the assessment process. Annual dialogues are conducted in a way that promotes individual employee effectiveness and their development potential. The assessment conclusions are used in designing the training and development plan, to help plan career paths and to achieve business goals. 100% of our employees (at each level) are reviewed regularly for performance and career development.

AVERAGE HOURS OF TRAINING PER EMPLOYEE*

	2023			2022		
	Women	Men	Total	Women	Men	Total
operational level	22	20	42	n/a	n/a	n/a
managerial level	15	14	29	n/a	n/a	n/a
executive level	12	21	33	n/a	n/a	n/a
Total:	49	55	104	n/a	n/a	n/a

* It applies only to external training



OCCUPATIONAL HEALTH AND SAFETY

[GRI 3-3, 403-1, 403-2, 403-4, 403-5, 403-7, 403-8, 403-9, 403-10, GPW S-D1] In 2023, the Management Boards of the Dom Development Group companies adopted the Occupational Health and Safety and Environmental Protection Policy.

The objectives of the OHS policy are to:

- Identify and minimise the risk of injury and health to all persons affected by the Group's activities, including our employees, customers, and members of the public.
- Continuously improve environmental, health, occupational health, and safety standards throughout the Group.
- Promote the health, safety, and well-being of our employees.
- Ensure that the legal obligations of the Group and its employees are respected.
- Achieve full compliance within the Group with the implemented standards for occupational health and safety and environmental protection by 2030.

To achieve the goals, the Group companies are currently working on formalizing, standardizing and harmonizing the OHS rules. The OHS policy and related guidelines are applied in the form of specific clauses in contracts, in framework agreements, that bind the Group with its partners in the long term. Such rules will be defined for all our construction projects.

The OHS Department plays an important role in the Group because safety is and always will be a priority to us. The Department also takes care of risk management at construction sites and carries out ongoing inspections. We strive for continuous improvement and always actively seek feedback from our employees. In this way, we learn from experience and reduce risk.

In addition, we take actions such as:

- Kick-off meeting: the site manager or his/her designee discusses with our employees and employees of our subcontractors the specific risks associated with the project prior to commencement of work, the working methods, the specific occupational health and safety hazards and the personal protective equipment to be used,



” Given the nature of our business, ensuring optimal safety for employees and external personnel working on projects throughout the Group is a key concern especially for general contractors, i.e. Dom Construction and Euro Styl Construction. Our priority in this area is to achieve zero fatalities. This goal applies to all people - employees, temporary staff, or subcontractors - working on the sites of our development projects.

Joanna Stępnik, OHS Department Director



- Security alerts: the purpose of a safety alert is to inform staff members, by means of a short notice/notification/warning/information, of specific safety issues. To ensure that a security alert reaches every employee, it is sent by email,
- Workplace inspections/checks: at least once a week, OHS inspections are performed at construction sites. They are carried out by OHS specialists. Specific work areas are checked for safety, health, and environmental aspects. Such checks cover not only technical safety conditions, but also safety-related human behaviours, such as compliance with regulations and the use of personal protective equipment. After each inspection, reports are prepared including recommendations and preventive conclusions.
- Monitoring of (un)safe behaviours: the monitoring programme includes periodic observations by the OHS Department to identify any irregularities in the OHS area. Such observations are then discussed directly with the employees concerned. The results are periodically analysed, and such analyses lead to the implementation of improvement programmes.

To report risk situations, potential accident events and accidents, at Dom Construction we use the OHS management application called e-BHP. We analyse all events, and the results of such analyses are then used to enhance prevention programmes for similar hazards. To achieve the goal of minimizing the number of accidents and support a safety culture, Dom Development

S.A. Capital Group places particular emphasis on training. In 2023, we conducted an information campaign dedicated to scaffolding – the principles of their safe assembly and dismantling and proper operation. We also organised a VR technology-supported training course concerning the review of facade scaffolding, aimed at strengthening the ability of staff to operate it in a safe manner. We have also introduced a communication cycle named “Good Practice Wednesdays”. At least twice a month, employees of our construction sites receive messages demonstrating good examples of activities that are intended to inspire others and spread knowledge and ideas for making construction sites safer.

In 2023, as in previous years, monthly on-line meetings with Dom Construction employees were continued, conducted by OHS specialists in the form of webinars. Course subjects covered included:

- collective and individual protection measures/equipment in construction works,
- roofing works,
- OHS rules for concreting,
- formwork and boarding,
- environmental protection,
- incidents at construction sites,
- elevation scaffolding,
- construction cranes.

All employees of the Capital Group are obliged to participate in occupational health and safety training (initial, periodic) organised by the employer.

Each newly hired person is required to attend on their first day of work, basic training delivered by an OHS Department employee or a person responsible for that area. When the validity period of basic training is about to expire, the employee concerned must take part in periodic training. The aim of such training is to update and supplement knowledge and skills regarding in particular:

- hazards at work and the risks associated with them,
- worker protection and creating working conditions consistent with the OHS rules,
- methodologies for conducting on-job instruction and daily checks of employees before work (for persons managing employees),
- accident and emergency procedures.

In addition, depending on current needs, employees are also directed by the OHS Department to attend industry-based and specialist trainings. In 2023, the staff had the opportunity to participate in, among others:

- training for vertical transport coordinators,
- training in the safe organisation of work at height,
- training for road traffic managers,
- training in the provision of first aid and evacuation and fire-fighting activities,
- training on ESG-related issues.

All employees of the Group companies (i.e. 642 persons) are covered by the OHS management system, which is based on legal requirements. In Warsaw, Cracow and Wroclaw, this system also covers employees of our subcontractors working on construction sites.

The OHS system in force at the Group companies has not been audited internally and/or audited or certified by an external entity.

THE SUM ALLOCATED TO OCCUPATIONAL HEALTH AND SAFETY (IN PLN '000)



GOOD PRACTICES AT DOM CONSTRUCTION



In extremely unfavourable weather conditions, a change in the work schedule and reduced exposure of employees to harmful weather conditions are implemented.



We use fully systemic collective edge protection (system barriers / mesh panels protecting against falling from ceilings, roofs, stair flights or into elevator shafts, trenches), system access ladders with handrails or systemic gangways and, where necessary, overhead guards and/or debris nets to catch falling objects (T-nets).



We double secure elevator shafts, which are extremely dangerous places – at least one of the two protection systems is systemic in nature.



We designate safe communication routes, mark locations on the construction site and seek to separate pedestrian and vehicle communication routes, thus increasing pedestrian safety.

We are gradually equipping our construction sites with weather stations to track changes in weather conditions.

During both low and very high temperatures, the shift mode is implemented, dividing individual workers' teams into groups, which shift tasks several times during the day, with the performance of certain works being limited in sunny zones where the probability of deterioration of health due to ambient temperature is high.



A dedicated container infrastructure is set up, where manual workers can regularly warm up or cool down.



At every site office in Wrocław, we have plumbed filtered water installed, thereby reducing plastic usage.



Each construction site has pre-medical first aid equipment and trained personnel in this area – an automatic defibrillator (AED), a well-equipped medical bag and smaller industrial first aid kits.



NUMBER OF CONFIRMED WORK-RELATED ILL HEALTH CASES*

	2023	2022
Number of confirmed work-related ill health cases	0	0

* understood in accordance with Article 235 of the Labor Code and concerning employees of Dom Development Capital Group companies.

ACCIDENTS AT WORK

Employees	2023	2022
Total number of accidents (injured persons), of which:	1	2
resulting in temporarily incapacity for work	1	2
serious	0	0
fatal	0	0
collective	0	0
Number of workdays lost	no data	no data
Ratio of injury frequency to the total number of accidents (per 1000 employees)	3.40 ¹⁵	7.60 ¹⁵
Rate of serious and fatal accidents (per 1000 employees)	0.00	0.00

Employees of other companies (subcontractors) working on the premises

Total number of accidents (injured persons), of which:	15	6
those resulting in temporarily incapacity for work	15	6
serious	1	0
fatal	0	0
collective	0	0
Number of workdays lost	no data	no data
Ratio of injury frequency to the total number of accidents (per 1000 employees)	5.92 ¹⁶	0.42 ¹⁶
Rate of serious and fatal accidents (per 1000 employees)	0.39	0.00

Over the past 3 years, we have made progress in our own staff safety indicators. Since 2021, the accident rate has fallen by almost 30% despite an increase in the scale of operations and the associated increase in personnel numbers. The difference between the rates of workplace accidents involving own employees and employees of subcontractors reflects the differences in the tasks performed, safety awareness, and technical knowledge and experience.

¹⁵ 245 people were employed in Dom Construction Sp. z o.o. at the end of 31.12.2023 and 263 people were employed in Dom Construction Sp. z o.o. at the end of 31.12.2022.

¹⁶ The calculation of the ratio considers the average number of subcontractor's employees on construction sites across the Capital Group.

WORK-LIFE BALANCE METRICS

[GRI 3-3, 401-3] Under the Labour Code, employees of Group companies who are parents have the right to:

- maternity leave (every female employee who has given birth to a child regardless of the type of contract),
- paternity leave (is the exclusive and independent right of the father, independent of the rights of the child's mother),
- parental leave (accorded to the child's parents to take care of the child),
- unpaid parental leave (accorded to a parent employed for at least 6 months for personal care of the child),
- adoption leave (granted to an employee on the same terms as maternity leave),
- childcare leave.

Parents of children under the age of 8 can also take advantage of the possibility of flexible work organisation understood as:

- remote work,
- individual working time schedule,
- disjointed working hours,
- flexitime,
- a shorter working week system,
- reduced work time.

Employees also have the right to take care leave to provide personal care for or support to a family member (son, daughter, mother, father, spouse) or a person residing in the same household who needs medical care.

Each employee is also entitled to a leave for reasons of force majeure, which means additional 2 days or 16 hours off work.

PARENTAL LEAVES

	2023			2022		
	Women	Men	Total	Women	Men	Total
Number of employees eligible for parental leave*	38	18	56	35	33	68
Number of employees who took parental leave	38	18	56	35	33	68

* Workers entitled to parental leave are those covered by local laws and contracts that include parental leave entitlements, and the company is aware of these entitlements.

SALARY METRICS

[GRI 405-2, GPW S-P5] We endeavour to constantly monitor and counteract the pay gap.¹⁷ The salaries of women at the operational and executive level in the Group show a positive trend as regards narrowing the pay gap. The current gender pay gap at the managerial level is due to the employment structure and the fact that a greater proportion of more senior employees in the Group are men. Market wages in these areas are relatively higher.

In connection with the objective indicated in the DOM 2030 ESG Strategy, Dom Development S.A. Capital Group commits to calculating the wage gap in accordance with the new guidelines set out in the Corporate Sustainability Reporting Directive and identifying measures to minimise the differences in remuneration.

THE LEVEL OF THE GENDER PAY GAP AT A GIVEN LEVEL OF EMPLOYMENT IN THE DOM DEVELOPMENT CAPITAL GROUP

Level of management	2023	2022
executive level	36%	43%
managerial level	14%	14%
operational level	10%	21%



¹⁷ The GPGR is calculated taking into account (in addition to the basic salary) variable remuneration, bonuses, prizes and other benefits.

INCIDENTS AND COMPLAINTS, AND SERIOUS HUMAN RIGHTS IMPACTS AND INCIDENTS

[GRI 2-26, 3-3, 406-1] In accordance with the Diversity Policy adopted in 2022, the Group companies do not tolerate any discriminatory behaviours based on sex, race, ethnic origin, nationality, religion, disability, age, or sexual orientation.

The Whistleblowing Procedure and Whistleblower Protection implemented internally allows for anonymous reporting of any irregularities in the Company.

This procedure sets out who is and how one becomes a so-called whistleblower but leaves open the list of reportable irregularities. Under the procedure adopted, irregularities can be reported using internal or external channels ensuring anonymity. The first ones are mailboxes and traditional mail and information provided by phone or in person. External channels for reporting breaches provide the possibility of submitting a notification without the company's involvement (e-mail, telephone) through a specialist external law firm specializing in the field of security, or anonymously via a dedicated form for receiving reports of irregularities. Suspected irregularities may also be reported in a non-confidential manner to the immediate supervisor, in compliance with the official reporting rules, and in special cases directly to the President of the Management Board or the Supervisory Board. In all cases employees can contact the Compliance Officer for the Dom Development Group, in charge of harmonising compliance and ethics-related standards within the Group.

Any information received, regardless of how it is transmitted, is a starting point for an internal investigation. Retaliation in any form against a whistleblower who reports an irregularity in good faith is excluded. We will take no actions intended to identify the person who reported a matter anonymously. In case of any matter submitted through official channels, we guarantee relevant support and identity protection for the person who made the report.

[GRI 2-27] In 2023, no incidents related to human rights violations (including harassment) were reported¹⁸. No fines or sanctions have been imposed against the Group companies in respect of human rights violations.

¹⁸ No incidents related to human rights violations are recorded if:
– the incident has been resolved, the matter has been closed or the company does not require further action,
– remedial actions are directed at the alleged perpetrator of harassment and the alleged victim.

SOCIAL ENGAGEMENT

The Dom Development Group engages in social initiatives in the agglomerations where we operate. We work locally to improve the quality of life and to foster integration of local communities. We have also supported people affected by the war in Ukraine.

In 2023, our activities continued to focus on the following pillars:

1.
Spatial development
and urban infrastructure

2.
Support for artists
and introduction of art
into public space

3.
Promotion of physical
activity and healthy
lifestyles

4.
Aid to people
in need

DOM DEVELOPMENT GROUP'S SPENDING ON CHARITABLE ACTIVITIES (IN PLN '000)

Type of activities	2023	2022	2021
Social organisations	1 011	987	621
Charitable institutions	4 992**	1 244*	72
Sports	-	23	110
Culture and arts	2 265	1,6	52
Total charitable donations	8 269	2 256	855

* of which PLN 1 194 thousand was allocated to support people affected by the war in Ukraine

** of which PLN 4 902 thousand was allocated to support people affected by the war in Ukraine



SPACE FOR LOCAL COMMUNITIES

[GRI 2-25, 3-3, 201-1] By developing new residential projects, we strive to add value for all local residents. In Wrocław, we have established cooperation with the Maślickie Centre for Local Activity and financed the purchase of kitchen equipment for its headquarters. The newly equipped kitchen performs its function perfectly during meetings of seniors and children which take place at the centre, as well as during events promoting healthy food or culinary workshops conducted in line with the zero-waste concept.

In Maślice, we also carried out a landscaping revitalisation project for the area adjacent to the Municipal Resource Administration Building. As part of that work, we built a new panel fence for the plot with a drive gate and a pedestrian gate and constructed access to the building in the form of a paved stone footpath. An organised waste collection place was created, allowing safe access for tenants and municipal services. The area was greened and designated parking spaces were set up.

Responding to the needs of and the appeal from the Nowy Dwór Housing Estate Council and residents of buildings located near our housing estates (the buildings at Nowodworska 43 and Chociebuska 11), we renovated the facade of the building adjacent to our investment project and built a new garbage shelter.

As part of the current stage of development of the Komedya Housing Estate, we have created a club for residents. It consists of a multifunctional hall with co-working spaces, a toilet, and a kitchenette and with spaces designed for children to play.

In Kraków, we have contributed to the creation of public green areas and revitalisation of existing ones by planting trees along Estońska Street and planting micro forest next to Jabłonkowska Street in the vicinity of Municipality Kindergarten No. 38.

In Tri-City, in cooperation with the city authorities, we have created the first public recreation zone in Rumia,



located on Błonia Janowskie. This vegetation surrounded recreation zone with an area of 5 thousand m² includes, among others: a beach volleyball court, play area, street workout equipment and a place for a bonfire. This will enable the inhabitants of the whole city to pursue numerous activities.

In cooperation with the Torus company, we have completed the reconstruction and gentrification of a Doki Street section in Gdańsk. The aim was to reconstruct the historical layout of a section of shipyard streets, as well as to restore the elements that in the past co-created this space. The whole project was carried out on

the basis of the guidelines from the National Heritage Institute and the Pomeranian Voivodeship Conservator of Monuments, as well as photographic documentation and a mock-up of the shipyard area located in the historic Sala BHP (OHS Hall).

We also support urban initiatives aimed at the social integration of local residents. In Warsaw, we helped again to set up events organised by the Bielany District Office: "Bielany Music", "Bielany Wreaths" and "Hello Summer in Bielany" and by the Ursynów District Office: "Ursynów Days".



WE VALUE ART AND ARTISTS

The hallmark of many of our housing projects are works of art integrated with the architecture. From murals through sculptures, to neon lights, we have supported Polish artists while enhancing the quality and aesthetics of public spaces. We work together with artists on most of the projects we develop. Our initiatives are not limited to the sites of our projects only - we also support public initiatives, such as the mural of Zbigniew Ścibor-Rylski, nom-de-guerre "Motyl", which was created on the initiative of the Foundation for the Remembrance of Heroes of the Warsaw Uprising and was unveiled on the eve of the 79th anniversary of the outbreak of the Warsaw Uprising at the

intersection of Miła Street and John Paul II Avenue in Warsaw's Wola District.

In order to engage on a more frequent basis with young and talented students, we set up a local competition for students for the design of interiors of common areas of development projects at Krakowska street in Wrocław. A friendly and appealing space for residents should be included in the design. Moreover, functional aspects such as versatility regarding everyday use as well as resilience to wear and tear should be considered in the design, both in respect of aesthetics and materials.



WE SHARE OUR KNOWLEDGE

In 2023, with a view to achieving the objectives of our Local CSR Strategies, we established cooperation with the Wrocław University of Economics. Two of our employees shared their knowledge and experience with postgraduate students in the field of "Projects in spatial management". Students listened to lectures on the process of preparing development projects and managing the needs of clients.

For many years now, we have been providing jointly with the University of Gdańsk a postgraduate study programme in the discipline of property management and development projects. We provide practical knowledge and share experiences gained during many years of our business activity.

As part of the cooperation with the Faculty of Management, University of Gdańsk, Euro Styl set up a field lecture for students as a walk through the Montownia project in Gdańsk. The lecture was held as part of the module: „A sustainable city – investment, innovation and circular economy – experience and expectations”. We presented the Montownia as a good example of revitalisation of brownfield facilities, with particular emphasis on works consistent with the tenets of circular economy and the presentation of a model for cooperation with local artists.



ENCOURAGING THE PASSION FOR SPORTS

We actively support local sports initiatives, especially those associated with promotion of healthy lifestyle. In 2023, Dom Development once again provided financial support, to the organisers of the 14th Polish and World Football Championships for Children from Orphanages. In addition, we co-financed another edition of the Chomiczówka Run, a recurrent event taking place in the Bielany district of Warsaw.

Euro Styl S.A. has been sponsoring local sports clubs in Rumia for three years - MKS Orkan Rumia and RC Arka Rumia. We also actively support the daily activities of the local squash club TPoint. We are also sponsoring promising members of the Hedonia Squash Poland team, who have high positions in nation-wide rankings. In initiatives promoting healthy lifestyle, we provide once again support for seniors and for the "Active Senior" campaign. This activity has been implemented since 2018, in cooperation with representatives of the Rumia Council for Seniors and the local CityGYM gym. This initiative is addressed to city residents aged 60+. Thanks to our support, every senior is not only able to exercise under the supervision of an instructor, but also to benefit from the entire offer range of the club.

Dom Development Wrocław Sp. z o.o. has also been actively supporting initiatives associated with physical activity of Wrocław residents. It is worth mentioning the "Cycling May" initiative that promotes healthy lifestyle among pupils and preschoolers. We made it possible for 170 kids to take part in the "Meet the River" workshop organised by the Odra Community Centre. We also contributed financially to support the Family Run event, which was organised by Radio Wrocław

As happens every year, employees of the Group companies took part in the Poland Business Run with Dom Development Kraków being the main sponsor of this year's race. Thanks to this edition of the race, nearly 100 beneficiaries of the Foundation received help.

Dom Development Kraków was also a sponsor of a sports picnic combined with a football tournament organised by the Orzeł Piaski Wielkie Sports Club. The event was attended by children from all age groups that train in the club, whilst we funded official club uniforms for the team and the purchase of sports equipment.

Our contribution to supporting the passion for sports is also evidenced by the renovation of the gym in Warsaw's Bielany District. Our financial contribution was PLN 1.35 million.



WE HELP THOSE IN NEED

We have been committed for a long time to supporting at the most deprived persons, in particular those affected by homelessness. Because of the ongoing war in Ukraine, thousands of refugees began to seek shelter in our country. To support people seeking refuge from the war in Ukraine, Dom Development Kraków engaged in cooperation with the City Hall of Kraków and the Municipal Social Assistance Centre with the aim to create a care and education facility for children from Ukraine. The scope of works included renovation of premises, adaptation of the property to the needs of people with disabilities and ensuring adherence to all applicable fire and safety regulations. This facility is now a new home for 14 children from war-torn Ukraine. In addition, as part of their voluntary activities employees of the Company have performed cleaning and maintenance work and planted greenery in the garden surrounding the house. The value of the work carried out is over PLN 1 million.

However, our support for Ukrainians is not limited to engagement in projects implemented in Poland. In 2023 we decided to get involved in the project targeted at people who had to abandon their homes because of the war yet wanted to stay in their own country. Dom Development S.A. financed the reconstruction of a multi-family building in Irpin, Ukraine, which will be home to 19 families – residents of the city and internal refugees who lost their homes as a result of the war. The proj-

ect was carried out by contractors from Ukraine, while specialists from Dom Development remotely supervised the progress of the works. The company allocated PLN 2.5 million for the reconstruction and equipment of the facility. Nineteen 30 m² and 35 m² apartments have been renovated, each with a kitchen and bathroom. It was important for us to ensure high standards of sustainable housing. We also arranged a common part for the residents – a library and a playground for children.



” While humanitarian motivation is the principal justification for contributing to the rebuilding of their country, this also represents a business opportunity for many Polish companies. Dom Development has no plans to launch commercial operations in Ukraine, but we will continue to engage in humanitarian aid activities for Ukrainians and support housing projects, which is our speciality. We are very proud, and we are looking forward to handing over the keys to the future residents of the building, which we are planning to do soon. We also encourage other companies from Poland to provide similar assistance.

Leszek Stankiewicz, Vice President of the Management Board of Dom Development S.A.

CUSTOMER RELATIONS



JESTEŚMY FAIR

Our approach to the product, customers and local communities is described in the “We are Fair” Programme.

Product Liability

Our projects are characterised by high quality, which includes resident-friendly surroundings of housing projects, access to comprehensive urban infrastructure, attractive arrangement of common spaces, high quality materials, and excellent functionality and acoustic comfort of the apartments. We also are concerned about energy efficiency, thus helping to reduce apartment operating costs and contributing to the protection of the natural environment.

Responsibility for relationships

Our cooperation with business partners is founded on mutual trust. We gain such trust through transparent actions and communication, as well as by doing our best to build long-term relationships with business partners. We are also mindful of creating a friendly workplace environment and providing Group employees with all the necessary resources and opportunities for professional development.

Responsibility for local community

The specifics of property developer activities is inextricably linked to the impact on the shape of the city and the quality of life of its residents. We accept shared responsibility for the surroundings of our residential projects, and therefore we support local initiatives that shape them, and work with local suppliers and subcontractors. We create functionally self-sufficient places to live which foster social inclusion and help to build neighbourly relations, as well as publicly accessible infrastructure for city residents.

The vast majority of Dom Development S.A. Group's clients are individual customers with whom our companies seek to build long-term partnerships, aiming to develop relationships based on trust.

We also engage in dialogue with key local actors, including officials, local authorities, and associations, as well as people living in the vicinity of our investment projects, which provide valuable insights on the planned assumptions.

As a responsible and trustworthy developer, we support buyers at each stage of buying an apartment. We realise how important the decision to buy is and we pay

great attention to comprehensive customer service and the provision of comprehensive and exhaustive information about our offer. Our employees receive periodic training in both communication skills and products we offer.

In addition to the ambition to build and maintain strong and lasting relationships with our stakeholders, the Group companies also strive to anticipate the needs and expectations of our customers. We do this by developing solutions that promote user safety, by measuring user satisfaction, paying attention to their concerns, and providing them with better information.

We strive to respond flexibly to the needs of our customers. Therefore, we adapt the structure of apartments in individual projects to the current market expectations. As part of the Dom Development Group, we offer the possibility of adapting apartment through making individual modifications in consultation with our architects and designers, and also the option of a "turn-key" apartment based on a broad range of fit-out packages.

In order to provide the best service and customer experience, Dom Development Group has been providing broker services to help customers find the best way to finance the purchase of an apartment for over 10 years. Since 2017, Dom Development Kredyty Sp. z o.o. has provided such services and is a significant player in the market of mortgage brokerage – we work with a dozen of banks, so we can offer preferential terms of financing real property purchase to our customers in all the cities, where we have our projects.

To work with our customers, we have developed a technology that allows them to keep up to date with financial information or construction progress. The interactive web portal – My DD – is a source of information that allows our customers to receive updates, access documents and contact us at every stage of the process.

In individual and more complex issues, where technology is no longer helpful, our clients are supported by the Customer Service Office or its equivalents in local structures, in which our specialised consultants pro-

vide clients with the necessary information, prepare the necessary documents, and provide substantive explanations.

Throughout the stage of project implementation, the proper performance of contracts concluded with Clients is ensured by designated coordinators, individually assigned to specific development projects. Their up-to-date knowledge about the state of projects and broad competences promote a high level of customer service, even when dealing with special needs of our clients.

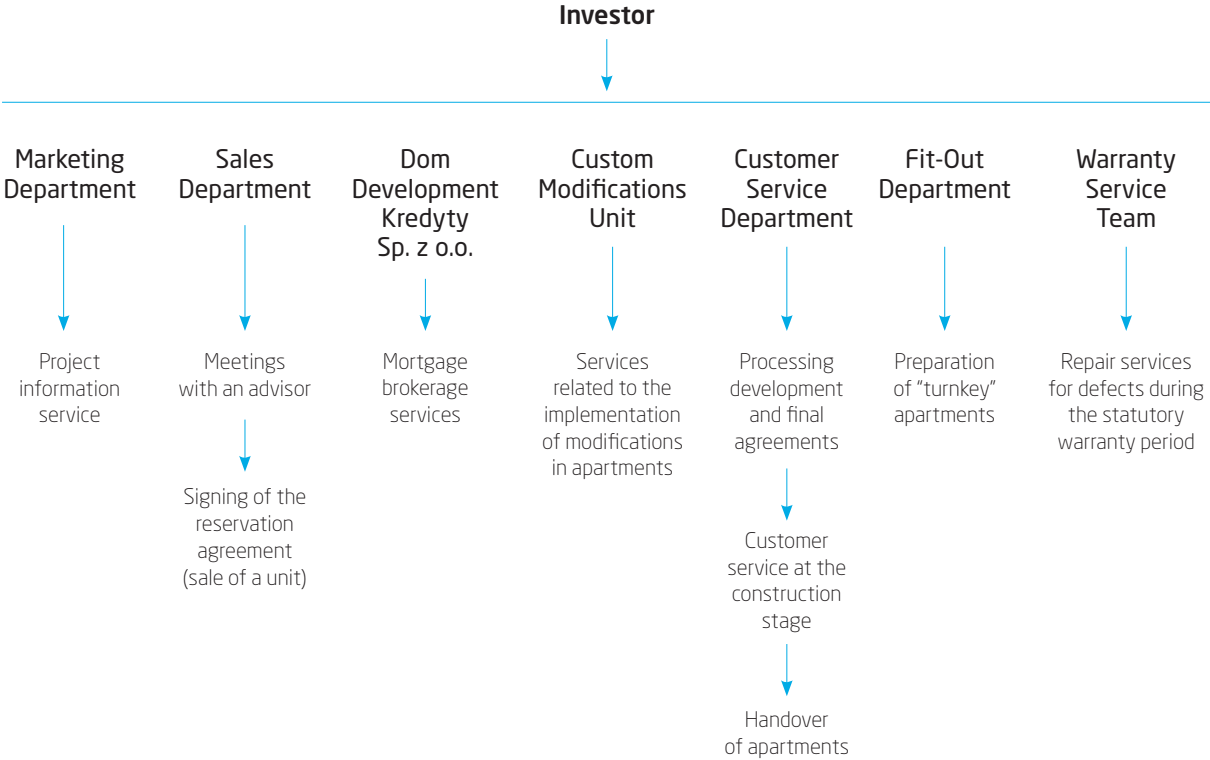
Our goal is to achieve the highest possible results related to the satisfaction of our customers in terms of quality and depth of relationships as measured not only by satisfaction indicators for aspects of service, but also by the company wide customer satisfaction measure (Net Promoter Score - NPS). We are the only developer in the Polish market who makes this score public.

In 2023, despite increasing the scale of our operations by entering the Cracow market, the Dom Development Group's NPS reached a very high level of 71 points for the second consecutive year. Since no reference can be made to other Polish developers, that score can be compared only with the results from other countries. For example, the industry average in the United Kingdom was 42 points in 2023.

The processes of customer relations are presented below.



CUSTOMER INTERACTION PROCESSES



CUSTOMER SERVICE QUALITY

[GRI 3-3, 417-1] Customer experience related to the quality of service provided by the Group companies is a key success factor and a principal competitive advantage. The Group companies meet high standards, both in terms of formal aspects related to concluded contracts and information provided to customers, and in terms of direct interaction with the client, characterised by a high culture of communication, speed of operation, convenient form, and flexibility in approach to customer expectations.

The Group companies are focused on meeting the housing needs of their customers; therefore they pay particular attention to the quality and reliability of information provided to their clients, in particular in the following matters:

- unit size/area,
- technical specification of the property (standard of construction and finishing of the unit and common parts of the building),
- energy performance assessment,
- price of the apartment,

- adaptation to the needs of people with disabilities,
- date of construction completion and transfer of ownership of units,
- surroundings of the project,
- costs, scope, benefits associated with additional products, such as fit-out packages, layout modifications (so-called custom modifications).

[GRI 417-1, 417-2, 417-3] The content of all sales and marketing materials is clear, in line with the factual situation and written in plain language. As a result, we have not recorded incidents related to improper communication of our offer.

Likewise, the Office of Competition and Consumer Protection did not conduct against the Group any anti-trust proceedings, proceedings to declare standard contract clauses as prohibited or proceedings regarding practices infringing collective consumer interests. No penalty was imposed on the Group by the said authority.



The Group companies adhere to high standards in terms of the scope and manner of information provided to customers in the process of making decisions about the purchase of a unit. The scope of the information provided, its distribution channels and graphic form reflect not only compliance with generally applicable laws but are also consistent with internally adopted standards in the Group. In most standard processes of buying an apartment, this information includes:

- an information prospectus containing practical information, including the experience of the developer, information on the legal status of the property, development project, existing and planned development of neighbouring properties and their possible purpose,
- a written reservation agreement, which can also be signed online through electronic signatures, provided to customers on behalf of Group companies,
- address for correspondence of the Group company, its e-mail address and telephone number, through which the customer can quickly and effectively contact the Group companies,
- a detailed description of the building permit decision based on which the investments are carried out, and information on the planned future stages of construction,
- conditions related to the building and land development and natural terrain which are important for the use of the unit.



PRE-CONTRACTUAL INFORMATION

The initial stage of the sale process includes concluding a reservation agreement with the buyer and providing him/her with an information prospectus prepared for the housing project. Reservation agreements concluded at the Group company level are characterised by transparent content, and their provisions reflect the best interests of the buyer. During the period of validity of the reservation agreement, we do not unilaterally withdraw from it and do not conclude any other agreements in relation to the reserved unit. Thus, our customers can be sure that during the unit reservation period they have time to make a well-thought-out decision about buying an apartment.



RESERVATION AGREEMENTS

We sign our contracts with customers at sales offices in writing or online - using modern and secure IT tools. The IT platform used in the Group companies provides our customers with a clear interface, proper security, and various forms of electronic signatures, including a qualified signature, which allows for quick, comfortable and safe conclusion of a reservation agreement from anywhere in the world.

The Group companies do not charge fees in connection with the Customer's resignation from the purchase of an apartment and cancellation of the reservation.

Development agreements used in the Group companies are carefully drafted and clearly set out the rights and obligations of both parties to the agreement. Each agreement:

- is concluded in Polish, in the form of a notarial deed as required by law, and the correctness of its preparation and conclusion is supervised by experienced and qualified notaries,
- complies with applicable law, respects current recommendations and guidelines related to the protection of the buyer's rights,
- contains detailed formal and legal information regarding the construction project and the property on which the investment is being implemented,
- specifies the rights and obligations of the parties to the contract, specifies the time limits for their performance and provides for specific penalties for non-performance,
- contains the final date for acceptance of the unit and the final date for transfer of its ownership,
- clearly states the circumstances in which the buyer can withdraw from the development agreement,
- provides for remedies of the buyer, consisting in the entry in the land and mortgage register of buyers' claims for the construction and purchase of housing units,
- employs housing escrow accounts, from which the funds are paid to the developer only after thorough checks by the bank operating the escrow account.

At each stage of implementation of the reservation and development agreement, our clients can direct all their questions related to the purchase of units to specially designated coordinators and specialised departments in each of the companies. Our team answers clients' questions about the implementation of the development project or the status of settlements and assists in the preparation of and delivers documentation necessary for the purposes of obtaining a loan by the buyer. We are committed to helping our clients in solving any problems that may arise at the stage of contract performance and we seek optimal solutions from the point of view of buyers. We are flexible in our approach to the proposals of our clients with respect to making any individual changes to contracts. We cooperate with notarial offices recognised on the market, with requisite knowledge and experience. Thus, we ensure not only the proper level of security of notarial activities, but also convenient meeting dates available to our clients. Continuous customer satisfaction surveys confirm the high level of service provided to our customers by our representatives.



DEVELOPMENT AGREEMENT

MANAGEMENT OF COMPLAINTS

[GRI 3-3, 417-1] Customers of Group companies may submit complaints regarding their own units and common parts of the housing estate as per their share, by way of:

- My DD Portal,
- by contacting the Customer Service Office (by phone and/or e-mail¹⁹) or the Acceptance and Service Department.

In addition, the Company accepts complaints concerning common parts of housing estates from the administration of housing estates acting on behalf of housing communities.

All our customers are covered by a 5-year statutory warranty from the moment they take ownership of their units. Comprehensive support and complaints handling are provided by our Warranty Service throughout this period. After-sales service and troubleshooting can also be carried out based on two-year liability for non-compliance with the contract with respect to the movable components of the unit as calculated from the date of signing the contract transferring ownership and the delivery of the unit.

[GRI 2-25] If defects are identified during the acceptance inspection, we try to resolve most of the complaints within 30 days of their notification. In the case of defects found during the warranty period, we resolve such matters immediately after their occurrence and confirmation of their validity. If this is not possible due to lack of materials or availability of manpower, we

keep customers informed and confirm the expected repair date as soon as possible.

In matters not covered by the agreement between customers and Group companies, the provisions of the Civil Code, the Consumer Rights Act, the Construction Law, and other relevant generally applicable provisions of law apply.

The Group companies undertake a number of actions aimed at continuously improving the quality of the development projects we offer. We have internal, strict, legal-based standards regarding technical requirements, which we update once a year. Our companies have utilised internal development supervisors for years – industry inspectors check the course of work, verify the quality of materials used for the implementation of the development, as well as carry out internal audits at each construction site. Once a quarter, technical topics affecting issues that are important from the warranty point of view are discussed. We work with building managers who provide us with their comments and observations regarding the operation of our projects. In Warsaw, after a year after the completion of each development project, we make internal assessments related to the development of the land, common parts or the effectiveness of adopted technical solutions. Such meetings result in recommended and unrecommended solutions related to construction works and installations. These meetings are attended by employees of design, implementation, and executive departments as well as persons who are in contact with property administrators.



¹⁹ At Euro Styl S.A., by sending a complaint to a dedicated e-mail address.

EFFECTIVENESS OF THE COMPLAINT HANDLING PROCESS

In 2023, Dom Development S.A. Capital Group continued the complaint management policy, focused on the analysis of the causes of complaints and their elimination.

Companies from the Dom Development S.A. Group have been monitoring customer satisfaction with warranty handling for several years. Thanks to this, we keep

track of the level of customer satisfaction, analyse the reasons for satisfaction or dissatisfaction and take actions aimed at increasing customer satisfaction. All conclusions and results of analyses and research are implemented within the organisation and serve to improve the entire complaint process (from the moment of submitting a complaint to its consideration).



Service NPS at 33 points.
(in 2022: 30 points)



We offer solutions that supports an agreement that is satisfactory for each of the parties.



CO-CREATION OF URBAN INFRASTRUCTURE AND CONTRIBUTION TO THE DEVELOPMENT OF CITIES

[GRI 3-3, 203-1, 413-1, 413-2] When planning and building our projects we take into account their impact on the immediate surroundings, both natural and social. We do our best to plan and organise our actions in such a way as to minimise as much as possible any inconvenience associated with construction or demolition works, especially where such works are carried out near existing buildings. Working together with local authorities, we also engage in actions that can positively affect the quality of public infrastructure.

As an investor and general contractor, our Capital Group plays an important role in the transformation of the cities and regions in which we operate. Companies from the Dom Development S.A. Capital Group help to shape these areas and strengthen their cohesion, while increasing their attractiveness, supporting their development, and contributing to the revival of the local economic and social environment. The Group's companies generate significant local benefits in the form of increasing revenues of the cities in which they operate and enhancing the level of employment, the development of subcontracting companies and support for

local organisations. Moreover, thanks to revitalisation initiatives and developments in abandoned, neglected or unused urban areas, we contribute to improving the urban fabric and attracting further investments in these areas.

Dom Development S.A. Capital Group supports the idea of responsible and sustainable construction, thanks to which better urban environments can be created. Our developments:

- are harmoniously designed and aesthetically pleasing,
- are environmentally friendly and are created using solutions that allow to reduce the carbon footprint during their construction and use,
- are available and offer a good place to live, both for owners and tenants,
- combine different functions, which reduces the need for daily long trips to work, shopping, school, entertainment, or green areas,
- promote the integration of local communities.



” Our goal is to create places where customers can enjoy an active and healthy lifestyle. Over the years we have developed high design standards for every project we build. In our activity we focus on placemaking and use the guidelines of the Green Project Card to create the highest quality buildings in the largest Polish cities.

Mateusz Turecki, Project Preparation Department Director



A good example of our activity beneficial to the local community is the renovation of the waterfront on the Odra River, which will ultimately become a public pedestrian boulevard for Wrocław residents. The value of works related to its renovation is over PLN 1 million.

We also work for the development of city districts in which we implement housing investments. In Tricity, one of such actions was co-financing the missing section of Piotrkowska Street, leading to Lawendowe Wzgórze Street, and connecting with the existing road

infrastructure. This is an extremely important investment for two Gdańsk districts – Jasień and Ujeściska, including the residents of our Dynamika housing estate. Over PLN 3 million was allocated for that project.

In Warsaw, during the implementation of the Dom na Służewcu development project, we completed works related to the extension of Kłobucka Street and the construction of Nowy Służewiec Street. The cost of activities aimed at improving safety in that area amounted to almost PLN 4 million.

DOM on solid foundations



4



At the Dom Development S.A. Capital Group, we think about the growth of our business in a long-term perspective, building lasting relationships with both business partners and our customers. Credibility and trust are extremely valuable to us, and we make sure that our brand is associated with these values. In times of high uncertainty in the market environment, stability, and security, guaranteed by high standards of corporate governance, are particularly important in supporting the ef-

ficient management of the organisation. Reliability and transparency help us find partners and enjoy the trust of the communities in which we operate.

SUSTAINABLE DEVELOPMENT GOALS



KEY RESULTS:



28 years
in the housing market in Poland



PLN 404 million
in cash as at 31.12.2023



18 years
listed on the WSE



Over
PLN 147 million
CIT paid for 2023



PLN 4.5 billion
in assets as at 31.12.2023



43%
gender parity
on the Supervisory Board
of Dom Development S.A.

PURSUING DOM 2030 ESG STRATEGY

In accordance with the DOM 2030 ESG Strategy, we are committed to continuous work to ensure the highest possible standard of corporate governance. Transparent, honest communication with stakeholders, as well as ensuring compliance with both regulations and good market practices are of fundamental importance to us. We strive toward the highest attainable level of compliance with the Best Practice for Warsaw Stock Exchange Listed Companies (“DPSN 2021”).

In 2023, Dom Development S.A. improved its compliance rate with DPSN 2021 to 94%, which puts the company in the top ten companies of the mWIG40 index.

In connection with the publication of the first voluntary non-financial report for 2022, the comment on

rule number 1.4.2 has been changed. The company has published a consolidated sustainability report (ESG), including the equal pay index.

The status of the application of principle number 3.6 has also changed. The person in charge of internal audit reports organisationally to the President of the Management Board and functionally to the Chairwoman of the Audit Committee.

The rationale for the application of principle 2.2 has also changed and, in line with the target indicated in the ESG DOM 2030 Strategy, the percentage of female members on the Company’s Supervisory Board is currently over 40%.



POLICIES AND PROCEDURES AT THE GROUP

[GRI 2-23] We operate in accordance with the idea of sustainable development, where issues related to environmental, social, and corporate governance are a key element of our business strategy, with particular emphasis on such areas as:

- stakeholder relations,
- occupational health and safety,
- environmental protection,
- prevention of irregularities,
- providing high quality products and keeping our customers satisfied.

An effective and developed compliance culture provides important support for the pursuance of tasks across the operations of Dom Development S.A. Capital Group. The compliance system is designed to prevent the emergence of legal risk stemming from non-compliance with the law and internal regulations of the Group. The Compliance System is constantly adapting to dynamic regulatory changes, mainly shaped by external factors. This focus area encompasses, among others, policies and procedures regulating employment, ethical, social, environmental, corporate issues and reporting irregularities.

By developing a compliance culture, we strive to set the highest standards for modern compliance management in the Dom Development S.A. Capital Group and pursue compliance-related actions in conjunction with the highest quality of supervision over the compliance of the Group's actions with the best market practices, legislative measures and recommendations of supervisory authorities. In doing so, we undertake supporting actions aimed at developing compliance awareness among the Company's staff and ongoing analysis of compliance areas defined by the Company. The compliance team participates in the preparation of content for internal training aimed at increasing the sense of comfort of specialist employees in their day-

to-day business areas, which in turn increases their productivity, reduce legal risks in the tasks undertaken by them and produce legal and compliance documents while respecting mutual needs.

Thanks to the appropriate management structure, the Compliance System ensures the adoption, monitoring and updating of appropriate policies and procedural solutions within Dom Development S.A. Capital Group. An effective and mature compliance culture has a permanent place in the development of operations of the Dom Development S.A. Capital Group.

CONFLICT OF INTEREST

[GRI 2-15] It is important for us to avoid situations where the personal goals of an employee or associate of the Company conflict with the objectives of the Company. In the event of such a conflict, we seek to find a solution that is sound and satisfactory to both parties.

In addition, we try to prevent situations where an employee or associate of the Company is employed based on direct functional subordination with a member of his/her family.

We also take steps to eliminate any activities of such employee or associate carried out outside the Company that would conflict with the interests of the Capital Group.

To prevent conflicts of interest, we have prepared and implemented the Code of Ethics and the Whistleblowing Procedure and Whistleblower Protection. The procedure allows for reporting any kind of irregularities, including those concerning conflicts of interest, and defines the rules of conduct both on the part of the reporting person and the Company.

GOVERNANCE STRUCTURE AND COMPOSITION

COMPOSITION OF THE MANAGEMENT BOARD

[GPW G-P1, G-P3], [GRI 2-9, 2-11, 2-17] The composition of the Management Board of Dom Development S.A. is diverse in terms of age, educational background, and professional experience. This allows for a multidimensional perspective, including a comprehensive view of issues relating to sustainable development.

In 2023, the Company's Management Board was composed of 5 members: 4 men (80%) and 1 woman (20%). The Management Board consists of 4 executive members (80%) and one non-executive member (20%). All members of the Management Board have been with the Group for many years, and their appointment was determined by their expertise and qualifications. The

Management Board of Dom Development S.A. includes people who have degrees in law, economics, and property management. All Members of the Company's Management Board have many years of experience in the real estate development industry, both in the Polish and foreign markets.

In accordance with the DOM 2030 ESG Strategy announced on 28 June 2022, the Management Board of Dom Development S.A. will strive, in cooperation with the majority shareholder, to increase the proportion of women on the Dom Development S.A. Management Board to at least 30% starting from 2026.

In 2023, the composition of the Management Board of Dom Development S.A. did not change, and it was as follows:





Jarosław Szanajca

President of the
Management Board

He directs the work of the Management Board and coordinates the activities of other members of the Management Board. The principal responsibilities of the President of the Management Board include:

1. supervision over the correct implementation of the Company's operating and financial activities,
2. determining the Company's commercial and product policy,
3. supervision of marketing and promotional policy,
4. approving the guiding principles for the employee management policy, in particular regarding the filling of important management positions in the Company and its related entities,
5. ownership supervision over subsidiaries,
6. approving the organisational structure and internal regulations of the Company.

The President of the Management Board supervises the following organisational units of the Company: Sales and Marketing Division, HR and Administration Division, IT Department, and Internal Audit.

Mr. Jarosław Szanajca graduated with a master's degree in law from the Faculty of Law and Administration at the University of Warsaw. Mr. Jarosław Szanajca has 31 years of experience in the property development sector. He has been with the Company and has served as its President since 1996, i.e. for 27 years.



Małgorzata Kolarska

Vice President of the
Management Board,
COO

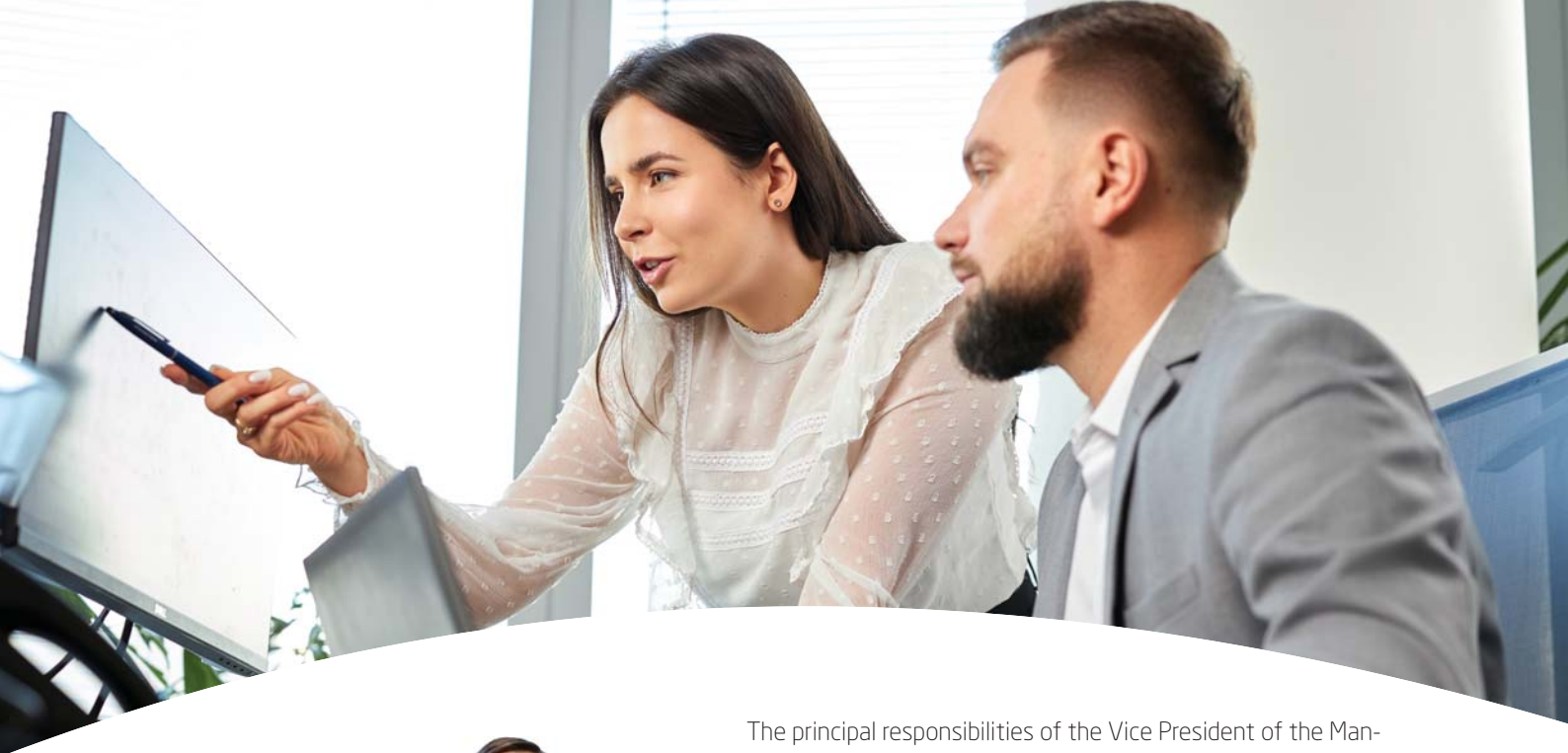
The principal responsibilities of the Vice President of the Management Board as the COO are to:

1. establish investment policy of the Company,
2. ensure the development of the Company by securing the Land Bank,
3. Manage the Company's operational and development activities through securing land, sourcing General Contractors, ensuring care for customers, providing statutory and contractual warranties, ensuring compliance as regards all aspects of the Company's operations, supervising the Company's performance management system.

Vice President of the Management Board as the COO supervised the following organisational units: Land Department, Production Division, Customer Division, Legal Department.

Ms Małgorzata Kolarska graduated with a master's degree from the Faculty of Law and Administration at the Maria Curie-Skłodowska University. Małgorzata Kolarska has 19 years of experience in the property development sector. She has worked in the Company for 17 years, including 9 years as Vice President of the Management Board.

* On September 15, 2023, Małgorzata Kolarska resigned from the position of Vice President of the Management Board and the COO. For the next year, Małgorzata Kolarska will be in the organisation as Advisor to the Management Board. The Supervisory Board adopted a resolution on the appointment of Monika Perekitko as a Member of the Management Board, who stepped into her role on 1 January 2024.



Leszek Stankiewicz

Vice President of the
Management Board,
CFO

The principal responsibilities of the Vice President of the Management Board as the CFO are to:

1. set the financial policy of the Company and its Subsidiaries,
2. manage the Company's budget and financial plans,
3. manage the Company's assets, cash, receivables, and liabilities,
4. manage the risk protection programme (by organizing an internal control and supervision system),
5. manage and supervise corporate matters, investor relations, including contacts with the WSE, KDPW (National Depository for Securities) and KNF (Financial Supervision Authority),
6. he reviews researches and analyses the financial condition of the company, the general economic situation, and their impact on the Company's policies, presents reports on the condition of the Company.

He is also responsible for:

1. negotiating and finalizing the most important financial operations, such as borrowing transactions, bond issues,
2. preparation of medium-term financial plans for the Company and annual budget plans.

Vice President of the Management Board in his role as the CFO supervises the following organisational units of the Company: Financial Controlling, Investor Relations, Cash Management, Finance Department, Accounting Department, Financial Reporting.

Leszek Stankiewicz is an economist. He graduated from the Faculty of Economic Sciences, the University of Warsaw, and the Warsaw School of Economics, in the field of Finance and Banking. Leszek Stankiewicz has 11 years of experience in the construction and property development sector. He has been with the Group for 4 years, including 2 years as Vice President of the Management Board.



Mikołaj Konopka

Member of the Management Board, President of the Management Board of Euro Styl S.A.

His principal responsibilities as the Member of the Management Board include participation in the Management Board's decision making concerning the Company's operations, with particular emphasis on the process of land purchases and development processes.

Mr. Mikołaj Konopka has been responsible for comprehensive management of the ESG area in the Capital Group since 2022.

Mr. Mikołaj Konopka graduated with a master's degree from the Faculty of Economics at the University of Gdańsk. Mr. Mikołaj Konopka has 16 years of experience in the property development sector. He has been with the Company and held a position of a Member of the Management Board for 5 years.



Terry Roydon

Member of the Management Board

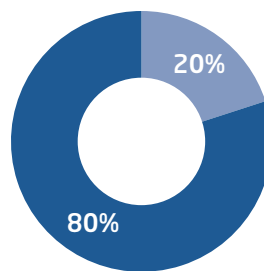
His principal responsibilities as a Member of the Management Board include participation in the Management Board's decision making concerning the Company's operations, with particular emphasis on the process of land purchases and development processes.

Mr. Terry Roydon is a graduate of the University of London. Mr. Terry Roydon has 52 years of international experience in the property development sector. He has been with the Company for 25 years, first serving as a Member of the Supervisory Board and then as a Member of the Management Board.

average age:
60
years

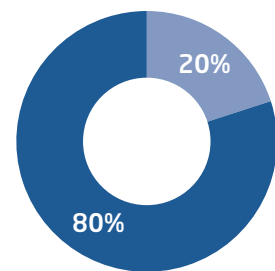
average years of service
with Dom Development:
19
years

nationality:



● Polish
● British

gender parity:



● men
● women

More information about the members of the Management Board, split of their duties, major competencies and terms of office can be found on www.inwestor.domd.pl

APPOINTMENT OF THE MANAGEMENT BOARD, EVALUATION OF ITS ACTIVITIES, KNOWLEDGE, AND COMPETENCIES OF ITS MEMBERS

[GRI 2-9, 2-10, 2-11, 2-17, 2-18] In accordance with the Company's Articles of Association, the Management Board of Dom Development S.A. shall comprise between 4 and 8 members, including the President, with a three-year term of office. The Supervisory Board shall determine the number of members of the Management Board. A shareholder holding at least 50.1% of the shares in the Company is vested with the personal right to appoint and dismiss half of the members of the Management Board, including the President of the Management Board and the Vice President of the Management Board who is responsible, pursuant to the Management Board Bylaws for the Company's finances. For an odd number of Management Board members, a shareholder who holds at least 50.1% of the shares in the Company is authorised to appoint, accordingly: three (for a 5-person Management Board) and four (for a seven-person Management Board) Management Board members. The above right is exercised by way of serving a written statement to the Company regarding the appointment or dismissal of a given Management Board member. The remaining members of the Management Board shall be appointed and dismissed by the Supervisory Board. The Management Board represents the Company in and out of court. For statements to be validly made and signed on behalf of the Company, two members of the Management Board are required to act jointly, or one member of the Management Board is required to act jointly with a commercial proxy.

The Company's Management Board acts pursuant to the provisions of the Code of Commercial Companies and Partnerships, the Articles of Association and unclassified and publicly available Management Board Bylaws approved by a resolution of the Supervisory Board, and in accordance with the Code of Best Practice for WSE Listed Companies. The Management Board is an executive body of the Company. It manages the current operations of the Company and represents the same towards third parties. The Management Board decides in all matters concerning the Company not reserved for the General Meeting and/or the Supervisory Board under legal regulations, the Articles of Associ-

ation of the Company, or a resolution of the General Meeting. Resolutions of the Management Board are adopted by an absolute majority of votes. In case of a voting deadlock, the President of the Management Board has the casting vote. When defining strategic and current objectives for the Company, the Management Board always acts in the underlying interest of the Company and in line with legal regulations, and considering the interests of the shareholders, employees, and creditors of the Company. To ensure the transparency and efficiency of the management system, the Management Board follows the principles of professional conduct within the limits of reasonable economic risk and take into consideration a wide range of available information, analyses, and opinions.

[GRI 2-9, 2-12, 2-13, 2-14, GPW I-P3, GPW E-P1] Sustainable development is an integral part of the business activities of the Dom Development S.A. Capital Group. Most departments are engaged in activities and processes implementing ESG solutions within the organisation. Responsibility for setting out directions in the sustainability area lies with the Management Board, which approved the Company's objectives under the DOM 2030 ESG Strategy. The Management Board has appointed a Member of the Management Board responsible for ESG. The ESG Coordinator is responsible for operational ESG activities, including implementation of the strategy objectives, supervision of issues related to non-financial reporting and management of climate issues. The ESG Coordinator regularly reports to the Member of the Management Board responsible for ESG. ESG objectives related to the implementation of the Strategy are part of the objectives of managers and executives.

The Group has created a responsibility matrix which covers the implementation of aspects of the ESG Strategy into operational activities.

In 2024, Dom Development S.A. Capital Group intends to conduct an analysis of significant, potential, and real risks and opportunities related to its operations in the short, medium, and long term.

COMPOSITION OF THE SUPERVISORY BOARD

The Supervisory Board exercises permanent supervision over operations of Dom Development S.A.

In the period from 1 January 2023 until 14 June 2023 the Supervisory Board of Dom Development S.A. was composed of seven members as follows:

- Grzegorz Kiełpsz, Chairman of the Supervisory Board,
- Janusz Zalewski, Vice Chairman of the Supervisory Board,
- Marek Moczulski, Vice Chairman of the Supervisory Board (Independent Member)
- Dorota Podedworna-Tarnowska, Member of the Supervisory Board (Independent Member),
- Krzysztof Grzyliński, Member of the Supervisory Board (Independent Member).
- Markham Dumas, Member of the Supervisory Board,
- Mark Spiteri, Member of the Supervisory Board.

The following changes in the composition of the Supervisory Board of the Company took place in the six-month period ended 30 June 2023. On 12 May 2023, Mr Marek Moczulski, Member and Vice Chairman of the Company's Supervisory Board and Mr Krzysztof Grzyliński, Member of the Company's Supervisory Board, resigned from their positions on the Supervisory Board, with effect from 15 June 2023. As of 14 June 2023, Mr Markham Dumas, Member of the Company's Supervisory Board, resigned from his position of Member of the Company's Supervisory Board. As of 15 June 2023, a shareholder holding at least 50.1 % of the Company's shares appointed Mr Philippe Bonavero for a joint three-year term of office as a Member of the Company's Supervisory Board. On 15 June 2023, the Ordinary General Meeting of Dom Development S.A. appointed Ms Edyta Wojtkiewicz and Ms Anna Maria Panasiuk to the Supervisory Board of the Company for a joint three-year term of office. Moreover, on 15 June 2023, the Supervisory Board of the Company appointed Dorota Podedworna-Tarnowska, an existing Member of the Supervisory Board, as Vice Chairperson of the Supervisory Board.



[GPW G-P3] Consequently, from 15 June 2023 the Supervisory Board of Dom Development S.A. has been composed of 7 members (of whom 43% are independent members) as follows:

Grzegorz Kiełpsz

Chairman of the Supervisory Board

IN SUPERVISORY BOARD SINCE: 17 September 2008

EDUCATION Mr. Grzegorz Kiełpsz has a secondary education. He has 31 years of experience in the property development sector.

EXPERIENCE He has been with the Company for 28 years, first serving as Vice President of the Management Board and then as the Chairman of the Supervisory Board.

Dorota Podedworna-Tarnowska

Vice Chairwoman of the Supervisory Board



IN SUPERVISORY BOARD SINCE: 7 June 2018

EDUCATION Dorota Podedworna-Tarnowska is a graduate of the Warsaw School of Economics. She is a doctor of economic sciences. In her professional work she makes use of her knowledge in such areas as economics, finance, accounting, and auditing.

EXPERIENCE She has been a member of the Supervisory Board of the Company for 6 years.

Janusz Zalewski

Chairman of the Supervisory Board

IN SUPERVISORY BOARD SINCE: 15 March 2021

EDUCATION Mr. Janusz Zalewski has a higher education. He is a graduate of SGPiS (the Warsaw School of Planning and Statistics – currently the Warsaw School of Economics).

EXPERIENCE He has 24 years of experience in the property development sector. He has been with the Company for 25 years, first serving as Vice President of the Management Board and then as the Vice Chairman of the Supervisory Board.

Philippe Bonavero

Member of the Supervisory Board

IN SUPERVISORY BOARD SINCE: 15 June 2023

EDUCATION Mr. Philippe Bonavero holds a degree in law and is a graduate of the University of London.

EXPERIENCE Mr. Philippe Bonavero has been the director of a British real estate investment company since 2016.

Mark Richard Anthony Spiteri

Member of the Supervisory Board

IN SUPERVISORY BOARD SINCE: 1 April 2012

EDUCATION Mr. Mark Spiteri is a graduate of the London School of Economics in London.

EXPERIENCE Mr. Mark Spiteri has 19 years of experience in the property development sector. He has served on the Supervisory Board of the Company for 12 years.

Anna Maria Panasiuk

Member of the Supervisory Board



IN SUPERVISORY BOARD SINCE: 15 June 2023

EDUCATION Anna Maria Panasiuk holds a degree in law and is a graduate of the University of Gdańsk. She completed a master's programme at the Faculty of Law and Administration at the University of Gdańsk. She is a doctor of legal sciences.

EXPERIENCE Anna Maria Panasiuk has many years of experience in capital market law, having provided legal services to investment funds and holding companies. She has been a member of the Supervisory Board of the Company since June 2023

Edyta Wojtkiewicz

Member of the Supervisory Board



IN SUPERVISORY BOARD SINCE: 15 June 2023

EDUCATION Ms. Edyta Wojtkiewicz has a higher education, she is a graduate of the Warsaw School of Economics.

EXPERIENCE She has extensive professional experience due to her previous roles. She has been a member of the Supervisory Board of the Company since June 2023

Independent member

[GPW G-P3] In 2023, the Company's Supervisory Board was composed of 4 men (57%) and 3 women (43%). Five members of the Supervisory Board are Polish citizens and two members are British citizens. The Supervisory Board is composed of members with

knowledge and professional experience in the fields of management, accounting, and finance, as well as persons with knowledge and experience in the sector of the Company's operations.

RULES OF OPERATION AND APPOINTMENT OF MEMBERS OF THE SUPERVISORY BOARD

[GRI 2-9, 2-10, 2-18] The Supervisory Board comprises of 5 to 9 members appointed for a three-year term of office. The General Meeting determines the number of members of the Supervisory Board. In addition to this, the General Meeting appoints and dismisses Members of the Supervisory Board, subject to the personal right of a Shareholder holding at least 50.1% of shares to appoint and dismiss half of the Members of the Supervisory Board, including 1 Vice Chairperson thereof. For an odd number of Supervisory Board members, a shareholder holding at least 50.1% of the shares in the Company is authorised to appoint Supervisory Board members as follows: three (for a five-person Supervisory Board), four (for a seven-person Supervisory Board) and five (for a nine-person Supervisory Board). The above right is exercised by way of serving a written statement to the Company regarding the appointment or dismissal of a given Supervisory Board member. At least two Members (and their relatives, in particular, spouses, descendants, or antecedents) of the Supervisory Board appointed by the General Meeting should meet the criteria of so-called Independent Members, defined in article 7.7 of the Articles of Association of the Company.

The Supervisory Board acts pursuant to the provisions of the Code of Commercial Companies and Partnerships, the Articles of Association, and unclassified and publicly available Supervisory Board Bylaws, approved by the Supervisory Board's resolution, that set forth its organisation and manner of operation, and in accordance with the Code of Best Practice for WSE Listed Companies. The Supervisory Board is a permanent supervisory body of the Company for all areas of its operation. The Supervisory Board adopts resolutions or issues opinions in the matters reserved for the Supervisory Board under the Company's Articles of Association

and in the manner provided for in the Articles of Association or relevant legal regulations.

The Supervisory Board held its meetings regularly. The meetings were also attended by the Members of the Management Board. In 2023 the Supervisory Board held 14 sessions. The Management Board provided the Supervisory Board with exhaustive information on all important matters concerning the operations of the Company. The Supervisory Board complied with the requirement of having among its members at least two Independent Members in line with the criteria of independence set forth in the Company's Articles of Association. Resolutions of the Supervisory Board concerning:

- granting consent for the provision by the Company and any entities related to the Company of benefits of any kind to members of the Management Board,
- granting consent for the Company or its subsidiary to conclude a material agreement with any party related to the Company, or with the Supervisory Board member or the Management Board member, and with entities related to them,
- selection of a statutory auditor to audit financial statements of the Company, were adopted with the consent of a majority of the Independent Members of the Supervisory Board.

The Supervisory Board exercises constant supervision over the Company's activities in all areas of its operations. There is no separate ESG management assessment, but the assessment covers all activities where sustainability is one of the pillars.

SUPERVISORY BOARD COMMITTEES

AUDIT COMMITTEE

In accordance with the provisions of the Company's Articles of Association and the Audit Committee Bylaws of 5 September 2006, as amended on 29 December 2006, 29 June 2007, 3 April 2008, 5 October 2010 and 31 August 2023, the Audit Committee is a permanent committee at the Supervisory Board.

The Audit Committee is composed of at least three members appointed by the Supervisory Board from amongst its members, with a majority of the members of the Audit Committee, including the chairwoman, being independent members as defined in Section 129(3) of the Act on statutory auditors, audit firms and public supervision of 11 May 2017 (consolidated text in Journal of Laws 2020, item 1415) and article 7.7 of the Company's Articles of Association. All members of the Audit Committee have knowledge of and skills in accounting or auditing. One Member of the Audit Committee has expertise and qualifications in the segment where the Company operates.

The duties and competencies of the Audit Committee have been set forth in unclassified and publicly available Audit Committee Bylaws approved by the Supervisory Board. The duties of the Audit Committee include:

1. supervision of the Management Board of the Company in the scope of:
 - compliance with relevant legal and other regulations, in particular the Accounting Act of 29 September 1994 and the Act of 11 May 2017 on statutory auditors, audit firms and public supervision,
 - preparation of financial information by the Company, regarding the selection of accounting policies, application and impact assessment of the new regulations, information on the treatment of estimated items, forecasts, etc. in the financial statements,
 - compliance with the recommendations and findings of statutory auditors appointed by the Supervisory Board,

2. issuing recommendations to the Supervisory Board of the Company in matters concerning the selection and dismissal of the statutory auditor,
2. monitoring the independence and objectivity of the statutory auditor, as regards the change of the statutory auditor and remuneration received by them,
3. monitoring the effectiveness of the risk management system,
4. monitoring the compliance system,
5. monitoring the effectiveness of the internal control system and the internal audit function, including as regards financial reporting,
6. monitoring the effectiveness and adequacy of the whistleblower system or other irregularities reporting system,
7. evaluation of the auditor's work.

In the period from 1 January until 14 June 2023, the Audit Committee was composed of the following members:

- Dorota Podedworna-Tarnowska, Chairwoman of the Audit Committee (independent member),
- Marek Moczulski, Member of the Audit Committee (independent member),
- Mark Spiteri, Member of the Audit Committee.

On 12 May 2023, Mr Marek Moczulski, Member of the Audit Committee, Member and Vice Chairman of the Company's Supervisory Board resigned from his positions, with effect from 15 June 2023.

The Supervisory Board appointed Ms Edyta Wojtowicz to the Audit Committee on 15 June 2023.

In 2023, the Audit Committee held 7 meetings, during two of which members of the Audit Committee were informed about ESG related activities in the Dom Development S.A. Capital Group

REMUNERATION COMMITTEE

In accordance with the provisions of the Company's Articles of Association and the Remuneration Committee Bylaws of 5 September 2006, as amended on 29 December 2005, 5 October 2010 and 4 October 2023, the Remuneration Committee is a permanent committee at the Supervisory Board. It is composed of at least three members appointed by the Supervisory Board from amongst its members, with at least two members of the Remuneration Committee being Independent Members of the Supervisory Board within the meaning of paragraph 7.7 of the Articles of Association. The Supervisory Board appoints one member of the Remuneration Committee to the position of the Chairperson of the Remuneration Committee. This member serves concurrently as an Independent Member of the Supervisory Board within the meaning of paragraph 7.7 of the Articles of Association. The Supervisory Board may dismiss any Member of the Remuneration Committee at any time. The duties and competencies of the Remuneration Committee have been set forth in unclassified and publicly available Remuneration Committee Bylaws approved by the Supervisory Board. The duties of the Remuneration Committee include:

- a periodic assessment of the remuneration principles for the members of the Management Board and providing the Supervisory Board with relevant recommendations in this respect,
- preparation of suggestions as regards remuneration and additional benefits for individual members of the Management Board, including benefits under a management share option programme (options con-

vertible into shares in the Company's share capital) to be reviewed by the Supervisory Board,

- submission of draft remuneration policy of the Company.

At the invitation of the Remuneration Committee, members of the Management Board, representatives of the statutory auditor and directors and employees of the Company may participate in the meetings of the Remuneration Committee. In 2023, the Remuneration Committee held 6 meetings.

In the period from 1 January until 14 June 2023 the Remuneration Committee was composed of the following members:

- Marek Moczulski, Chairman of the Remuneration Committee (independent member),
- Krzysztof Grzyliński, Member of the Remuneration Committee (independent member),
- Mark Spiteri, Member of the Remuneration Committee.

On 12 May 2023, Mr Marek Moczulski, Member of the Remuneration Committee, Member and Vice Chairman of the Company's Supervisory Board and Mr Krzysztof Grzyliński, Member of the Company's Supervisory Board and Member of the Remuneration Committee resigned from his positions, with effect from 15 June 2023.

The Supervisory Board appointed Ms Anna Maria Panskiuk as a member of the remuneration Committee on 15 June 2023.



PRINCIPLES OF REMUNERATING EXECUTIVES

[GRI 2-19, 2-20] In accordance with the Articles of Association of the Company, the terms of contracts and remuneration for the President of the Management Board and the other Members of the Management Board is the responsibility of the Supervisory Board, upon the recommendation of the Remuneration Committee in this regard. The Remuneration Committee reviews the remuneration principles for the members of the Management Board periodically and provides the Supervisory Board with relevant recommendations in this respect and suggests amounts of remuneration and additional benefits for individual members of the Management Board, in particular benefits under a management share option programme (options convertible into shares in the Company's share capital) for individual Members of the Management Board, which is reviewed by the Supervisory Board.

The amount, form, and structure of remuneration of the Members of the Company's Management Board follows from the applicable "Dom Development S.A. Remuneration Policy for Members of the Management Board and Supervisory Board" and consists of a fixed part (base salary), a variable part depending on the results (bonus system) and fringe benefits (such as private medical care or company car). In 2023, the principles of the remuneration system were the same as those applied in previous years, i.e. the remuneration was based on the incentive system linked to financial

performance, business, and financial objectives of the Company. The granting of the annual discretionary bonus was contingent on the extent to which individual annual targets associated with the business objectives of the Company were met. The incentive scheme is not linked to the achievement of specific sustainability objectives. Moreover, there are Management Option Programmes in place at the Company.

None of the Company's Management Board members is entitled to compensation in the event of resignation from their function. In accordance with the resolutions of the Supervisory Board, the following Management Board members: Jarosław Szanajca, Małgorzata Kolarska, Leszek Stankiewicz and Mikołaj Konopka, in the event of dismissal for reasons other than violation of their fundamental obligations or non-re-appointment for another term of office, are entitled to the payment of 6 months' remuneration.

The Company has no liabilities arising from retirement pensions or similar benefits for its former management or supervisory executives.

Detailed information on the remuneration of the Management Board and the Supervisory Board can be found in the Report of the Management Board's Activities in 2023.



VALUES AND ETHICS

[GRI 2-15, 3-3, GPW G-P4] The organisational culture of the Dom Development Capital Group is based on the principles described in the Code of Ethical Conduct, which sets out standards, values, model behaviours and conduct. It is addressed to all employees, associates and entities operating on behalf of each of the companies that make up the Dom Development S.A. Capital Group

OUR COMMON VALUES INCLUDE FIRST AND FOREMOST:

INTEGRITY

We comply with ethical and moral principles, applicable national and international laws and internal regulations and procedures, and in our work, we are guided by professional ethics.

RESPECT AND EQUAL TREATMENT

We treat all persons who form the Company, from its employees and customers through to contractors and business partners, to stakeholders and shareholders, on an equal footing. We respect and appreciate the diversity of views, origin, race, gender, age, culture, marital status, faith, sexual orientation, membership in social and professional organisations, beliefs of others and the right to their privacy, and to be treated individually.

RESPONSIBILITY AND PROFESSIONALISM

By fulfilling the common objectives and tasks of the Company, we meet the promise of timeliness, reliability and quality of offered apartments and service premises, we respond to the needs of customers and other stakeholders according to our best knowledge, and constantly improve our qualifications.

ANTI-DISCRIMINATION

We categorically oppose any form and manifestation of discrimination against other persons for any reason.

TRANSPARENCY AND ANTI-CORRUPTION

We strongly reject and refuse to tolerate any manifestations of corruption, bribery, and other forms of taking advantage of or offering any additional and illegal benefits on account of the functions and duties performed, and our actions are open and transparent.

MODERNITY

We boldly implement new technologies and IT systems, and in the construction projects we carry out, we care about the proper development and training of employees and focus on the future while respecting the past. We are ready and open to act to find the best solution.

Other provisions of the Code address, but are not limited to.:

- our relationships with customers and other stakeholders,
- our relationships with business partners,
- protection of customers' and other stakeholders' data,
- our relations and obligations related to the market and competition,
- conflicts of interest.

Compliance with the principles of the Code is in the interest and is a duty of all employees, associates, business partners and other stakeholders of the Dom Development S.A. Capital Group. We will respond firmly and appropriately to any manifestation of conduct contrary to the law and the provisions of the Code. The Code is subject to periodic verification, just as other Compliance Culture-related procedures, and documents at the Company. The code is publicly available and can be found at: <https://inwestor.domd.pl/odpowiedzialny-biznes>

PERSONAL DATA PROTECTION

[GRI 3-3, 418-1, GPW G-D1] As the Dom Development Group, we have put in place procedural measures to ensure that our management approach complies with the requirements of Regulation of the European Parliament and of the Council (EU) No. 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (the General Data Protection Regulation), including the requirement to implement such measures. As an organisation, we are aware of the risks of breaching confidentiality, and, consequently, also violating the rights and freedoms of natural persons with regard to the processing of their personal data.

The Information Security Policy and related documents adopted in the Dom Development Group are to ensure:

- protection of information against unauthorised access,

- confidentiality of information,
- non-disclosure of information to unauthorised persons in deliberate actions and due to lack of diligence,
- integrity of information by protecting data from unauthorised modification,
- making information available to authorised users to the extent that it is necessary to perform business tasks,
- limiting access by users whose access to information is not necessary for the performance of business purposes.

At the same time, the Policy and related documents provide control over the security of information, to include personal data.

[GRI 2-27] In 2023, there were no complaints concerning breaches of customer privacy and losses of customer data.



ANTI-CORRUPTION

[GRI 3-3, 205-2, 205-3, 206-1, GPW G-P5, GPW G-P6]

In order to prevent corruption, we have prepared and implemented the Code of Ethics and the Whistleblowing Procedure and Whistleblower Protection. The procedure allows for reporting any kind of irregularities, including corruption, and sets out the rules of conduct both on the part of the reporting person and the company. Under the procedure adopted, irregularities can be reported anonymously via:

- internal channels: mailbox, traditional mail and information provided by phone or in person,
- external channels: (e-mail, phone) through a dedicated external law firm specialising in security, or through a dedicated form for receiving reports on irregularities.

Naturally, suspected irregularities may also be reported in a non-confidential manner, in compliance with the official reporting rules, to the immediate supervisor, and in special cases directly to the President of the Management Board or the Supervisory Board. In all cases employees can contact the compliance officer. Any information received, regardless of how it is transmitted, is a starting point for an internal investigation.

Retaliation in any form against a whistleblower who reports an irregularity in good faith is prohibited. We will take no actions intended to identify the person who reported a matter anonymously. In case of any matter submitted through official channels, we guarantee support and identity protection for the person who made the report.

[GRI 2-27] In the years 2022 and 2023, no incidents of corruption or bribery were recorded in the Group companies. No incidents were reported either:

- where workers have been dismissed or disciplined for corruption or bribery,
- in relation to contracts with business partners that have been terminated or not renewed due to corruption or bribery related breaches.



POLITICAL IMPACTS AND LOBBYING

[GRI 415-1] As Dom Development S.A. Capital Group, we are an apolitical organisation and we do not support political parties directly or indirectly. At the same time, as a prime value, we respect the right of our employees to hold different political views and to engage in social life. We do not accept any discrimination, including discrimination for a particular worldview and political sympathies.

PAYMENT PRACTICES

Since the beginning of its activity on the property development market, Dom Development S.A. Capital Group has been building and maintaining trust as a reliable payer/debtor which regulates its liabilities on time. Dom Development S.A. Capital Group makes every effort to ensure that invoices of suppliers are paid on the agreed date and without delay. To this end, the Group's companies have implemented appropriate processes for the circulation of purchase invoices, which allow, within the timeframes set by the payment deadline, to properly verify, approve and post the supplier's invoice, and then to settle the payment.

Dom Development S.A. Capital Group's reputation as a credible and reliable debtor affects the amount and duration of trade credit granted to us by the suppliers, i.e. a purchase with a deferred payment date. However, each process of negotiating and setting contractual payment terms with business partners/suppliers with-

in the Group considers the provisions of the current Act of 4 November 2022 amending the Act on counteracting excessive delays in commercial transactions and the Act on public finances, to secure the interests of smaller enterprises in asymmetric relations with a debtor or who is a large entrepreneur.

Ensuring transparency of payment practices reduces the tendency to misbehaviour and reduces the risk of entering business relationships with partners using excessively extended payment deadlines.

Within the deadline specified in the above-mentioned regulations²⁰, i.e. by 30 April each year, the Group companies²¹ subject to the reporting obligation²² submit a report on payment dates in commercial transactions for the previous year.

²⁰ Act of 8 March 2013 on counteracting payment lags in commercial transactions (Journal of Laws of 2022, item 893)

Act of 4 November 2022 amending the act on counteracting payment lags in commercial transactions and the public finance act (Journal of Laws of 2022, item 2414) Section 27b par. 2(1) i 2(2) of the Corporate Income Tax Act dated 15 February 1992 (Journal of Laws of 2021, item 1800, as amended)

²¹ In the case of the Dom Development S.A. Capital Group, the following companies are bound to submit a report: Dom Development S.A., Dom Construction Sp. z o.o., Dom Development Wrocław Sp. z o.o., Euro Styl S.A., Euro Styl Construction Sp. z o.o.

²² Fiscal unity groups, real estate companies and corporate income tax taxpayers whose income earned in the tax year exceeded the equivalent of EUR 50 million.



Standard payment terms in contracts signed by the Group's companies commence after receiving an invoice from the business partner, in accordance with the provisions of concluded agreements. The Companies pay for services within 21 days of receipt of the invoice. We also accept shorter payment terms (14 days),

which we set during the course of business negotiations. We try not to exceed the statutory period of 30 days.

There are currently no legal proceedings against the Group companies regarding late payments.

PAYMENT TERMS IN COMMERCIAL TRANSACTIONS IN 2022*

The value and percentage of individual cash performances defaulted in the previous calendar year, where due date has been exceeded by:

	Dom Development S.A.	Dom Development Wrocław Sp. z o.o.	Dom Construction Sp. z o.o.	Euro Styl S.A.	Euro Styl Construction Sp. z o.o.
up to 5 days	PLN 13 009 695.09 (2.74%)	PLN 753 171.56 (1.6%)	PLN 34 321 767.47 (5.01%)	PLN 4 821 995.06 (4.24%)	PLN 61 097 183.8 (15.39%)
6-30 days	PLN 21 922 760.17 (4.62%)	PLN 1 644 669.01 (3.49%)	PLN 30 845 598.7 (4.5%)	PLN 22 734 020.57 (19.98%)	PLN 13 948 741.08 (3.51%)
31-60 days	PLN 457 690.89 (0.1%)	PLN 52 866.88 (0.11%)	PLN 2 766 711.19 (0.4%)	PLN 5 385 783.45 (4.73%)	PLN 1 567 475.66 (0.39%)
61-120 days	PLN 69 134.55 (0.01%)	PLN 1 098.70 (0%)	PLN 419 876.87 (0.06%)	PLN 0 (0%)	PLN 290 455.2 (0.07%)
over 120 days	PLN 0 (0%)	PLN 329.61 (0%)	PLN 2 862 (0%)	PLN 0 (0%)	PLN 54 511.08 (0.01%)

*The report is submitted electronically by 30 April each year; this means that the most up-to-date data are for 2022.

TAX STRATEGIES

[GRI 207-1] We strive for full transparency of our settlements, including tax settlements. We believe that paying taxes arising from our business is an important part of the way we support the communities in which we operate. Dom Development S.A. Capital Group makes a significant contribution to the tax revenues of the regions in which it operates. In our view, the proper and reliable fulfilment of obligations under tax law, as well as the fulfilment of obligations toward shareholders, is an important element of the Group's overall strategy.

The Group manages its tax affairs in a proactive manner to maximise value for shareholders and as such uses tax incentives or tax efficiency opportunities where appropriate and where they support genuine commercial activities. The Group does not enter into any artificial arrangements that have no commercial purpose to secure tax benefits. The aim is to ensure full compliance with all statutory obligations and, consequently, to try to minimise risks where possible. We do not tolerate tax evasion.

Tax strategies of the companies that form part of the Group²³ aim to maintain positive relations with tax authorities, based on mutual respect and trust. At the same time, we declare that we endeavour to meet all legal requirements by filing all relevant tax returns and paying taxes accurately and in a timely manner.

In the case of tax issues that raise important interpretative doubts, to minimise the risk of non-compliance of tax positions taken by us, we apply for individual tax rulings.

In 2022, Group companies filed a total of 17 applications for individual tax rulings, as referred to in Section 14b of the Tax Code Act²⁴. The companies complied with all the tax rulings received.

In 2022, companies from the Dom Development S.A. Capital Group did not make any tax settlements in territories or countries applying harmful tax competition.

For full details of the tax strategies of our companies see publicly available information on the applicable tax strategies.

NUMBER OF APPLICATIONS FOR INDIVIDUAL TAX RULINGS, AS REFERRED TO IN SECTION 14B OF THE TAX CODE ACT

Company name	2022	2021
Dom Development S.A.	13	8
Dom Construction Sp. z o.o.	0	0
Dom Development Wrocław Sp. z o.o.	4	10
Euro Styl S.A.	0	2
Euro Styl Construction Sp. z o.o.	0	0

The tax strategy is published on the website of the taxpayer or related party by the end of the twelfth month following the end of the tax year to which it relates; this means the information for 2023 will be published by the end of 2022.

²³ In compliance with the applicable regulations, the following companies have tax strategies: Dom Development S.A., Dom Construction Sp. z o.o., Dom Development Wrocław Sp. z o.o., Euro Styl S.A., Euro Styl Construction Sp. z o.o.

²⁴ At the time of publication of this report, the most up-to-date data was disclosed.

TAX RISK MANAGEMENT

There are a number of factors that influence the Group's tax risk, both internal and external. Internal tax teams work to minimise that risk to an acceptable level. We monitor new and changing tax regulations. Once they are announced, we assess their impact on the

Group's activities and take active steps to ensure compliance with any changes. We work with professional tax and reporting advisors on an ongoing basis to control changes in these areas and adapt our systems and software accordingly.



Disclosures related to Regulation 2020/852



The European Green Deal is an action plan adopted by the European Commission in 2018 on financing sustainable growth. Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishes a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088, constitutes a tool for a uniform classification of sustainable activities (hereinafter: "EU Environmental Taxonomy", "EU Taxonomy", "Taxonomy").

The Delegated Act setting out the technical screening criteria is Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021, while the Delegated Act for nuclear and natural gas activities is Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022. In 2023, Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 was adopted, which contains Technical Screening Criteria for the four remaining objectives and additional requirements for the reported indicators.

The reporting of disclosures relating to the EU Taxonomy assesses eligibility and compliance with the Taxonomy.

The verification of eligibility requires an assessment of the business activity in terms of its significant contribution to the achievement of at least one of the six environmental objectives that allow the activity to be considered environmentally sustainable. These objectives are:

- climate change mitigation (CCM),
- climate change adaptation (CCA),
- sustainable use and protection of water and marine resources (WTR),
- transition to a circular economy (CE),
- pollution prevention and control (PPC),
- protection and restoration of biodiversity and ecosystems (BIO).

At the time of this report, the disclosures on compliance with the taxonomy cover only the first two environmental objectives (climate change mitigation and climate change adaptation). For the remaining four objectives of Regulation 2023/2486, we disclose their eligibility for the Taxonomy for the year 2023. In addition, qualitative information on accounting policies, assessment of compliance with Regulation 2020/852 and contextual information should be disclosed.

Environmentally sustainable activities must make contribution to at least one of the environmental ob-

jectives whilst not significantly harming any of the other objectives („Do No Significant Harm” principle). The criteria for making a substantial contribution to one or more of the six environmental objectives and to the “Do No Significant Harm” principle are defined through the technical screening criteria set out in the Taxonomy Delegated Acts (Delegated Regulation 2021/2139, Delegated Regulation 2022/1214, Delegated Regulation 2023/2486, Delegated Regulation 2023/2485 and Delegated Regulation 2020/852).

It is also required that the reporting entity complies with the Minimum Safeguards set out in Article 18 of Regulation 2020/852, which include the implementation of due diligence procedures within the meaning of the OECD Guidelines and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions set out in the International Labour Organisation Declaration on Fundamental Principles and Rights at Work and the Principles and Rights set out in the International Bill of Human Rights.

Mandatory disclosures of non-financial companies concern key performance indicators, which relate to the percentage share of Taxonomy-compliant, Taxonomy-eligible but not Taxonomy-aligned, and not Taxonomy-eligible business activities, and accompanying information (as defined in Annexes I, II, the current wording of which has been amended by Regulations 2023/2486 and XII of that Regulation).

The percentage of operations is presented under three indicators:

- turnover,
- capital expenditure (CapEx),
- operating expense (OpEx).

Non-financial companies are required to explain, as part of the disclosure of accounting policies, how turnover, capital expenditures and operating expenses have been determined and assigned to the numerator. In addition, it is necessary to set out how the basis on which turnover, capital expenditure and operating expenses were calculated, including the reference to the related items in the non-financial statements.

The data used for the calculations came from the financial and accounting system of the Dom Development S.A. Group and from the financial and accounting systems of individual subsidiaries within the Group.

The Group avoided double counting when assigning turnover and capital expenditures by making appropriate consolidation exemptions in accordance with the accounting rules in force. In the case of operating ex-

penses, all accounts in the Group's accounting system were reviewed, and each subsequently identified item meeting the OPEX definition was assigned to a given type of activity eligible for the Taxonomy.

Turnover

In relation to turnover, the basis was the total consolidated revenues of the Dom Development Capital Group in 2023, disclosed in the consolidated financial statements in note 7.34. The revenue from taxonomy-eligible activities was assigned to the numerator.

Capital expenditure (CapEx)

In relation to capital expenditure, the basis was the capital expenditures disclosed in the consolidated financial statement in notes 7.6 and 7.7. The part of CapEx that relates to the taxonomy-eligible activities was assigned to the numerator.

Operating expense (OpEx)

In relation to operating expense (OpEx), the basis was all costs used to maintain the assets of the Group companies and keep them in good condition. The part of OpEx that relates to the taxonomy-eligible activities was assigned to the numerator.

VERIFICATION OF ELIGIBILITY OF ACTIVITIES

To prepare the disclosures for 2023, companies from the Dom Development S.A. Group conducted an analysis of its activities, because of which activities eligible for the Taxonomy were identified. The financial data for eligible activities shown in the following disclosures include both revenues (turnover) from taxonomy-eligible economic activities, associated capital expenditure or operating expense, as well as purchases for eligible activities.

The calculation of the turnover, capital expenditure (CAPEX) and operating expense (OPEX) indicators was based on the definitions set out in Annex I to Commission Delegated Regulation (EU) 2021/2178. For the calculation of indicators for the Group, the same principles of consolidation were applied as used in the financial statements.

The principal activity of the Group involves construction of buildings. Based on the analysis carried out, the following taxonomy-eligible activities have been identified:

Sector	Code	Activity	Description of activities
Construction and real estate activities	CCM 7.1	Construction of new buildings	Development of building projects for residential and non-residential buildings by bringing together financial, technical, and physical means to realise the building projects for later sale as well as the construction of complete residential or non-residential buildings, on own account for sale or on a fee or contract basis.
Accommodation activities	BIO 2.1	Hotels, holiday, camping grounds and similar accommodation	The provision of short-term tourism accommodation with or without associated services
Energy	CCM 4.15	District heating/cooling distribution	Construction, refurbishment and operation of pipelines and associated infrastructure for distribution of heating and cooling, ending at the sub-station or heat exchanger.

VERIFICATION OF ACTIVITY COMPLIANCE

An eligible activity must at the same time:

- make a significant contribution to one or more of the environmental objectives set out in the Taxonomy (meets the technical screening criteria),
- do not significantly harm any of the other environmental objectives,
- are carried out in accordance with the Minimum Safeguards laid down in Article 18 of Regulation 2020/852,

can be considered environmentally sustainable, i.e. consistent with the Taxonomy.

As part of the preparation of the taxonomic disclosures, an analysis of the compliance of activities eligible in terms of meeting the technical screening criteria for specific activities, covered by Delegated Regulation 2021/2139.

MINIMUM SAFEGUARDS

Dom Development S.A. Capital Group assessed the fulfilment of the Minimum Safeguards specified in the Taxonomy. The evaluation of each of the areas showed that the Dom Development S.A. Capital Group adopted the policies and procedures necessary to meet the minimum social safeguards. The assessment also excluded the existence of any conditions constituting non-compliance with the Minimum Safeguards in any of those areas.

Testing for compliance with the Minimum Safeguards was carried out in accordance with the recommendations contained in the Final Report on Minimum Safeguards by the EU Platform on Sustainable Finance. Dom Development S.A. Group meets the requirements of the Minimum Safeguards, i.e. it operates in accordance with

the OECD Guidelines for Multinational Enterprises and the UN's Guideline Principles on Business and Human rights. Dom Development S.A. Group has in place and applies solutions and procedures ensuring:

- protection of human, labour, and consumer rights,
- compliance with environmental regulations,
- prevention of bribery and corruption,
- compliance with competition law,
- compliance with tax regulations.

In this report, the Group discloses for the first time the share of taxonomy-eligible activities in the scope related to the reporting period, i.e. 01.01.2023-31.12.2023. Therefore, the disclosure does not include information about changes in data for previous periods.

PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria („Do no significant harm“)						Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover, year 2022	Category Enabling activity	Category Transitional activity	
	Code(s)	Turnover	Proportion of turnover, year 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				Minimum safeguards
Economic activity		PLN million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	%	%	%	%	%	%	%								n/a		
of which enabling		0	%	%	%	%	%	%	%								n/a	n/a	
of which transitional		0	%	%													n/a		n/a
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Construction of new buildings	7.1	2 429.468	95.26%	EL	N/EL	N/EL	N/EL	EL	N/EL								n/a		
Hotels, holiday, camping grounds and similar accommodation	2.1	8.659	0.34%	EL	N/EL	N/EL	N/EL	EL	N/EL								n/a		
District heating/cooling distribution	4.15	0.386	0.02%	EL	N/EL	N/EL	N/EL	EL	N/EL								n/a		
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		2 438.513	%	%	%	%	%	%	%								n/a		
A. Turnover of taxonomy eligible activities (A.1+A.2)		2 438.513	95.62%	%	%	%	%	%	%								n/a		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of taxonomy non-eligible activities		0.111	4.38%																
TOTAL		2 550.313	100%																

PERCENTAGE OF CAPEX ON PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Financial year 2023	Year		Substantial contribution criteria							DNSH criteria („Do no significant harm“)							Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, Year 2022	Category Enabling activity	Category Transitional activity
Economic activity	Code(s)	CapEx	Proportion of CapEx, year 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards			
		PLN million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	%	%	%	%	%	%	%								n/a		
of which enabling		0	%	%	%	%	%	%	%								n/a	n/a	
of which transitional		0	%	%													n/a		n/a
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Construction of new buildings	CCM 7.1	1.782	4.37%	EL	N/EL	N/EL	N/EL	EL	N/EL								n/a		
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		1.782	4.37%	%	%	%	%	%	%								n/a		
A. CapEx of taxonomy-eligible activities (A.1+A.2)		7.782	4.37%	%	%	%	%	%	%								n/a		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of taxonomy-non eligible activities		38.993	95.63%																
TOTAL		40.776	100%																

PERCENTAGE OF OPEX ON PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria („Do no significant harm“)						Proportion of taxonomy aligned (A.1.) or eligible (A.2.) OpEx, Year 2022	Category Enabling activity	Category Transitional activity	
	Code(s)	OpEx	Proportion of OpEx, year 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity				Minimum safeguards
Economic activity		PLN million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	%	%	%	%	%	%	%								n/a		
of which enabling		0	%	%	%	%	%	%	%								n/a	n/a	
of which transitional		0	%	%													n/a		n/a
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Construction of new buildings	CCM 7.1	7.030	88.06%	EL	N/EL	N/EL	N/EL	EL	N/EL								n/a		
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		7.030	88.06%	%	%	%	%	%	%								n/a		
A. OpEx of taxonomy-eligible activities (A.1+A.2)		7.030	88.06%	%	%	%	%	%	%								n/a		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of taxonomy non-eligible activities		0.953	11.94%																
TOTAL		7.983	100%																

KEY PERFORMANCE INDICATORS PREPARED IN ACCORDANCE WITH DELEGATED REGULATION 2023/2486

Environmental objective	Proportion of turnover / Total turnover	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective
Climate change mitigation	0%	95,28%
Climate change adaptation	0%	0%
Water	0%	0%
Circular economy	0%	0%
Pollution	0%	0%
Biodiversity	0%	0,34%

Environmental objective	Proportion of CapEx / Total CapEx	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective
Climate change mitigation	0%	4,37%
Climate change adaptation	0%	0%
Water	0%	0%
Circular economy	0%	0%
Pollution	0%	0%
Biodiversity	0%	0%

Environmental objective	Proportion of OpEx / Total OpEx	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective
Climate change mitigation	0%	88,06%
Climate change adaptation	0%	0%
Water	0%	0%
Circular economy	0%	0%
Pollution	0%	0%
Biodiversity	0%	0%



The Group's activities are not related to nuclear energy or fossil gas. The disclosure required under Annex III of Commission Delegated Regulation (EU) 2022/1214, supplementing Delegated Regulation (EU) 2021/2178 with Annex XII, concerning the standard disclosure templates referred to in Article 8(6) and (7), i.e. for nuclear energy and fossil gas related activities.

TURNOVER/CAEX/OPEX

Nuclear energy and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds, or has exposures to research, development, demonstration, and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle	NO
2.	The undertaking carries out, funds, or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds, or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds, or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds, or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds, or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO



About the Report



GENERAL BASIS FOR THE PREPARATION OF THE SUSTAINABILITY REPORTS

[GRI 2-1, 2-2, 2-3, 2-4, 2-5, 2-14] This report is the second non-financial report to present our environmental, social and governance impacts.

The report was prepared in a consolidated manner identical to the consolidation disclosed in the 2023 financial statements available at www.inwestor.domd.pl. The report does not cover the Group's upstream and downstream value chain.

The report did not require the disclosure of classified and sensitive information nor information relating to intellectual property, know-how or the innovative outcomes.

It covers the period from 1 January to 31 December 2023. This report has been prepared in accordance with GRI standards 2021. GRI Standards is an international system of reporting standards for the economic, environmental, and social performance of an enterprise. It is the most frequently chosen ESG reporting standard in the world. The reference year is 2021.

The report also refers to international guidelines and objectives relevant to our organisation. These are:

- the European Commission's guidelines on the disclosure of non-financial information related to climate impact,
- the Sustainable Development Goals identified as strategic goals in the DOM 2030 ESG Strategy.

In addition, this publication considers the assumptions and metrics defined by the "ESG Reporting Guidelines – Guide for WSE Listed Companies". The report also includes own metrics, which are sector-specific performance indicators.

The information on carbon footprint provided in this report was subject to external assurance by an independent third party.

In the reporting period, we did not make any changes to the non-financial information reported.

Sustainability matters about which governance bodies must be informed have been described in chapter "Audit Committee".

[GRI 2-14] The Management Board of Dom Development S.A. Capital Group is actively engaged in the work related to sustainability reporting. As part of its engagement, the Management Board is responsible for, among other things, engaging relevant departments and units in the reporting process, ensuring compliance with due diligence processes and final acceptance of the ESG report content.

The issues related to the integration of sustainability-related results into incentive schemes are described in chapter "Appointment of the Management Board, evaluation of its activities, knowledge and competencies of its members."

RULES FOR REPORTING GREENHOUSE GAS EMISSIONS

1. The reference year is 2021.
2. Basic information on the methodology for calculating greenhouse gas emissions and the ratios used.

Scope 1 greenhouse gas emissions were calculated using the „GHG Protocol Corporate Accounting and Reporting Standard methodology“.

- for natural gas: using DEFRA (Department of Environment, Food and Rural Affairs of the UK Government) data,
- calorific values of fuels: petrol, diesel and LPG, and emission factors were assumed based on data published by the National Centre for Emissions Manage-

ment (Krajowy Ośrodek Bilansowania i Zarządzania Emisjami, KOBIZE).

Scope 2 greenhouse gas emissions were calculated using the „GHG Protocol Corporate Accounting and Reporting Standard methodology“. The following emission intensity indicators were used to calculate Scope 2 greenhouse gas emissions:

- Location based: for electricity in Poland: 650.1 kgCO₂/MWh based on the KOBIZE data,
- Market based: based on the data from the electricity supplier: EON Polska S.A., Tauron S.A., ENERGA S.A. and the issued energy guarantees of origin.



INFORMATION ON SOURCE DATA AND ESTIMATES

The calculation of fuel and energy carrier consumption refers to 2023. The source of the data is information from an internal register or information from utility suppliers.

Electricity

It is assumed that the values provided by electricity suppliers in the submitted reports for 2023 reflect the annual electricity consumption, including consumption by sales offices, project development, and the period when the building is managed by us until the building is handed over to the property managers. Data on electricity consumption in the offices of Dom Development S.A., Dom Development Wrocław Sp. z o.o. and Dom Development Kraków Sp. z o.o. come from invoices and were calculated by the building managers in proportion to the space occupied.

District heating

It is assumed that the values provided by the district heating suppliers in the 2023 reports reflect the annual electricity consumption during the project development until the handover of the building to the manager, by sales offices and head offices. Data on the consumption of district heating at the offices of

the companies: Dom Development S.A., Dom Development Wrocław Sp. z o.o. and Dom Development Kraków Sp. z o.o. come from invoices and were calculated by the building managers in proportion to the space occupied. The data also considers the consumption of district heating in apartments until apartments were taken over by the customers. The data comes from an internal register. For the conversion of data from GJ to MWh it was assumed that 1 GJ = 3.6 MWh.

Natural gas

Data on gas consumption at the headquarters of Euro Styl S.A. come from the internal register of invoices. The invoice values [shown in m³] were converted into calorific values [in kWh] by considering the conversion factor specified by the fuel supplier for each month.

Fuels

This data comes from internal register of invoices. Fuel calorific values were based on data published by DEFRA (Department of Environment, Food and Rural Affairs of the UK Government).

All (100%) data on natural gas, LPG, diesel, petrol, and heating oil come from their respective source.



INDEX OF METRICS

The following are explanations of the metrics used in the report. The table refers to the locations where individual information is disclosed in accordance with the GRI standard.

GRI TABLE

GRI Standard	Disclosure	Location in the report	
GENERAL DISCLOSURES			
GRI 2: General Disclosures 2021	2-1 Organisational details	6, 118	
	2-2 Entities included in this report	6, 118	
	2-3 Reporting period, frequency and contact point	118, 127	
	2-4 Restatements of information	118, 127	
	2-5 External assurance	118	
	2-6 Activities, value chain and other business relationships	6, 15	
	2-7 Employees	49	
	2-8 Workers who are not employees	49, 52	
	2-9 Governance structure and composition	58, 90, 94, 97	
	2-10 Nomination and selection of the highest governance body	94, 97	
	2-11 Chair of the highest governance body	90, 94	
	2-12 Role of the highest governance body in overseeing the management of impacts	94	
	2-13 Delegation of responsibility for managing impacts	94	
	2-14 Role of the highest governance body in sustainability reporting	21, 94, 118	
	2-16 Communication of critical concerns	89, 101	
	2-17 Collective knowledge of the highest governance body	90, 94	
	2-18 Evaluation of the performance of the highest governance body	94, 97	
	2-19 Remuneration policies	50, 100	
	2-20 Process to determine remuneration	59, 100	
	2-22 Statement on sustainable development strategy	9, 29	
	2-23 Policy commitments	9, 29, 89	
	2-24 Embedding policy commitments	9, 29	
	2-25 Processes to remediate negative impacts	68	
	2-26 Mechanisms for seeking advice and raising concerns	68, 102, 103	
	2-28 Membership associations	19	
	2-29 Approach to stakeholder engagement	17	
	2-30 Collective bargaining agreements	49	
	MATERIALITY ASSESSMENT		
	GRI 3: Material Topics 2021	3-1 Process to determine material topics	20
		3-2 List of material topics	20
Material topic: Co-creation of urban infrastructure and contribution to the development of cities			
GRI 3: Material Topics 2021	3-3 Management approach	84	

GRI 203 Indirect Economic Impacts	203-1 Infrastructure investments and services supported	84	
Material topic: Conditions of employment (types of contracts, turnover, wages, supplementary benefits, level of remuneration)			
GRI 3: Material Topics 2021	3-3 Management approach	49	
GRI 401 Employment	401-1 New employee hires and employee turnover	49, 54, 55	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	49	
	401-3 Parental leave	66	
Material topic: Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3 Management approach	66	
GRI 401: Employment 2016	401-3 Parental leave	66	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	58	
	405-2 Ratio of basic salary and remuneration of women to men	67	
GRI 406: Nondiscrimination 2016	406-1 Incidents of discrimination and corrective actions taken	68	
Material topic: Water and effluent management and biodiversity			
GRI 3: Material Topics 2021	3-3 Management approach	35	
GRI 303 Water and effluents	303-3 Total water withdrawal by source	35	
GRI 304 Biodiversity	304-2 Significant impacts of activities, products, and services on biodiversity	37	
Material topic: Opportunities and risks due to climate changes			
GRI 3: Material Topics 2021	3-3 Management approach	26	
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities for the organisation due to climate change	26	
Material topic: Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management approach	61	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	61	
	403-2 Hazard identification, risk assessment, and incident investigations	61	
	403-4 Worker participation, consultation, and communication on occupational health and safety	61	
	403-5 Worker training on occupational health and safety	61	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	61	
	403-8 Workers covered by an occupational health and safety management system	61	
	403-9 Work-related injuries	65	
	403-10 Work-related ill health	65	
	Material topic: Respect for the privacy of employees and customers, including the confidentiality of customers' personal data		
	GRI 3: Material Topics 2021	3-3 Management approach	102
GRI 418 Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	102	

Material topic: Training and education		
GRI 3: Material Topics 2021	3-3 Management approach	60
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	60
	404-3 Percentage of employees receiving regular performance and career development reviews	60
Material topic: Fair and clear contracts and ethical communication		
GRI 3: Material Topics 2021	3-3 Management approach	79
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labelling	79
	417-2 Incidents of non-compliance concerning product and service information and labelling	79
	417-3 Incidents of non-compliance concerning marketing communications	79
Material topic: Waste management		
GRI 3: Material Topics 2021	3-3 Management approach	42
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	42
	306-2 Management of significant waste-related impacts	42
	306-3 Waste generated	43
Material topic: Consumption of materials and the efficiency of the process		
GRI 3: Material Topics 2021	3-3 Management approach	41
GRI 301 Materials	301-1 Materials used by weight or volume	41
Material topic: Fuel and energy consumption		
GRI 3: Material Topics 2021	3-3 Management approach	31
GRI 302 Energy	302-1 Energy consumption within the organisation	31
	302-3 Energy intensity	31
Material topic: Local communities and social engagement		
GRI 3: Material Topics 2021	3-3 Management approach	70
GRI 201 Economic Performance	201-1 Direct economic value generated and distributed	70
GRI 204 Procurement Practices	204-1 Proportion of spending on local suppliers	15
GRI 207: Tax 2019	207-1 Approach to tax	106
GRI 413: Local Communities 2016	413-1 Operations with local community involvement, impact assessments, and development programs	84
	413-2 Operations with significant actual and potential negative impacts on local communities	84
Material topic: Counteracting corruption, anti-market and monopoly practices		
GRI 3: Material Topics 2021	3-3 Management approach	103
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	103
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practice	103
GRI 415: Public Policy 2016	415-1 Political contributions	104
Material topic: Greenhouse gas emissions		
GRI 3: Material Topics 2021	3-3 Management approach	33
GRI 305: Emissions 2016	305-1 Direct (Scope 1) greenhouse gas emissions	34
	305-2 Indirect (Scope 1) greenhouse gas emissions	34
	305-4 Greenhouse gas emissions intensity	34

TABLE OF METRICS IN ACCORDANCE WITH THE „ESG REPORTING GUIDELINES. GUIDE FOR WSE LISTED COMPANIES.“

No.	Metric name	Disclosure and explanatory notes	Disclosure reference
GENERAL INFORMATION			
I-P1	Business model		11
I-P3	Sustainability governance		94
I-P4	Significant impact, risk and opportunity		20
I-P5	Stakeholder engagement		17
ENVIRONMENTAL DISCLOSURES			
Climate change			
E-P1	Climate change management		94
E-P2	Greenhouse gas emissions	Scope 1 emissions: 621,84 MWh	
		Scope 2 emissions: 12 576,62 MWh	33
E-P3	Greenhouse gas emissions intensity	Greenhouse gas emissions intensity: 0,07 MWh/PLN	33
E-P4	Energy consumption and mix	Total energy consumption within the organisation: 31 948,51 MWh	31
Other environmental issues			
E-P5	Environmental policy	Has the company adopted an environmental policy: YES	29
E-D1	Water consumption		35
E-D3	Biodiversity impacts		37
E-D4	Waste management		40
SOCIAL DISCLOSURES			
Working conditions			
S-P1	Diversity policy	Has the company adopted a diversity policy: YES	58
S-P2	Employment policy	Has the company adopted an employment policy: NO	49
S-P3	Work-life balance policy	Has the company adopted a work-life balance policy: NO	
S-P4	Reintegration policy	Has the company adopted a reintegration policy: NO	
S-P5	Gender pay gap ratio	Gender pay gap ratio	67
S-P6	Employee turnover	Employee turnover rate	54
S-P7	Freedom of association and collective bargaining	Percentage of the active workforce covered by a collective bargaining agreement: 0%	55
S-D1	Occupational health and safety		61
Human rights			
S-P8	Human rights policy	Has the company adopted a human rights policy NO Does the policy extend to suppliers and business partners: NO	
GOVERNANCE DISCLOSURES			
Corporate governance			
	Information regarding company compliance with the DPSN2021	https://inwestor.domd.pl/pl/lad-korporacyjny	
G-P1	Board composition		90
G-P2	Board independence	Percentage of independent board members in the management board: 0%	
		Percentage of independent board members in the supervisory board: 43%	
G-P3	Board diversity	Percentage of female board members in the management board: 20%	96
		Percentage of female board members in the supervisory board: 43%	96

Business ethics			
G-P4	Code of ethics	Has the company adopted a code of ethics: YES	101
		Does the code extend to suppliers and business partners: YES	101
G-P5	Anti-corruption policy	Has the company adopted an anti-corruption policy: NO	
		Does the policy extend to suppliers and business partners: NO	
G-P6	Whistleblower procedure	Does the company have a whistleblower procedure in place: YES	103
		Does the procedure extend to suppliers and business partners: YES	103
Data security and privacy			
G-D1	Data security policy	Does the company have a data security policy in place: YES	102

APPROVAL OF THE REPORT

The Management Board of Dom Development S.A., the parent company of the Dom Development S.A. Capital Group, declares that, to the best of its knowledge, this Group's 2023 Non-Financial Report and benchmark data presents a comprehensive description of non-financial activities and guarantees for the reliability, correctness and accuracy of the information published therein.

The ESG 2023 Report of the Dom Development S.A. Capital Group was signed with a qualified electronic signature.

Jarosław Szanajca

President of the Management Board

Leszek Stankiewicz

Vice President of the
Management Board

Monika Perekitko

Member of the
Management Board

Mikołaj Konopka

Member of the
Management Board

Terry Roydon

Member of the
Management Board

CONTACT

[GRI 2-3] We are interested in the opinion on our report and the scope of information you would like to find in its next edition.

In this matter, please contact:

Anna Bączyk
ESG Coordinator
e-mail: anna.baczyk@domd.pl

Warsaw, 18 March 2024



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