DIRECTORS' REPORT ON THE OPERATIONS OF THE BENEFIT SYSTEMS GROUP

FOR THE PERIOD JANUARY 1ST – DECEMBER 31ST 2024

Benefit Systems



(including mandatory disclosures required in a director's report of a parent for the same period)

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LETTER FROM THE MANAGEMENT BOARD

DEAR SHAREHOLDERS,

This report summarises the key developments of 2024 – a year marked by substantial growth and advancement for our Group, as reflected in strong financial results and strategic acquisitions that have significantly enhanced our portfolio of employee wellbeing and active lifestyle products. We are pleased to report that the past year has significantly reinforced Benefit Systems' market position.

Financial performance

The Benefit Systems Group remains on a solid financial footing. The results we achieved in 2024 confirm the effective delivery of our strategy and the prudence of our financial management. Consolidated revenue rose by 22% year on year, reaching nearly PLN 3.4 billion, while operating profit (excluding the effect of the incentive scheme) increased by 31%, to PLN 715 million. Despite the payment of a record high dividend, the Group closed the year with a net cash position of over PLN 153 million.

In the Poland segment, which comprises sport cards, the MultiLife programme, MyBenefit cafeteria offering and fitness club network, revenue grew by 25% compared with 2023. The number of active holders of our sport cards increased by 168 thousand, reaching nearly 1.6 million by year-end. In 2025, we aim to further expand the cardholder base in Poland by an additional 130 thousand users. We have equally ambitious plans for MyBenefit platform users and for scaling up the MultiLife programme, which is focused on holistic employee wellbeing and development. Last year, we continued the roll-out of our own fitness club network – an essential pillar supporting the Group's flagship programme. At the end of 2024, they comprised over 240 locations, with plans to open 20 more in 2025. In December 2024, our own fitness clubs had more than 271 thousand B2C users, reflecting a year-on-year increase of 13%.

We also continued to expand our international foothold across European markets, notably in the Czech Republic, Slovakia, Croatia, and Bulgaria, while stepping up our activities in Turkey. As at the end of December 2024, the number of MultiSport cardholders in those markets exceeded 570 thousand, with revenue from the Foreign Markets segment rising by 17% year on year, to PLN 922.9 million. Our objectives for 2025 include acquiring 150 thousand new cardholders and opening more than 45 new fitness clubs in Foreign Markets.

Acquisitions and portfolio development

In 2024, we completed several key acquisitions that have significantly reinforced our position across all markets. The integration of new fitness locations through strategic acquisitions enhances the stability and strengthens the value proposition of the MultiSport programme, which is why we added 25 new locations in Poland, including 15 newly acquired clubs, while internationally the number of our facilities grew from 31 in 2023 to 82 by year-end 2024. As part of our broader portfolio development strategy, in 2024 the Group acquired a 19.15% equity interest in SmartLunch, a company providing employee catering solutions for corporate and industrial settings. In the late 2024, the Benefit Systems Group was joined by Wellbee – a provider of psychological support and personal development solutions, further strengthening our MultiLife offering.

In the first quarter of 2025, Benefit Systems signed a conditional agreement to acquire the MAC Group's fitness operations. As at the end of 2024, MAC operated 121 fitness clubs in Turkey, making it the undisputed market leader. We believe this transaction, once finalised, will further support our growth in the Turkish market.

Health trends and product innovation

Global health trends continue to validate and accelerate the development of our product portfolio. The growing societal focus on physical and mental health driving up demand – alongside advancements in wellbeing technologies – create a compelling environment for us to expand and tailor our solutions to the evolving needs. A commitment to accessibility, personalisation, and cutting-edge innovation remains at the core of our approach.

Sustainability

We remain firmly committed to achieving a responsible balance between economic performance and our broader social and environmental responsibilities. Sustainability is embedded in our strategy for 2025–2027, guiding a wide range of initiatives that advance our environmental stewardship and positive community impacts. In 2024, we implemented numerous projects designed to promote physical activity and sports across various age groups, from school-aged children to seniors. Through the MultiSport Foundation, we reached nearly 73 thousand students with structured physical education programmes including elements of corrective and compensatory gymnastics. Additionally, over 11 thousand children benefitted from the Active MultiSport Schools initiative, designed to foster healthy habits from an early age.

Acknowledgements

In closing, we wish to extend sincere gratitude for your continued trust and support as our Shareholders. We would also like to thank our Employees, other Collaborators, Advisers, Clients, and Partners, whose dedication and joint efforts made this past year a success. We look to the future with optimism regarding the Group's continued progress driven by the execution of our strategy – rooted in innovation, sustainability, and continuous expansion of our value proposition. We are confident that the coming years will bring further dynamic growth and shared success.

Management Board of Benefit Systems S.A.

1. KEY FIGURES OF THE BENEFIT SYSTEMS GROUP

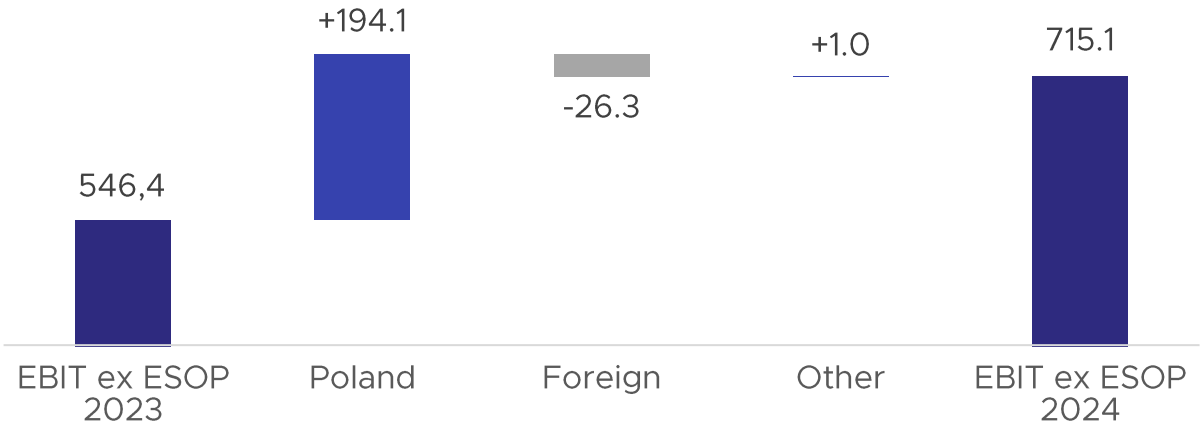
2,164 thousand sport cards
+245 thousand (+13%) yoy

3,397 million in revenue
+22% yoy

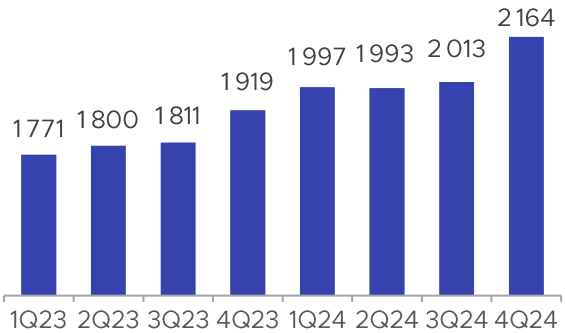
715 million EBIT ex. ESOP
(EBIT margin of 21%)
+31% (+1.4pp) yoy

** EBIT – operating profit net of the costs of the Incentive Scheme.*

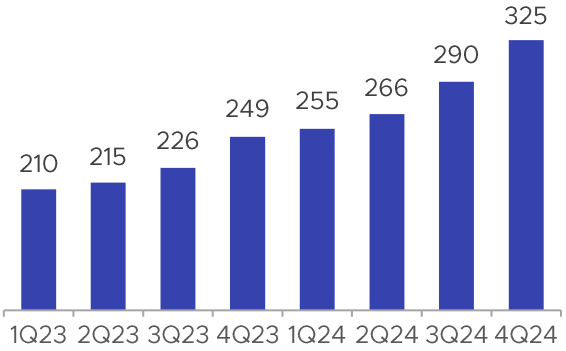
Year-on-year EBIT change at the Benefit Systems Group (PLNm)



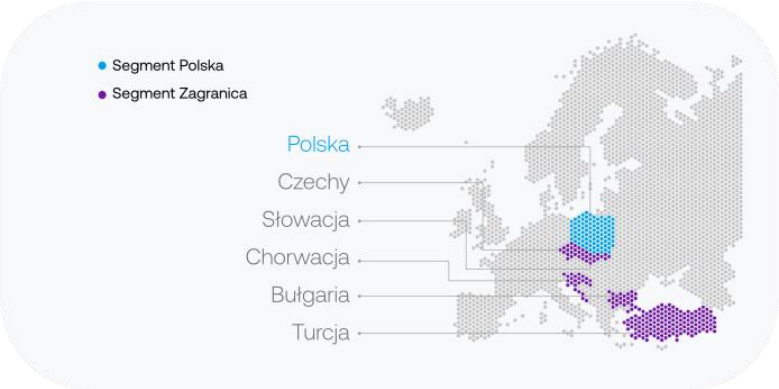
Number of sport cards at the Group



Number of own clubs at the Group



Group's market presence



Market	Launch of operations (year)	Population (million)
Poland	2000	36.6
Czech Republic	2010	10.9
Slovakia	2015	5.4
Bulgaria	2015	6.4
Croatia	2018	3.9
Turkey	2021	85.4

The Group continues to expand its operations in the area of sport cards and the MultiSport programme across all markets where it operates. In 2024, the number of active sport card users increased by 13%. As at 31 December 2024, the Foreign Markets segment accounted for 26% of the total number of sport cards.

Number of sport cards ('000)

Country	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q4 2024 %
Poland	1,424	1,509	1,498	1,507	1,592	74%
Czech Republic	252	232	233	238	265	12%
Bulgaria	137	142	141	140	155	7%
Slovakia	58	62	65	71	78	4%
Croatia	43	45	46	44	53	2%
Turkey	5	7	10	14	21	1%
Total	**1,919**	**1,997**	**1,993**	**2,013**	**2,164**	**100%**

In parallel with the rollout of the MultiSport programme, the Group is systematically expanding its network of own fitness clubs. In 2024, the number of these clubs increased by 76, and as at 31 December 2024, the Group operated 325 own fitness clubs.

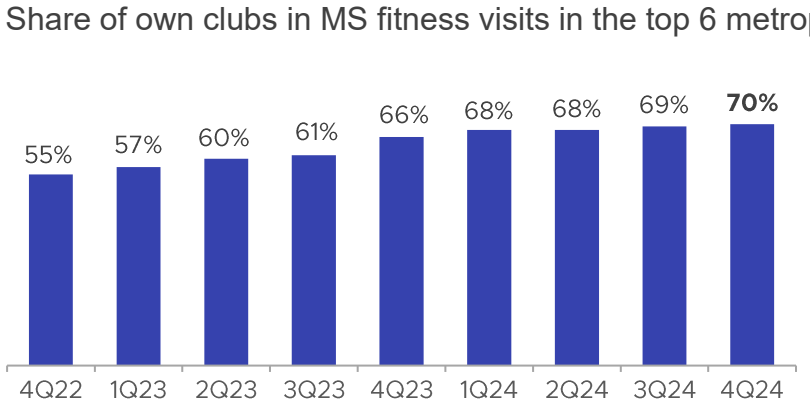
Number of fitness clubs

Country	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q4 2024 %
Poland	218	224	227	230	243	75%
Czech Republic	17	17	17	22	27	8%
Bulgaria	12	12	14	30	39	12%
Slovakia	1	1	1	1	4	1%
Croatia	1	1	7	7	12	4%
Turkey	0	0	0	0	0	0%
Total	**249**	**255**	**266**	**290**	**325**	**100%**

2. THE GROUP AND ITS FINANCIAL RESULTS

2.1. Business overview and structure of the Benefit Systems Group

The Benefit Systems Group (the "Group") specialises in providing non-pay benefit solutions spanning fitness, recreation, and employee wellbeing. The Group's core offering is the MultiSport card, provided by the Parent, whose users enjoy access to a wide range of fitness and sports facilities – including those owned and operated by Group entities. The fitness chains owned by the Group provide strategic support and serve as a key competitive advantage in the segment of sport cards. The Group's business relies on synergies between the sale of sport cards and its fitness club infrastructure both in Poland and internationally. This synergy is particularly evident in the Poland segment, where, in local markets of major cities, 70% of MultiSport users' fitness visits take place at own clubs.



** Kraków, Łódź, Poznań, Gdańsk-Gdynia-Sopot, Warsaw, Wrocław*

The Group's portfolio also includes the MyBenefit cafeteria platform, which enables employees of corporate customers to select from a wide range of employer-approved non-pay benefits. In addition, the Group delivers cultural and entertainment-related solutions, such as MultiBilet and MultiTeatr, primarily accessible through the MyBenefit platform. MyBenefit also functions as an important distribution channel for sport cards offered by the Group.

Through the addition of new features, the platform continues to evolve into a comprehensive tool for managing employer–employee engagement processes. Through MyBenefit, companies can implement functionalities such as corporate intranets, employee benefit reports (Total Reward Statements), employee request systems with e-signature support, gamification and reward systems, as well as surveys and quizzes.

The Group is also developing MultiLife, a product accessible online, focused on promoting holistic employee wellbeing within such key areas as mental health, personal development, healthy nutrition, and physical activity. The programme offers a wide range of services, including psychological support, mindfulness and yoga sessions, consultations with dietitians and personal trainers, a personalised meal planning tool, access to the Yes2Move online workout platform, preventive health screenings, and language courses. Users can also access a digital library of approximately 3 thousand webinars, courses, and educational materials. A major enhancement to the Group's mental health offering comes from Wellbee, a platform providing online and in-person consultations with both psychiatrists and psychotherapists, plus a curated psychoeducational content and personal development courses.

The Group's products and services are primarily used by employees of its corporate customers (users), who receive them from their employers (the Group's B2B customers) as non-pay benefits. Customers served by the Group also include individuals buying passes to visit fitness clubs owned by the Benefit Systems Group (B2C segment).

The Benefit Systems Group comprises the parent Benefit Systems S.A. (the "Company" or "Parent"), which handles operations related to sport cards, the MyBenefit cafeteria platform, MultiLife product, and management of its proprietary fitness club chains in Poland, as well as several subsidiaries and associates. Since 2022, the Group has operated through two segments: Poland and Foreign Markets.

SUBSIDIARIES AND ASSOCIATES

COMPANIES OF THE POLAND SEGMENT

Benefit Systems S.A. (the Parent) Benefit Systems S.A. is responsible for sales of MultiSport sport cards, MultiLife programme, and MyBenefit Cafeteria offering, as well as for operating owned fitness clubs and the Yes2Move online exercise platform through the Fitness Branch. Benefit Systems S.A. has been listed on the main market of the Warsaw Stock Exchange (WSE) since 2011.

VanityStyle Sp. z o.o. specialises in offering sports and recreational products. The subsidiary provides small- and medium-sized companies with FitProfit and FitSport membership cards, which are similar to the products sold by Benefit Systems S.A., but which, as lower-cost products, typically offer a smaller range of services provided by a smaller number of partners. The company also offers Kupon CinemaProfit and QlturaProfit products.

Yes to Move Sp. z o.o. is a supplier of dietary and nutritional supplements to fitness clubs.

Zdrowe Miejsce Sp. z o. o. is a company operating healthcare establishments under the Zdrofit Healthy Place brand. The main services provided by Zdrofit Healthy Place are physioprophylactic medical services, including kinesitherapy (fitness improvement with exercise), aimed at maintaining or improving health.

Interfit companies were acquired in December 2023. The acquisition added five clubs, located in Chorzów, Chrzanów, Gliwice, Rydułtowy and Zawiercie, to the Group's own club portfolio. In 2024, Interfit Club 2.0 Sp. z o.o. was acquired.

Gym Poznań Sp. z o.o. is a company acquired in August 2024, managing one fitness club located in Poznań.

MyOrganiq Sp. z o.o. was acquired in October 2024, as a result of which the Group's proprietary fitness base increased to include eight more clubs located in Poznań, Bydgoszcz, Zgorzelec, Swarzędz and Stargard, as well as two clubs under construction in Bydgoszcz and Lubin. The acquisition was made to expand the portfolio of the Group's own sports and recreation facilities, thus making the Group's main product – sport cards – more attractive to existing and prospective customers.

Wellbee Sp. z o.o. and ***Wellbee Therapy Sp. z o.o.*** are companies acquired in November 2024, operating a platform dedicated to supporting mental health, personal development, and overall wellbeing for both individual customers and corporate employees. Their offering includes psychological support, access to high-quality personal development courses, and a curated selection of psychoeducational materials. These companies will enhance the Group's portfolio in the rapidly growing market segment of non-pay benefits.

COMPANIES OF THE FOREIGN MARKETS SEGMENT

Benefit Systems International S.A. is a vehicle used by the Benefit Systems Group to sell sport cards on foreign markets. The Company rolls out its MultiSport programme by managing the following entities: MultiSport Benefit S.R.O. (Czech Republic), Benefit Systems Slovakia S.R.O. (Slovakia), Benefit Systems Bulgaria OOD (Bulgaria), and Benefit Systems D.O.O. (Croatia). In addition, the company is a shareholder in BSI Investments Sp. z o.o., which, through its subsidiary Benefit Systems Spor Hizmetleri Ltd. Şti, operates in Turkey.

Fit Invest International Sp. z o.o. manages the Benefit Systems Group's foreign investments in fitness clubs through the following Group companies: Form Factory S.R.O., which together with its subsidiary Fitness Factory Prague is active in the Czech market, Next Level Fitness OOD, which together with entities associated with the Flais club network is strengthening the Group's presence in Bulgaria, Form Factory Slovakia S. R.O. (Slovakia), and Fit Invest D.O.O., which develops fitness operations in Croatia through its subsidiaries H.O.L.S. D.O.O., Outfit Servisi D.O.O., and Dvorana Sport D.O.O. In addition, the company is a shareholder in FII Investments Sp. z o.o., which, through its subsidiary Fit Invest Spor Hizmetleri Ltd, develops fitness operations in Turkey.

The companies managed by Fit Invest International Sp. z o.o. are responsible for investments in existing and new facilities. At the end of December 2024, the Czech-based companies managed a total of 27 clubs situated in Prague (23 facilities), Brno (three facilities) and Ostrava (one facility). The Bulgarian companies operated 39 clubs, of which 36 were located in Sofia, and one in each of Pernik, Plovdiv and Varna. The Slovak subsidiary operates four clubs in Bratislava, whereas the Croatian companies run a total of 12 fitness facilities in Zagreb.

As at 31 December 2024, the Benefit Systems Group comprised the Parent and the following subsidiaries:

POLAND SEGMENT	Domicile	Group's ownership interest
Benefit Systems S.A.	Poland	Parent
VanityStyle Sp. z o.o.	Poland	100.00%
Wellbee Sp. z o.o.	Poland	69.82%
Wellbee Therapy Sp. z o.o.	Poland	69.82%
Yes to Move Sp. z o.o.	Poland	100.00%
Zdrowe Miejsce Sp. z o.o.	Poland	100.00%
Investment Gear 9 Sp. z o.o.	Poland	100.00%
Investment Gear 10 Sp. z o.o.	Poland	100.00%
Interfit Club 1.0 Sp. z o.o.	Poland	75.00%
Interfit Club 2.0 Sp. z o.o.	Poland	100.00%
Interfit Club 4.0 Sp. z o.o.	Poland	75.00%
Interfit Club 5.0 Sp. z o.o.	Poland	75.00%
Interfit Consulting BIS Sp. z o.o.	Poland	75.00%
Gym Poznań Sp. z o.o.	Poland	100.00%
MyOrganiq Sp. z o.o.	Poland	100.00%
OTHER		
MW Legal Sp. z o.o.	Poland	100.00%
Multisport Foundation	Poland	100.00%

FOREIGN MARKETS SEGMENT	Domicile	Group's ownership interest
Benefit Systems International S.A.	Poland	98.06%
BSI Investments Sp. z o.o.	Poland	94.73%
Benefit Systems Bulgaria OOD	Bulgaria	94.14%
MultiSport Benefit S.R.O.	Czech Republic	98.06%
Benefit Systems Slovakia S.R.O.	Slovakia	96.10%
Benefit Systems D.O.O.	Croatia	96.59%
Benefit Systems Spor Hizmetleri Ltd	Turkey	94.73%
Benefit Systems, storitve, D.O.O.	Slovenia	93.16%
Fit Invest International Sp. z o.o.	Poland	98.06%
FII Investments Sp. z o.o.	Poland	98.06%
Next Level Fitness OOD	Bulgaria	98.06%
Fitness Flais Corporation OOD	Bulgaria	98.06%
Power Ronic OOD	Bulgaria	98.06%
Happy Group 1 OOD	Bulgaria	98.06%
Fitness Flais Group OOD	Bulgaria	98.06%
Fitness Flais Pro OOD	Bulgaria	98.06%
Flais Fit OOD	Bulgaria	98.06%
Form Factory S.R.O.	Czech Republic	98.99%
Fitness Factory Prague S.R.O.	Czech Republic	98.99%
Form Factory Slovakia S.R.O.	Slovakia	98.06%
Fit Invest D.O.O.	Croatia	98.06%
H.O.L.S. D.O.O.	Croatia	98.06%
Outfit Servisi J.D.O.O.	Croatia	98.06%
Dvorana Sport D.O.O.	Croatia	98.06%
Fit Invest Spor Hizmetleri Ltd	Turkey	98.06%

The Group's voting interests in its subsidiaries are equal to its respective interests in their share capital. The Group consolidates the results of all subsidiaries, with the exception of MW Legal Sp. z o.o., which does not conduct business activity.

Associates as at 31 December 2024

Associate	Country of incorporation	Group's ownership interest
Instytut Rozwoju Fitness Sp. z o.o.	Poland	48.10%
Calypso Fitness S.A.	Poland	33.33%
Get Fit Katowice II Sp. z o.o.	Poland	20.00%

2.2. Changes in the Group's structure in 2024

Acquisition of shares and assets associated with Flais fitness club network in Bulgaria

On 12 August 2024, Next Level Fitness O.O.D. received a decision from the Bulgarian Competition Protection Commission, approving the concentration and the acquisition of the Flais fitness club network located in Sofia, Bulgaria, which had the effect of fulfilling the condition precedent included in the conditional agreement executed on 20 June 2024. As a result, on 19 August 2024, Next Level Fitness O.O.D. acquired 100% of the share capital of the companies: Fitness Flais Corporation O.O.D., Power Ronic O.O.D., Happy Group 1 O.O.D., Fitness Flais Group O.O.D., Fitness Flais Pro O.O.D., and Flais Fit O.O.D., as well as the assets of six fitness clubs. Additionally, the company entered into new lease contracts for the fitness clubs, acquired the rights to the Flais word-and-graphic trademark, and took over the employees and customer base of the Flais network. As a result of the transaction, 15 operational fitness clubs and three fitness clubs under construction, all located in Sofia, Bulgaria, were added to the Group's own fitness club portfolio.

The total purchase price as at the date of acquisition of control was EUR 14.7 million (PLN 62.7 million), With the final amount contingent on the net debt and net working capital of the acquired companies, calculated in accordance with the agreement. The sale price was settled through a cash payment of EUR 13.6 million (PLN 58 million) to the sellers' bank account and a deposit of EUR 1.1 million (PLN 4.7 million) into an escrow account held by Next Level Fitness O.O.D. The funds in the escrow account will be settled 15 months after the transfer of ownership of the shares, subject to the fulfilment of conditions set out in the agreement, and cannot be freely used by Next Level Fitness O.O.D. during this period.

Acquisition of control of Wellbee

On 19 November 2024, an agreement was signed whereby the Parent acquired 69.78% of the shares in Wellbee Sp. z o.o. The share purchase price was PLN 31.2 million. On 19 November 2024, the Parent also paid PLN 2.5 million to increase Wellbee Sp. z o.o.'s share capital, subscribing for 0.04% of its new shares, as registered by the competent registry court on 24 December 2024. As a consequence of these events, the Parent's equity interest in Wellbee Sp. z o.o. amounts to 69.82%.

Wellbee Sp. z o.o. holds 100% of the shares in Wellbee Therapy Sp. z o.o. As a result, the Group acquired control of both Wellbee companies.

Wellbee is a mental health and personal development platform supporting the wellbeing of both individual customers and corporate employees. It provides access to a wide range of professionals – including psychotherapists, psychiatrists, psycho-oncologists and couples counsellors, offering both online and in-person consultations With a network of over 300 specialists, Wellbee ensures rapid access to care. In addition, the platform offers high-quality personal development courses and carefully curated psychoeducational resources.

The investment in Wellbee will expand the Group's offering in the growing market segment of non-pay employee benefits. Moreover, the acquisition will significantly strengthen the Group's expertise in the field of employee mental health support. This knowledge and experience will be leveraged in the ongoing development and enhancement of the MultiLife programme.

Other business acquisitions

- On 12 January 2024, the Parent Benefit Systems S.A. acquired 0.46% of the shares in subsidiary Benefit Systems International S.A. from minority shareholders for PLN 7.1 million. As Benefit Systems International S.A. holds direct and indirect equity interests in each company within the Foreign Markets segment, the acquisition has had an effect on the Group's equity interests in the segment companies.

- On 2 April 2024, Fit Invest D.O.O. completed the acquisition of 100% of the shares in H.O.L.S. D.O.O.

- On 29 April 2024, the Parent acquired 100% of the shares in Good Luck Club GLC Sp. z o.o. A plan of merger of Benefit Systems S.A. (as the acquirer) with Good Luck Club GLC Sp. z o.o. (as the acquiree) was agreed on 14 August 2024. The merger was registered on 9 October 2024.

- On 1 July 2024, Benefit Systems International S.A. acquired 1.5% of the shares in Benefit Systems D.O.O. from minority shareholders for EUR 0.5 million (PLN 2.2 million).

- On 29 July 2024, the Parent acquired 100% of shares in Artis Club Sp. z o.o. A plan of merger of Benefit Systems S.A. (as the acquirer) with Artis Club Sp. z o.o. (as the acquiree) was agreed on 14 August 2024. The merger was registered on 9 October 2024.

- On 31 July 2024, Form Factory S.R.O. entered into an agreement to acquire 100% of the shares in Fitness Factory Prague S.R.O.

- On 9 August 2024, the Parent acquired 100% of the shares in Gym Poznań Sp. z o.o.

- On 14 August 2024, the subsidiary Benefit Systems International S.A. acquired 2.2% of the shares in subsidiary BSI Investments Sp. z o.o. from minority shareholders for EUR 0.2 million (PLN 0.7 million).

- On 12 September 2024, the Parent acquired 100% of the shares in Interfit Club 2.0 Sp. z o.o.

- On 30 September 2024, Interfit Consulting BIS Sp. z o.o. was registered following its transformation from Interfit Consulting Sp. z o.o. Sp. k.

- On 1 October 2024, the Parent acquired for PLN 0.3 million the remaining 20% of the shares in Zdrowe Miejsce Sp. z o.o., raising its equity interest in the company to 100%.

- On 31 October 2024, the Parent acquired 100% of the shares in MyOrganiq Sp. z o.o. A plan of merger of Benefit Systems S.A. (as the acquirer) with MyOrganiq Sp. z o.o. (as the acquiree) was agreed on 26 February 2025.

- On 12 December 2024, Fit Invest D.O.O. completed the acquisition of 100% of the shares in Outfit Servisi J.D.O.O.

- On 20 December 2024, Fit Invest D.O.O. completed the acquisition of 100% of the shares in Dvorana Sport D.O.O.

Mergers of Benefit Systems S.A. with its subsidiaries, and subsidiary transformation

In 2024, the following mergers of Benefit Systems S.A. (as the acquirer) with its subsidiaries (as the acquirees) were registered in the National Court Register:

- On 29 February 2024, with Gravitan Warszawa Sp. z o.o.;
- On 2 April 2024, with FIT 1 Sp. z o.o., FIT 2 Sp. z o.o., FIT 3 Sp. z o.o., FIT 4 Sp. z o.o., FIT and More Sp. z o.o., Concept Self Investment Sp. z o.o., Sport Operator Sp. z o.o., and Manufaktura Zdrowia Sp. z o.o.;
- On 10 May 2024, with Total Fitness Sp. z o.o. and Saturn Fitness Group Sp. z o.o.;
- On 8 July 2024, with Active Sport i Rekreacja Sp. z o.o.;
- On 9 October 2024, with Artis Club Sp. z o.o. and Good Luck Club GLC Sp. z o.o.

As a result of the mergers, the acquirees ceased to exist, and Benefit Systems S.A. assumed the rights and obligations of the merged companies. The mergers were intended to simplify and streamline the Group structure.

On 30 September 2024, Interfit Consulting Sp. z o.o. Sp.k. was transformed into Interfit Consulting BIS Sp. z o.o., pursuant to a shareholders' resolution of 30 July 2024.

Loss of control of subsidiary Lunching.pl Sp. z o.o. following acquisition of shares in SmartLunch S.A.

On 19 April 2024, the Parent and SmartLunch S.A. ("SmartLunch") signed an investment agreement, shareholder agreement and share sale agreement (collectively referred to as the "Agreements"), outlining the terms and conditions for the Parent's investment in SmartLunch (Note 12 to the consolidated financial statements of the Benefit Systems Group for 2024).

Pursuant to the Agreements, following the fulfilment of the conditions precedent on 20 November 2024, the Parent subscribed for 109,778 new Series B ordinary registered shares in SmartLunch, paid for with a non-cash contribution comprising 100% of the shares in Lunching.pl Sp. z o.o.'s share capital held by Benefit Systems S.A.

and a PLN 0.6 million loan advanced to Lunching.pl Sp. z o.o. by Benefit Systems S.A. As a result of executed agreements the Parent became a SmartLunch S.A. shareholder with 19.15% interest in share capital and votes.

Changes in key management policies

In 2024, there were no material changes in the Benefit Systems Group's or the Parent's management policies.

2.3. Significant achievements or failures and key events in the period

Over two million membership cards in Poland and abroad

As at the end of 2024, there were 2,164.3 thousand holders of sport cards offered by the Benefit Systems Group, including 1,592.4 thousand in Poland and 571.9 thousand in foreign markets. This marks an increase of 245.0 (+13%) thousand sport cards compared with the end of 2023. The Group continues to see consistently high interest in its sports offerings from both employers and employees across all markets of operation.

New fitness club openings and acquisitions

In 2024, the Group completed the acquisition of 15 fitness clubs in Poland by taking over networks operating in the market and opened 13 own fitness clubs. Net of three club closures, the number of own fitness clubs increased by 25. Many of the acquired networks and newly established own fitness clubs are located in major cities, which are key to the operation and development of the MultiSport programme.

New fitness club openings and acquisitions in Poland:

Metropolitan area*	Opening	Acquisition	Total
Warsaw	5	1	6
Tricity	-	4	4
Krakow	3	-	3
Poznań	-	3	3
Lublin	2	-	2
Bydgoszcz	-	3	3
Katowice/Chorzów	2	-	2
Łódź	1	-	1
Other	-	4	4
Total	**13**	**15**	**28**

** City including surrounding municipalities.*

In 2024, within the Foreign Markets segment, the Group completed the acquisition of 24 fitness clubs and opened 27 own locations, resulting in an increase of 51 own fitness clubs compared to the end of 2023.

New fitness club openings and acquisitions in the Foreign Markets segment:

Country	Openings	Acquisitions	Total
Czech Republic	8	2	10
Bulgaria	12	15	27
Slovakia	3	-	3
Croatia	4	7	11
Total	**27**	**24**	**51**

Acquisitions in the Poland and Foreign Markets segments

On 1 February 2024, the Parent acquired Active Point Fit & Gym, a fitness club located in Tychy, Poland, for PLN 3.1 million. The club was included in the Fabryka Formy network owned by the Parent.

On 2 April 2024, Fit Invest D.O.O. acquired 100% of the shares in H.O.L.S. D.O.O. of Croatia for EUR 21.5 million. This acquisition expanded the Group's fitness club portfolio by adding three existing clubs in Zagreb, and one club currently under construction.

On 29 April 2024, the Parent acquired 100% of the shares in Good Luck Club GLC Sp. z o.o. for PLN 27.7 million. The acquisition expanded the Group's portfolio by adding four fitness clubs located in Gdańsk (one club), Pruszcz Gdański (two clubs), and Banino (one club).

On 29 July 2024, the Parent acquired 100% of shares in Artis Club Sp. z o.o. for PLN 3.2 million. The transaction consisted in the acquisition of one fitness club located in Warsaw.

On 31 July 2024, following the fulfilment of the conditions set out in the agreement dated 18 July 2024, Form Factory S.R.O. acquired 100% of the shares in the Czech company Fitness Factory Prague S.R.O. for PLN 4.2 million. As a result of the transaction, two fitness clubs in Prague were added to the Group's own fitness club portfolio.

On 9 August 2024, the Parent acquired 100% of the shares in Gym Poznań Sp. z o.o. for PLN 2.8 million. The transaction consisted in the acquisition of one fitness club located in Poznań.

On 19 August 2024, Next Level Fitness O.O.D. acquired 100% of the shares in Fitness Flais Corporation O.O.D., Power Ronic O.O.D., Happy Group 1 O.O.D., Fitness Flais Group O.O.D., and Fitness Flais Pro O.O.D., as well as certain assets and locations associated with the Flais fitness club network in Sofia, Bulgaria, for a price of PLN 62.7 million. As a result of the transaction, 15 operational fitness clubs and three fitness clubs under construction were added to the Group's own fitness club portfolio.

On 31 October 2024, the Parent acquired 100% of the shares in MyOrganiq Sp. z o.o. for PLN 19.1 million. The transaction involves the acquisition of eight fitness clubs located in Poznań, Bydgoszcz, Zgorzelec, Swarzędz, and Stargard, as well as two clubs under construction in Bydgoszcz and Lublin.

On 12 April 2024, Fit Invest D.O.O. completed the acquisition of 100% of the shares in OutFit Servisi J.D.O.O. ("OutFit") for PLN 1.2 million. Following the Outfit acquisition, one fitness clubs located in Zagreb, Croatia, was added to the Group's foreign fitness club portfolio. The acquired facility operated under the OutFit brand. After the acquisition, it was rebranded and now operates under The Fitness brand.

On 20 April 2024, Fit Invest D.O.O. completed the acquisition of 100% of the shares in Dvorana Sport D.O.O. ("Dvorana Sport") for PLN 8.6 million. Following the Dvorana Sport acquisition, one fitness club located in Zagreb, Croatia, was integrated into the Group's foreign fitness club portfolio. The acquired facility operated under the Dvorana brand. After the acquisition, it was rebranded and now operates under The Fitness brand.

For more information on the acquisitions of control of subsidiaries, see Note 6.2 to the consolidated financial statements of the Benefit Systems Group for 2024.

Benefit Systems Group Strategy

On 18 November 2024, the Benefit Systems Group announced its strategic plan through 2027. The key objectives outlined in the strategy include: 2.9–3.1 million users of sport cards, 600-650 own fitness clubs in attractive locations, and 5.7 to 6.3 billion in consolidated revenue by 2027.

Awards and accolades

Benefit Systems S.A. was among the winners of the Rzeczpospolita Eagle in the 26th edition of the 500 List Ranking, in the 'Retail and non-financial services' category. The Rzeczpospolita 500 List is a prestigious ranking of the largest companies in Poland, evaluating criteria such as financial performance, profitability, employment, wages, and investments.

Additionally, Benefit Systems S.A. was featured in the 20 Years Integration Champions ranking, where *Forbes* highlighted companies that have effectively leveraged two decades of European Union integration to enhance their development, expansion, and brand-building efforts.

The Company also ranked second in Forbes' and Statista's Poland's Best Employers 2024 list, in the 'Food services, tourism, sports, and recreation' category. The ranking comprises a list of 300 companies operating in Poland, recognised for their exceptional achievements in the field of HR and honoured with the title of best employer. The survey was based on a list of about 2 thousand employers with at least 250 employees in Poland.

In March 2024, Benefit Systems was ranked among the top publicly listed companies in a ranking table compiled by Puls Biznesu, securing first place in the 'Success of the Year 2023' category. In the overall ranking of the 140 largest companies listed on the Warsaw Stock Exchange, the company advanced from fifth to fourth place.

In April 2024, Benefit Systems achieved third place in the investor relations ranking by the *Parkiet* daily. The ranking covered companies included in the WIG30 index, which Benefit Systems joined in March 2024.

In the second quarter of 2024, Benefit Systems S.A. received the Polish Smart Growth Award 2024 in the 'Innovative company' category for its comprehensive range of wellbeing services offered through MultiSport, MultiLife, and MyBenefit. Additionally, the MultiLife platform was honoured with the Brand of the Future 2024 award in the 'Services' category as an innovative wellbeing solution. Furthermore, Piotr Szostak, Managing Director for Product Strategy and Development at Benefit Systems, was recognised as the Leader of Smart Growth 2024 in the same competition.

In the third quarter of 2024, Benefit Systems received an award in the 9th edition of the Trusted Brand 2024 survey in the 'Employee Carer' category for offering the most innovative and comprehensive employee benefits package. The survey, commissioned by the publisher of *My Company Polska* magazine, was conducted by the research institute ARC Rynek i Opinia among 1,110 entrepreneurs.

In a ranking organised by the editorial team of Strefa Gospodarki (a supplement of *Dziennik Gazeta Prawna*), the MultiSport brand was awarded first place in the 'Sport Cards/Multi-Passes' category, earning the title of Consumer Quality Leader 2024. Additionally, by achieving one of the 20 highest scores across all survey categories, the brand received the prestigious Consumer Quality Leader – Grand Prix 2024 distinction.

Communication initiatives related to the MultiLife brand, the Wellbeing Score, and the Wellbeing of Poles report were recognised during the 4th edition of the PR Wings Awards – organised by the Polish Association of Public Relations Agencies – in the 'Health Market' category. The PR Wings Awards highlight communication efforts that can serve as benchmarks of ethical, effective, and professional public relations practices in Poland.

ZaczyNAJ

In 2024, anyone starting training at the Group's clubs, whether with a B2C membership or a MultiSport card, can use the onboarding ZaczyNAJ bundle. The package helps new customers get familiar with the club's offerings and set their training goals. It includes two sessions with a personal trainer and a 10-week training plan.

Summer Game

In 2024, Benefit Systems S.A. ran another edition of the Summer Game, a gamification programme for the summer holiday season, which aimed to help MultiSport cardholders maintain regular physical activity. The Summer Game is hosted on an online gamification platform, where MultiSport card users engaged in an interactive experience that blended both online and offline activities throughout the summer holidays. A key component of the Summer Game was the opportunity to support the Good MultiDeed programme. Through their activity with the MultiSport card, participants could contribute to the implementation of selected community benefit projects.

MultiSport professional outdoor gyms

In the summer of 2024, modern, free outdoor gyms were set up in Gdynia, Kołobrzeg, and Międzyzdroje, located directly on the beach or along the seaside promenade. The initiative was launched by Benefit Systems, the operator of MultiSport cards, with the goal of encouraging physical activity among both local residents of coastal cities and tourists. The facilities were primarily opened for the summer season.

Market education: reports

In May 2024, Benefit Systems S.A. also released a report on the non-pay benefits market, prepared by Minds&Roses. The findings suggest that most companies plan to maintain or increase their budget for non-pay benefits. Employees now have access to a broad range of benefits that significantly enhance their engagement and satisfaction, with online benefits and those related to personal development, skill building, and regeneration becoming increasingly popular.

The *Wellbeing of Poles (Dobrostan Polek i Polaków*) report was published in June 2024. The report, prepared based on a survey conducted by infuture.institute in collaboration with Benefit Systems S.A., explores what wellbeing means to Poles, what factors contribute to it, what strengthens it, and what disrupts it, while assessing the overall wellbeing of Poland's residents. Additionally, the report coincided with the launch of Wellbeing Score, a free proprietary tool for measuring wellbeing. This metric, linked to the MultiLife platform, allows organisations to measure the current level of wellbeing within their companies.

The *Wellbeing of Poles* report campaign quickly gained attention, with coverage in leading news, business, and lifestyle outlets – resulting in nearly 50 high-quality publications with an advertising equivalent value of over PLN 1.5 million and a reach of more than 1.2 million people. In the first two months of the campaign, 160 thousand individuals who engaged with the report's communication took the Wellbeing Score test, a remarkable result for a social survey. The success of the efforts to spread expert knowledge on wellbeing is also reflected in the results of the proprietary videocast series *Decluttering Wellbeing*, with episodes viewed more than 1.2 million times in total. Additionally, collaboration with a diverse group of influencers who addressed wellbeing in their own unique ways proved effective – total engagement across all their posts exceeded 41 thousand.

In December 2024, the *MultiSport Index 2024: Sportcrastination* report was released, offering a comprehensive diagnosis of a growing societal trend to postpone physical activity and presenting actionable strategies for change. The report consolidates findings from two quantitative studies and one qualitative survey, all commissioned by Benefit Systems and conducted by the research agencies Minds&Roses and IRCenter. To provide expert commentary on the data, as well as personal insights and practical guidance for overcoming "sportcrastination", the report features contributions from a diverse group of specialists in the fields of science, medicine, and sports. The report forms part of the broader Sportcrastination educational campaign, aimed at encouraging sustained engagement in physical activity.

MultiSport and MultiLife partner on a film exploring how physical exercise transforms the mind

The film, titled *Jak ruchem zmienić umysł* in Polish, produced by the Veritas Foundation in partnership with MultiSport and MultiLife, explores the powerful impact of physical activity on both the body and mind. The film combines the knowledge of experts, also those cooperating with Benefit Systems, with valuable experiences of sports enthusiasts.

Wellbeing Summit

On 2 October 2024, the latest edition of the Wellbeing Summit conference, organised by Benefit Systems, was held at the Norblin Factory in Warsaw. For the second time, the event brought together HR professionals, business owners, managers, and corporate trainers to share expertise on how to foster wellbeing, both within the workplace and in individuals' personal lives.

ESG strategy

The Benefit Systems Group has introduced a new ESG strategy for 2024–2026 to enhance its commitment to sustainable development and social responsibility. The strategy is centred around three main pillars: society, business, and the environment. It underscores the Group's dedication to supporting the wellbeing of diverse social groups and upholding the highest ethical standards in its operations.

Move – It's What You Like campaign

In October 2024, Benefit Systems launched the Move – It's What You Like advertising campaign, promoting fitness clubs within the Company's portfolio. The campaign's creative assets were deployed not only in the fitness clubs themselves but also across selected online channels, including web portals, YouTube, social media platforms (Facebook, Instagram, and TikTok), and search engines. The outdoor advertising efforts focused primarily on digital media formats and traditional billboards.

Activities of the MultiSport Foundation

In 2024, the MultiSport Foundation continued its mission to promote a healthy lifestyle across all age groups. Nearly 220 thousand individuals, ranging from children to seniors, participated in the Foundation's initiatives and events. As part of the Active MultiSport Schools programme, more than 11 thousand participants aged 12–19 engaged in physical activity sessions held at fitness clubs operated by Benefit Systems. Another initiative, MultiSport Classes with Corrective and Compensatory Gymnastics, achieved a record attendance of approximately 73 thousand children and adolescents, three times more than in 2023. These classes, led by qualified trainers and

physiotherapists, combined physical activity with therapeutic elements to address postural issues and promote healthy movement habits among youth.

The MultiSport Foundation also attracted over 5.5 thousand participants to its Brimming with Sports campaign, which advocates for inclusivity in sport. Seniors were actively engaged through online workout sessions and educational webinars on the ABCSenior.com platform, promoting physical activity and wellbeing in later life. In 2024, the initiative included 30 online workout sessions attended by 94 thousand seniors, 15 lifestyle webinars with 13 thousand registered participants, and over 300 hours of free Nordic walking, fitness, and gymnastics classes delivered across nine provinces of Poland. The programme not only supported physical health but also fostered social connection and community-building among older adults committed to active living.

A particularly noteworthy initiative was the miniciti project, co-developed by the MultiSport Foundation. In 2024, this innovative educational space – located at Centrum Praskie Koneser in Warsaw – welcomed more than 73 thousand children aged 7 to 15. Through the miniature Zdrofit fitness club set within the space, over 11 thousand children were introduced to the principles of healthy living and the benefits of regular physical activity.

Increase of the Parent's share capital in connection with the implementation of the Incentive Scheme

On 23 January 2024, the Parent issued 24,750 series G shares in connection with the exercise by eligible persons of their rights under series L subscription warrants granted as part of the 2021-2025 Incentive Scheme (Note 5.1).

As a result, following the issuance of the shares, the Parent's share capital amounts to PLN 2,958,292 and is divided into 2,958,292 ordinary bearer shares with a nominal value of PLN 1 of the following series: 2,204,842 Series A shares; 200,000 Series B shares; 150,000 Series C shares; 120,000 Series D shares; 74,700 Series E shares; 184,000 Series F shares; 24,750 Series G shares.

The total number of voting rights carried by all outstanding Parent shares is 2,958,292.

After the delivery of Series G shares, the amount of the conditional share capital increase stipulated in the Parent's Articles of Association for the purposes of the Incentive Scheme fell from PLN 125,000 (equivalent to 125,000 shares with a nominal value of PLN 1 per share) to PLN 100,250.

Allocation of Parent's net profit for 2023

On 28 June 2024, the Annual General Meeting of the Parent passed a resolution on the allocation of net profit for 2023, of PLN 348.6 million, and decided to distribute the entire net profit as dividends. Additionally, PLN 50.8 million from statutory reserve funds (representing a portion of statutory reserve funds created from previous years' profits) was allocated to dividend payments. The total dividend was PLN 399.4 million (Note 5.2).

Changes on the Parent's Management and Supervisory Boards

On 27 May 2024, Wojciech Szwarc resigned as a Member of the Management Board, effective 28 May 2024, citing personal reasons for his resignation.

On 25 June 2024, Artur Osuchowski resigned as a Member and Deputy Chair of the Parent's Supervisory Board with immediate effect in connection with his appointment to the Management Board of Orlen S.A.

On 7 August 2024, the Extraordinary General Meeting appointed Julita Jabłkowska to the Parent's Supervisory Board for the term of office that commenced on 29 June 2023.

Acquisition and subscription for shares in SmartLunch S.A. in exchange for shares in Lunching.pl Sp. z o.o.

On 19 April 2024, the Parent and SmartLunch S.A. ("SmartLunch") signed an investment agreement, shareholder agreement and share sale agreement (collectively referred to as the "Agreements"), outlining the terms and conditions for the Parent's investment in SmartLunch.

Pursuant to the Agreements, on 20 November 2024, upon the registration of the new Series B shares by the competent registry court and upon the registration of the Parent as the buyer of Series A shares in the SmartLunch shareholders' register, Benefit Systems S.A.:

- Acquired 34,269 Series A ordinary registered shares in SmartLunch from the selling shareholders for a total price of PLN 6.5 million;

- Subscribed for 168,889 new Series B ordinary registered shares in SmartLunch, paid for with a cash contribution of PLN 32.0 million;

- Subscribed for 109,778 new Series B ordinary registered shares in SmartLunch, paid for with a non-cash contribution comprising 100% of the shares in Lunching.pl Sp. z o.o.'s share capital held by Benefit Systems S.A. and a PLN 0.6 million loan advanced to Lunching.pl Sp. z o.o. by Benefit Systems S.A. (see Note 6.3 to the consolidated financial statements of the Benefit Systems Group for 2024).

On 20 December 2024, the Parent acquired another 10,556 Series A shares in SmartLunch for PLN 2.0 million.

As a result of the Agreements, the Parent has become a SmartLunch shareholder holding 19.15% of the share capital and voting rights in the company.

SmartLunch shares have been classified as equity instruments measured at fair value through other comprehensive income. At initial recognition, the value of the investment in SmartLunch was PLN 61.4 million.

SmartLunch specialises in comprehensive corporate nutrition services, including canteen management, employee catering, lunch card and restorative meal sales, and vending machine operation. The investment in SmartLunch aims to strengthen Benefit Systems' position in the employee food benefits market.

Amendment to the credit agreement with Santander Bank Polska and the European Bank for Reconstruction and Development

On 8 November 2024, the Company and some of its subsidiaries entered into an amendment to the credit agreement with Santander Bank Polska S.A. and the European Bank for Reconstruction and Development. The amendment includes the provision of an additional funding tranche of PLN 300 million by Santander Bank Polska S.A. Part of the additional funding may be granted in euros (up to EUR 25 million). The additional funding is for a five-year term and will be secured in the same manner as the existing funding, as announced by the Company in Current Report No. 13/2022 of 1 April 2022. The agreement included conditions precedent standard for this type of transaction, which were satisfied by the Group in January 2025.

Changes in the composition of the Group

In 2024, changes occurred in the composition of the Group, including as a result of business acquisitions and mergers. These are described in section 2.2 of this report.

2.4. Significant events after the reporting date

Increase of the Parent's share capital in connection with the implementation of the Incentive Scheme

On 22 January 2025, the Parent issued 37,450 series G shares in connection with the exercise by eligible persons of their rights under series L subscription warrants granted as part of the 2021-2025 Incentive Scheme (Note 5.1).

Following the issuance of the shares, the Parent's share capital amounts to PLN 2,995,742 and is divided into 2,995,742 ordinary bearer shares with a nominal value of PLN 1 per share.

After the issuance of the shares, the amount of the conditional share capital increase stipulated in the Parent's Articles of Association for the purposes of the Incentive Scheme fell from PLN 100,250 (equivalent to 100,250 shares with a nominal value of PLN 1 per share) to PLN 62,800.

Acquisition of 100% of the shares in Tempurio Sp. z o.o.

On 27 January 2025, the Parent acquired 100% of the shares in Tempurio Sp. z o.o. for PLN 1.0 million. The acquired entity is the owner of the Tempurio platform, i.e. an innovative payroll management system.

Acquisition of 100% of the shares in Fitness Zličín S.R.O.

On 31 January 2025, Form Factory S.R.O. acquired 100% of the shares in Fitness Zličín S.R.O. The total purchase price amounts to CZK 30 million (PLN 5 million), and this amount was transferred to the seller's bank account. With the final amount contingent on the net debt and net working capital of the acquired company. As a result of the transaction, one fitness club in Prague, Czech Republic, was added to the Group's own fitness club portfolio.

Plan of merger of Benefit Systems S.A. with MyOrganiq Sp. z o.o.

A plan of merger of Benefit Systems S.A. (as the acquirer) with MyOrganiq Sp. z o.o. (as the acquiree) was agreed on 26 February 2025. The acquirer holds 100% of the shares in the acquiree. The merger plan provides that the acquisition will be effected by transferring all assets of the acquiree to the acquirer.

Changes on the Management Board of Benefit Systems S.A.

On 27 February 2025, the Supervisory Board removed from office, effective end of day 27 February 2025, all existing members of the Management Board, and appointed, effective 28 February 2025, the following persons to serve as members of the Management Board for another joint four-year term of office: Emilia Rogalewicz, Marcin Fojudzki, Marek Trepko, and Adam Kędzierski. The Supervisory Board also resolved that the Management Board will be composed of four members.

Conditional agreement for the acquisition of 100% of the shares in Mars Spor Kulübü ve Tesisleri İşletmeciliği A.Ş.

On 10 March 2025, the Parent, as the buyer, signed a conditional agreement to acquire 100% of the shares in Mars Spor Kulübü ve Tesisleri İşletmeciliği A.Ş. of Istanbul, Turkey ("Mars Spor Kulübü") and, indirectly, its subsidiaries (collectively: the "MAC Group"), with Vector Capital S.à r.l. and Odyssey S.à r.l., as the sellers (the "Transaction").

On 27 March 2025, the Parent received notification of the decision issued by the Turkish antitrust authority granting clearance for the concentration consisting of the acquisition by the Company of 100% of the shares in the share capital of Mars Spor Kulübü. The Company subsequently received confirmation that all conditions precedent set out in the agreement had been satisfied. The Management Board expects the Transaction to be completed in the second quarter of 2025.

The purchase price of 100% of the shares in Mars Spor Kulübü (equity value) was set at USD 420 million as at 31 December 2024 (the MAC Group's net cash position on that date amounting to USD 14 million), increased by a ticking fee of 7% per annum, accruing from 1 January 2025 until closing (the "Price"), in accordance with the locked-box settlement mechanism. At the same time, the Price may be reduced by the amount equivalent to any unauthorised cash leakage from the MAC Group.

The Company intends to finance the Transaction using own funds, a planned potential issue of new shares, or debt financing. The decision regarding the final contribution of each source of funding will be made by the Company once the potential share issue is completed. The Transaction is not contingent upon the completion of the share issue.

The acquisition of the MAC Group represents a significant step in the pursuit of the Benefit Systems Group's growth strategy, which includes a substantial expansion of its fitness club network by more than 300 facilities over the next three years, with more than half expected to be located in foreign markets. The Management Board of the Parent anticipates that the Transaction will accelerate its growth in Turkey and position the Benefit Systems Group as a major player in the Turkish fitness industry.

The MAC Group is a market leader of the fitness club sector in Turkey, where it operates fitness club chains under the MAC Fit, MAC One, and MAC Studio brands, a chain of spa salons under the Nuspa brand, as well as a popular mobile application. As at the end of 2024, the MAC Group:

- operated 121 fitness clubs, including 80 in Istanbul, 14 in Ankara, and nine in Izmir;
- had 305 thousand B2C users and 1.4 million users through its online channel;
- generated USD 112 million in revenue and USD 50 million in EBITDA for 2024 (excluding the effect of IFRS 16);

- plans to open approximately 26 new clubs in 2025 and about 22 in 2026.

The Transaction was approved by the Supervisory Board of the Parent.

The operational and financial data of the acquired MAC Group presented above have not been audited by an auditor.

Issue of Series C bonds

On 11 March 2025, the Parent issued 1,000,000 (one million) Series C unsecured bearer bonds with a nominal value of PLN 1,000 (one thousand złoty) per bond and a total nominal value of PLN 1,000,000,000 (one billion złoty), bearing interest at a floating rate based on 6M WIBOR plus a margin of 1.9pp. The interest is payable on a six-monthly basis and the redemption date was set at 11 March 2030.

Execution of a conditional agreement to acquire 100% of shares in Fit Academy S.R.O. in the Czech Republic

On 31 March 2025, Form Factory S.R.O. signed a conditional agreement to acquire 100% of the shares in Fit Academy S.R.O., which holds 100% of the shares in three subsidiaries: Fit Academy Chodov S.R.O., Fit Academy Karolina S.R.O., Fit Academy Cerny Most S.R.O. Each subsidiary manages one fitness club located in Prague. Pursuant to the agreement, ownership of the shares in Fit Academy S.R.O. will be transferred to Form Factory S.R.O. upon the fulfilment of the conditions precedent set out in the agreement, no later than 5 May 2025. The purchase price will be determined by adjusting the amount of EUR 4.4 million in accordance with the pricing formula specified in the agreement, based on data from the consolidated balance sheet of Fit Academy S.R.O. prepared by the seller as at the date of the formal transfer of ownership of the shares in the acquired company.

2.5. Information about the strategy

On 18 November 2024, the Benefit Systems Group announced its strategic plan through 2027. The key objectives outlined in the strategy include: 2.9–3.1 million users of sport cards, 600-650 own fitness clubs in attractive locations, and PLN 5.7 to 6.3 billion in consolidated revenue by 2027.

Since its inception, the Benefit Systems Group has set the goal of promoting a healthy and active lifestyle among Poles. Over time, this ambition has expanded to other countries in which the Group operates. The Benefit Systems Group's business is guided by the win-win principle, prioritising mutual benefit and long-term partnership with partners, customers, users, employees and other stakeholders. The Benefit Systems Group's strategic directions are as follows:

Development of sport cards and fitness clubs in Poland

The strategic goal in this area is to increase the number of active Poles using the sport cards offered by the Group. The strategy for Poland is to:

- Increase the number of sport cards by creating sustainable competitive advantages, leveraging synergies with our other products, including the cafeteria platform;

- Develop a profitable fitness club business, that is the main component of building competitive advantage, through selective investment in sports facilities in the best locations in Poland.

Supporting the core business through the development of the cafeteria platform and new products

The cafeteria platform, through which relationships are cultivated with the HR departments of the Group's customers, is a crucial component of the sales strategy. Moreover, the strategy includes developing new products to best address the needs of the Group's customers and users. In these areas, the strategy focuses on:

- Developing the cafeteria platform through continuous expansion of the range of available non-pay benefits, centralised access to Benefit Systems' full suite of products, and investment in advanced technology solutions that elevate the user experience for both employers (HR administrators) and employees;

- Building and developing the MultiLife product based on online services in the areas of healthy living, physical activity, personal development and mental wellbeing. MultiLife is designed to offer a modern, integrated approach to wellbeing experience, combining preventive healthcare and personal growth solutions, co-funded by employers;

- Investing in high-growth employee benefit segments, such as nutrition-related benefits and psychological support services, with the aim of extending the value proposition for both employers and employees.

Growth in foreign markets

Since 2010, the Benefit Systems Group has continued its expansion in foreign markets. The MultiSport programme is now available in the Czech Republic, Slovakia, Bulgaria, Croatia, and Turkey. The Group's international expansion strategy is focused on:

- Fast development of the MultiSport programme in existing markets, leveraging a proven business model in which sport card offerings are reinforced by targeted investments in fitness infrastructure;

- Stepping up investment in fitness clubs to secure and sustain the competitive edge of the MultiSport card in each foreign market;

- Exploring avenues for further growth and venturing into new markets that exhibit a fragmented fitness industry landscape, high levels of urbanisation, and strong societal trends toward healthy and active lifestyles.

Being a good corporate citizen

Key goals in the CSR and ESG area are to:

- Follow the values of B Corp organisations, whose business models are consistent with the principles of corporate social responsibility, which are committed to solving critical social issues and which cooperate with all stakeholders in accordance with the principles of partnership and ethics;

- Engage in initiatives to ensure the wellbeing of employees, contributing to local communities, and attentively considering the needs and opinions of stakeholders.

2.6. Outlook

The Group invariably sees high long-term growth potential for the MultiSport programme in Poland and foreign markets. The COVID-19 pandemic significantly raised public awareness of health protection and immunity-building, which in turn has led to increased user engagement and growing popularity of sport cards. Both in Poland and foreign markets, the Group has observed other trends supporting continued development of the sports benefits sector. These include low unemployment rates combined with strong labour markets, as well as a higher propensity for sports-related spending among younger generations entering the workforce.

According to the Group's estimates, the long-term potential of the sport card market ranges from 2.5 to 2.8 million cards in Poland and from 1.7 to 2.0 million cards abroad (Czech Republic, Bulgaria, Slovakia, and Croatia). The Turkish market is not included in the estimates.

The outlook for the coming periods is significantly affected by the economic situation in the countries where the Group operates, including continuing high prices of energy, raw materials and fuels, inflation pressure, regulatory changes, slowing business activity in certain industries leading to increased unemployment, or depreciation of local currencies, which, in turn, may increase operating costs and hamper demand for the services and products offered by the Group. On the other hand, forecasts from the European Commission for 2025 and 2026 suggest a stabilising economic environment across the Group's key markets, with no significant uptick in inflation, moderate GDP growth, and stable or declining unemployment rates. These trends may have a favourable impact on demand for the Group's offerings, while helping to mitigate pressure on operating costs.

2.7. Operating segments

The Group presents segment information in accordance with IFRS 8 *Operating Segments* for the current reporting period and the comparative period.

The Group presents results by segments reflecting its long-term investment strategy and the business management model, taking into account the nature of its business. The Group presents the following segments:

- Poland;
- Foreign Markets.

The Group generates income and expenses from the above business lines which are reviewed regularly and used to make decisions on resources allocated to each segment and to assess the segments' results.

The Group applies the same accounting policies for all operating segments. The Group accounts for intersegment transactions on an arm's-length basis. In addition, the Group allocates interest on lease liabilities to operating segments and its share in the results of equity-accounted companies whose business is similar to that of a given segment.

The segment's performance is assessed based on operating profit or loss and EBITDA (which is not an accounting standard measure) defined by the Group as operating profit before depreciation and amortisation. In addition, the Group allocates to the operating segments interest on lease liabilities and share in the results of equity-accounted companies whose business is similar to that of a given segment.

Selected financial data of the operating segments for the 12 months ended 31 December 2024

12 months ended 31 Dec 2024	Poland	Foreign Markets	Corporate	Total
Revenue	**2,474,587**	**922,867**	**(184)**	**3,397,270**
Cost of sales	(1,544,642)	(643,822)	51	(2,188,413)
Gross profit	**929,945**	**279,045**	**(133)**	**1,208,857**
Selling expenses	(136,385)	(74,951)	25	(211,311)
Administrative expenses**	(172,188)	(100,132)	(86,626)	(358,946)
Other income and expenses	(11,238)	314	593	(10,331)
Operating profit/(loss)	**610,134**	**104,276**	**(86,141)**	**628,269**
Share of profit of equity-accounted entities	709	-	-	709
Interest expense on lease liabilities	(35,667)	(8,312)	-	(43,979)
Depreciation and amortisation	293,896	59,101	4	353,001
EBITDA *	**904,030**	**163,377**	**(86,137)**	**981,270**
Segment's assets	2,938,799	861,563	(380,422)	3,419,940
Segment's liabilities	1,753,157	890,163	(383,341)	2,259,979
Investments in associates	3,186	-	-	3,186

** The Group calculates EBITDA as operating profit plus depreciation and amortisation.*
*** In 2024, administrative expenses presented under Corporate included costs of the Incentive Scheme amounting to PLN 86.8 million.*

Selected financial data of the operating segments for the fourth quarter of 2024

Q4 2024	Poland	Foreign Markets	Corporate	Total
Revenue	**664,317**	**251,149**	**(28)**	**915,438**
Cost of sales	(399,650)	(178,970)	(2)	(578,622)
Gross profit	**264,667**	**72,179**	**(30)**	**336,816**
Selling expenses	(40,356)	(27,599)	25	(67,930)
Administrative expenses**	(46,429)	(35,041)	(18,726)	(100,196)
Other income and expenses	(3,396)	(245)	(856)	(4,497)
Operating profit/(loss)	**174,486**	**9,294**	**(19,587)**	**164,193**
Share of profit of equity-accounted entities	74	-	-	74
Interest expense on lease liabilities	(9,938)	(3,461)	-	(13,399)
Depreciation and amortisation	77,226	19,570	1	96,797
EBITDA *	**251,712**	**28,864**	**(19,586)**	**260,990**

** The Group calculates EBITDA as operating profit plus depreciation and amortisation.*
*** In the fourth quarter of 2024, administrative expenses presented under Corporate included costs of the Incentive Scheme amounting to PLN 18.8 million.*

Reconciliation of total revenue, profit or loss and assets and liabilities of the operating segments to the corresponding items of the Group's consolidated financial statements:

	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023
Segments' revenue		
Total revenue of operating segments	3,397,454	2,774,292
Unallocated revenue	-	-
Elimination of revenue from intersegment transactions	(184)	(147)
Revenue	**3,397,270**	**2,774,145**
Segments' profit/(loss)		
Segments' operating profit/(loss)	714,410	546,686
Elimination of profit/(loss) from inter-segment transactions (IFRS 16)	-	-
Unallocated profit/(loss)	(86,141)	(6,587)
Operating profit	**628,269**	**540,099**
Finance income	18,754	47,448
Finance costs (-)	(54,496)	(38,626)
Loss allowances for financial assets	16	3,826
Share of profit of equity-accounted entities	709	662
Gains on net monetary position (hyperinflation)	7,070	-
Profit before tax	**600,322**	**553,409**

	31 Dec 2024	31 Dec 2023
Total assets of operating segments	3,800,362	2,983,978
Unallocated assets	2,780	1,536
Elimination of intragroup balances and transactions	(383,202)	(185,091)
Total assets	**3,419,940**	**2,800,423**
Total liabilities of operating segments	2,643,320	1,986,898
Unallocated liabilities	87	37
Elimination of intragroup balances and transactions	(383,428)	(184,842)
Total liabilities	**2,259,979**	**1,802,093**

2.8. Poland segment

The Poland segment's scope of operations includes non-pay benefits, such as sport cards and the MyBenefit cafeteria platform, management of fitness clubs, and investment in new clubs on the Polish market. The Group also creates online products in areas related to employee wellbeing as part of its MultiLife programme.

Sport cards are distributed by Benefit Systems S.A. and VanityStyle Sp. z o.o. Currently the following cards are available: MultiSport Plus, MultiSport Classic, MultiSport Light, MultiSport Kids, MultiSport Kids Aqua, MultiSport Student, MultiSport Senior, as well as FitSport and FitProfit.

Sport cards are one of the most popular non-pay benefits in Poland and, at the same time, they are also among the benefits invariably popular with employees. Sport cards are unique because they combine, in a single product, benefits for various market participants; they benefit: employers as an effective tool for incentivising employees, cardholders, who can now enjoy access to over 5.5 thousand sports and recreation facilities across Poland plus dozens of activities, and sports facility operators by generating additional revenue streams. The market potential remains strong, as many Poles do not practise any sports and employers increasingly appreciate the benefits of their employees staying fit and healthy. According to the MultiSport Index 2024 study, 96% of MultiSport cardholders in Poland engage in physical activity at least once a month, compared with 66% within the general population. Moreover, 79% of cardholders report spending their leisure time on physical activity, significantly higher than the 43% across the broader population. At the end of 2024, the number of active cards in Poland was 1,592.4 thousand.

The Benefit Systems Group also invests in fitness clubs to ensure a robust base of sports and recreational facilities. As at the end of December 2024, the Group had 243 proprietary fitness clubs in Poland, operated by Benefit Systems S.A.'s Fitness Branch, as well as Interfit Club 1.0 Sp. z o.o., Interfit Club 4.0 Sp. z o.o., Interfit Club 5.0 Sp. z o.o. and Interfit Consulting Spółka z ograniczoną odpowiedzialnością Sp.k. The Group's facilities operate under the following brands: Zdrofit, Fabryka Formy, Fitness Academy, My Fitness Place, FitFabric, Step One, Total Fitness, Saturn Fitness, Interfit Club, Gym World, Artis Club, Organic Fitness, and Aquapark Wesolandia. The Group also held interests in companies managing an additional 12 facilities as at 31 December 2024. The Group is developing its online products, such as the Yes2Move exercise platform, which provides access to a constantly expanding base of online and live workouts conducted by qualified trainers.

The Group is investing in the development of MyBenefit, its cafeteria platform with a broad selection of products and services, including the Benefit Systems Group's proprietary offerings. The platform's portfolio is focused on benefits in the areas of sports and health, culture, entertainment, recreation, as well as domestic and international travel. The offering also comprises shopping vouchers that can be used at popular brand store chains in Poland, training courses, and food offering. Benefits are offered by reliable suppliers, and the partner network comprises approximately 1,900 entities and is constantly adapted to market and customer needs.

The MyBenefit platform allows employees to choose freely from among a range of available benefits, within the limits and budgets set by their employers. Users can select benefits directly from the cafeteria online platform featuring individual user accounts, allowing full control and simple settlement of benefits received. MyBenefit also functions as an important distribution channel for sport cards offered by the Group.

Through the addition of new features, the platform continues to evolve into a comprehensive tool for managing employer–employee engagement processes. Through MyBenefit, companies can implement functionalities such as corporate intranets, employee benefit reports (Total Reward Statements), employee request systems with e-signature support, gamification and reward systems, as well as surveys and quizzes.

The Parent is consistently expanding the MultiLife product, which provides access to online services such as a language platform, e-books and audiobooks, a personalised meal planning tool, yoga or mindfulness sessions, and consultations with experts. MultiLife is a platform that provides holistic support in fostering employee wellbeing across four key areas: personal development, nutrition, health, and psychological support.

Selected financial data of the Poland segment

Poland segment	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023	Change
Revenue	**2,474,587**	**1,983,942**	**24.7%**
Cost of sales	(1,544,642)	(1,297,677)	19.0%
Gross profit	**929,945**	**686,265**	**35.5%**
Selling expenses	(136,385)	(119,508)	14.1%
Administrative expenses	(172,188)	(138,046)	24.7%
Other income and expenses	(11,238)	(12,648)	(11.1%)
Operating profit/(loss)	**610,134**	**416,063**	**46.6%**
Share of profit of equity-accounted entities	709	662	7.1%
EBITDA	**904,030**	**663,870**	**36.2%**
Gross margin	37.58%	34.59%	3.00pp
Number of sport cards ('000)	*1,592.4*	*1,424.5*	*11.8%*
Number of B2C passes ('000)	*271.2*	*240.8*	*12.6%*
Number of clubs	*243*	*218*	*11.5%*
*Cafeterias sales (PLN million)***	*612.2*	*483.0*	*26.7%*
Number of Cafeterias users ('000)	*795.3*	*717.0*	*10.9%*

** The Group calculates EBITDA as operating profit plus depreciation and amortisation.*
*** Excluding sales of sport cards.*

Revenue of the Poland segment rose by 24.7% year on year, Mainly on the back of an increase in the number of sport cards to 1,592.4 thousand as at the reporting date (vs 1,424.5 thousand in the comparative period), higher prices of sport cards, and a growth in sales generated by fitness clubs.

On 1 February 2024, the Group acquired Active Point Fit & Gym, a fitness club located in Tychy, which was then integrated into the Fabryka Formy network.

In February 2024, the Parent opened four new clubs: two My Fitness Place outlets in Kraków, the Fit Fabric club in Łódź, and the Zdrofit Fort Wola club in Warsaw.

On 8 March 2024, the Parent launched its first boutique club Studio Zdrofit, located in the Wilanów district of Warsaw. The new fitness club boasts state-of-the-art technologies, including AI solutions.

In April 2024, two fitness clubs were closed: Zdrofit Żoliborz Centrum Olimpijskie in Warsaw, and Fitness Academy Arkady in Wrocław.

On 29 April 2024, the Parent acquired all the shares in Good Luck Club GLC Sp. z o.o. The acquisition expanded the Group's portfolio by adding four fitness clubs located in Gdańsk (one club), Pruszcz Gdański (two clubs), and Banino (one club).

In June 2024, a new Fabryka Formy fitness club opened in the Chorzów-Batory district of Chorzów.

On 17 July 2024, the new Zdrofit Żoliborz Wojska Polskiego fitness club opened its doors in Warsaw.

On 29 July 2024, the Group acquired 100% of shares in Artis Club Sp. z o.o., managing the fitness club located at the Royal Wilanów Centre in Warsaw.

On 9 August 2024, the Group acquired 100% of the shares in Gym Poznań Sp. z o.o., which manages a fitness club in Poznań.

In the fourth quarter of 2024, six new fitness clubs were opened, My Fitness Place in Kraków at 12 Krowoderskich Zuchów Street, two in the capital city: Zdrofit Hubnera and Zdrofit Skarbka z Gór in Warsaw's districts of Żoliborz and Białołęka, two in Lublin: Zdrofit at the Olimp Shopping Centre and Zdrofit Lublin Batory, and one in Katowice: Fabryka Formy in Brynów. In addition, Zdrofit Targowa, a fitness club in Warsaw, was closed during the period.

In October 2024, the Parent acquired MyOrganiq Sp. z o.o., the operator of eight fitness clubs under the Organic Fitness brand in western Poland: four in Poznań and one in each of Bydgoszcz, Zgorzelec, Swarzędz, and Stargard.

As a result of these actions, the Group increased its own fitness club count in Poland to 243 as at 31 December 2024. As at the date of authorisation of this report for issue, the figure was 251.

In addition to the Group's own sports facilities, customers of the MultiSport programme enjoy access to a network of partner facilities, totalling approximately 5.5 thousand as at the end of 2024.

In 2024, the Poland segment recognised depreciation of right-of-use assets of PLN 172.9 million and interest expense on lease liabilities of PLN 35.7 million.

2.9. Foreign Markets segment

The segment consists of companies engaged in the development of the MultiSport programme, companies managing fitness clubs in foreign markets as part of the strategy to support the MultiSport card as the Group's flagship product, as well as holding companies: Benefit Systems International S.A., Fit Invest International Sp. z o.o., BSI Investments Sp. z o.o., and FII Investments Sp. z o.o.

Benefit Systems International S.A. is the parent of the other companies in the segment.

In 2024, the following segment companies were engaged in the rollout of the MultiSport programme: MultiSport Benefit S.R.O. in the Czech Republic; Benefit Systems Bulgaria OOD in Bulgaria; Benefit Systems Slovakia S.R.O. in Slovakia; Benefit Systems D.O.O. in Croatia; and Benefit Systems Spor Hizmetleri Ltd. Sti in Turkey. Fitness clubs were operated by Form Factory S.R.O. and (from 31 July 2024) Fitness Factory Prague S.R.O. in the Czech market, Form Factory Slovakia S.R.O. in the Slovak market, Next Level Fitness OOD and (from 19 August 2024) Flais companies: Fitness Flais Corporation OOD, Power Ronic OOD, Happy Group 1 OOD, Fitness Flais Group OOD, Fitness Flais Pro OOD and Flais Fit OOD in the Bulgarian market, Fit Invest D.O.O. and H.O.L.S. D.O.O., Dvorana Sport D.O.O. OutFit Servisi j. D.O.O. in the Croatian market, and FII Investments Sp. z o.o. through its subsidiary Fit Invest Spor Hizmetleri Ltd. Sti in the Turkish market.

Selected financial data of the Foreign Markets segment

Foreign Markets segment	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023	Change
Revenue	**922,867**	**790,350**	**16.8%**
Cost of sales	(643,822)	(545,705)	18.0%
Gross profit	**279,045**	**244,645**	**14.1%**
Selling expenses	(74,951)	(48,695)	53.9%
Administrative expenses	(100,132)	(66,916)	49.6%
Other income and expenses	314	1,589	(80.2%)
Operating profit/(loss)	**104,276**	**130,623**	**(20.2%)**
EBITDA	**163,377**	**170,265**	**(4.0%)**
Gross margin	30.24%	30.95%	(0.7)pp
Number of sport cards ('000)	*571.9*	*494.8*	*15.6%*
Number of B2C passes ('000)	*27.4*	*16.8*	*63.5%*
Number of clubs	*82*	*31*	*164.5%*

** The Group calculates EBITDA as operating profit plus depreciation and amortisation.*

As at the end of 2024, the number of cards stood at 571.9 thousand, up by 16% year on year. The strongest growth rate was seen in the Turkish market, where the number of active cards rose fourfold. The other markets, except for the Czech Republic, recorded two-digit increases: Slovakia – 35%, Croatia – 23%, and Bulgaria – 13%, whereas the Czech market saw a growth rate of 5%. The most substantial nominal growth in the number of cards, of 20.5 thousand, took place in Slovakia, accounting for nearly a third of the overall increase in the segment.

The fourth quarter of 2024 was marked by a strong sales momentum, with the active card base having grown by 13% compared with the level recorded at the end of the third quarter of 2024.

Number of active sport cards* in Foreign Markets countries ('000):

Country	As at 31 Dec 2024	As at 31 Dec 2023	Change
Czech Republic	264.7	252.4	4.9%
Bulgaria	155.0	136.9	13.2%
Slovakia	78.3	57.8	35.5%
Croatia	52.5	42.5	23.5%
Turkey	21.4	5.2	311.5%
Total	**571.9**	**494.8**	**15.6%**

** Weighted average number of cards in the last month of the period.*

In parallel to the sales activities, the Foreign Markets segment companies improved the experience for MultiSport customers by developing the partnership network and monitoring the quality of cooperation with partners within the existing network. As at the end of 2024, the MultiSport partner network comprised a total of 6,511 facilities, up by 1,896 year on year. The largest increase, both in nominal and percentage terms over 2023, was seen in the Group's newest market, Turkey, where efforts to establish new partnerships with sports and fitness facilities, also beyond Istanbul, were particularly intensive.

Numbers of partner facilities in Foreign Markets countries:

Country	As at 31 Dec 2024	As at 31 Dec 2023	Change
Czech Republic	2,193	1,940	13.0%
Bulgaria	881	889	-0.9%
Slovakia	953	853	11.7%
Croatia	470	426	10.3%
Turkey	2,014	507	297.2%
Total	**6,511**	**4,615**	**41.1%**

In 2024, the proprietary fitness portfolio was expanded with new club openings: 12 in Bulgaria, eight in the Czech Republic, four in Croatia, and three in Slovakia. The remaining growth in the club count over the year resulted from completed acquisitions and the assignment of a lease contract in Croatia. In total, the number of fitness clubs operating across the Group's foreign markets increased in 2024 by 51 locations.

Numbers of own fitness clubs in Foreign Markets countries:

Country	As at 31 Dec 2024	As at 31 Dec 2023	Change
Czech Republic	27	17	10
Bulgaria	39	12	27
Slovakia	4	1	3
Croatia	12	1	11
Total	**82**	**31**	**51**

A stable macroeconomic environment across the Foreign Markets segment (with the exception of Turkey), combined with highly effective sales efforts, supports the expectation of sustained strong sales growth. The Foreign Markets segment saw a rise in the ratio of selling expenses and administrative expenses to revenue (19.0% in 2024 vs 14.6% in 2023), driven primarily by the rapid expansion of the fitness club network, both through organic growth and acquisitions.

In 2024, the Foreign Markets segment recognised depreciation of right-of-use assets of PLN 36.2 million and interest expense on lease liabilities of PLN 8.3 million.

2.10. Other Activities and Corporate

The revenue presented in Corporate reflects intersegment eliminations.

Corporate

Corporate	1 Jan–31 Dec 2024	1 Jan−31 Dec 2023	Change
Revenue	**(184)**	**(147)**	**25.2%**
Cost of sales	51	16	218.8%
Gross profit	**(133)**	**(131)**	**1.5%**
Selling expenses	25	26	(3.8%)
Administrative expenses	(86,626)	(5,908)	1,366.2%
Other income and expenses	593	(574)	-
Operating profit/(loss)	**(86,141)**	**(6,587)**	**1,207.7%**
EBITDA	**(86,137)**	**(6,562)**	**1,212.7%**

** The Group calculates EBITDA as operating profit plus depreciation and amortisation.*

The administrative expenses reported in the Corporate segment include mainly the costs of the Incentive Scheme of PLN 86.8 million for the 12 months to 31 December 2024 and PLN 6.3 million for the same period of 2023 (Note 5.1).

The most significant item of other income and expenses is income and expenses of the MultiSport Foundation.

3. OPERATING AND FINANCIAL REVIEW OF THE BENEFIT SYSTEMS GROUP

3.1. Selected financial data

Selected financial data of the Benefit Systems Group

	1 Jan–31 Dec 2024 PLN '000	1 Jan–31 Dec 2023 PLN '000	1 Jan–31 Dec 2024 EUR '000	1 Jan–31 Dec 2023 EUR '000
Revenue	3,397,270	2,774,145	789,292	612,610
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	981,270	827,573	227,980	182,752
Operating profit	628,269	540,099	145,966	119,269
Profit before tax	600,322	553,409	139,474	122,209
Net profit from continuing operations	454,659	444,873	105,631	98,241
Net profit attributable to owners of the parent	449,630	439,645	104,463	97,086
Net cash from operating activities	962,338	830,457	223,581	183,389
Net cash from investing activities	(537,054)	(262,216)	(124,774)	(57,905)
Net cash from financing activities	(549,790)	(352,564)	(127,733)	(77,856)
Net change in cash and cash equivalents	(124,506)	215,677	(28,927)	47,628
Weighted average number of ordinary shares	2,956,737	2,933,542	2,956,737	2,933,542
Diluted weighted average number of ordinary shares	2,979,432	2,943,957	2,979,432	2,943,957
Earnings per ordinary share attributable to owners of the parent (PLN/EUR)	152.07	149.87	35.33	33.10
Diluted earnings per ordinary share attributable to owners of the parent (PLN/EUR)	150.91	149.34	35.06	32.98

	31 Dec 2024 PLN '000	31 Dec 2023 PLN '000	31 Dec 2024 EUR '000	31 Dec 2023 EUR '000
Non-current assets	2,756,974	2,098,639	645,208	482,668
Current assets	662,966	701,784	155,152	161,404
Total assets	3,419,940	2,800,423	800,360	644,072
Non-current liabilities	1,244,741	989,847	291,304	227,656
Current liabilities	1,015,238	812,246	237,594	186,809
Equity	1,159,961	998,330	271,463	229,607
Equity attributable to owners of the parent	1,154,725	996,758	270,238	229,245
Share capital	2,958	2,934	692	675
Number of ordinary shares	2,958,292	2,933,542	2,958,292	2,933,542
Book value per share attributable to owners of the parent (PLN/EUR)	390.34	339.78	91.35	78.15

Selected financial data of Benefit Systems S.A. (the Parent)

	1 Jan–31 Dec 2024 PLN '000	1 Jan–31 Dec 2023 PLN '000	1 Jan–31 Dec 2024 EUR '000	1 Jan–31 Dec 2023 EUR '000
Revenue	2,337,449	1,853,364	543,062	409,276
Operating profit	499,103	393,778	115,957	86,957
Profit before tax	502,667	435,995	116,785	96,280
Net profit from continuing operations	394,552	348,612	91,667	76,983
Net cash from operating activities	798,319	649,543	185,474	143,438
Net cash from investing activities	(524,572)	(196,090)	(121,874)	(43,302)
Net cash from financing activities	(461,045)	(313,335)	(107,115)	(69,193)
Net change in cash and cash equivalents	(166,677)	140,877	(38,724)	31,110
Weighted average number of ordinary shares	2,956,737	2,933,542	2,956,737	2,933,542
Diluted weighted average number of ordinary shares	2,979,432	2,943,957	2,979,432	2,943,957
Earnings per ordinary share (PLN/EUR)	133.44	118.84	31.00	26.24
Diluted earnings per ordinary share (PLN/EUR)	132.43	118.42	30.77	26.15

	31 Dec 2024 (PLN '000)	31 Dec 2023 (PLN '000)	31 Dec 2024 (EUR '000)	31 Dec 2023 (EUR '000)
Total assets	2,752,677	2,320,182	644,202	533,620
Non-current liabilities	902,956	631,231	211,317	145,177
Current liabilities	783,512	621,986	183,363	143,051
Equity	1,066,209	1,066,966	249,522	245,392
Share capital	2,958	2,934	692	675
Number of ordinary shares	2,958,292	2,933,542	2,958,292	2,933,542
Book value per share attributable to owners of the parent (PLN/EUR)	360.41	363.71	84.35	83.65

In the periods covered by the financial statements, the following average PLN/EUR exchange rates quoted by the National Bank of Poland were used to convert the key financial data:

The exchange rate effective for the last day of the reporting period:

31 December 2024: 4.2730 PLN/EUR

31 December 2023: 4.3480 PLN/EUR

Average exchange rate in the given period, calculated as the arithmetic mean of the exchange rates effective for the last day of each month in the period:

1 January–31 December 2024: 4.3042 PLN/EUR

1 January–31 December 2023: 4.5284 PLN/EUR

highest exchange rates in the periods:

1 January–31 December 2024: 4.4016 PLN/EUR

1 January–31 December 2023: 4.7895 PLN/EUR

lowest exchange rates in the periods:

1 January–31 December 2024: 4.2499 PLN/EUR

1 January–31 December 2023: 4.3053 PLN/EUR

3.2. Financial result of the Parent Benefit Systems S.A.

Parent	12 months ended 31 Dec 2024	12 months ended 31 Dec 2023	Change
Revenue	**2,337,449**	**1,853,364**	**26.1%**
Revenue from sales of services	2,302,609	1,825,314	26.1%
Revenue from sales of merchandise and materials	34,840	28,050	24.2%
Cost of sales	**(1,455,436)**	**(1,214,134)**	**19.9%**
Cost of services sold	(1,434,395)	(1,197,279)	19.8%
Cost of merchandise and materials sold	(21,041)	(16,855)	24.8%
Gross profit	**882,013**	**639,230**	38.0%
Gross margin (%)	37.73%	34.49%	9.4%
Selling expenses	(121,333)	(104,994)	15.6%
Administrative expenses	(243,189)	(128,381)	89.4%
Other income	4,876	4,591	6.2%
Other expenses	(17,654)	(16,668)	5.9%
Gain/(loss) on loss of control of a subsidiary	(5,610)	-	-
Operating profit	**499,103**	**393,778**	**26.7%**
Finance income	43,400	68,947	(37.1%)
Finance costs	(39,230)	(30,204)	29.9%
Loss allowances for financial assets	(606)	3,474	(117.4%)
Profit before tax	**502,667**	**435,995**	**15.3%**
Income tax	(108,115)	(87,383)	23.7%
Net profit from continuing operations	394,552	348,612	13.2%
Net profit	**394,552**	**348,612**	13.2%

Statement of profit or loss

Benefit Systems S.A. derives its revenue mainly from the sale of sport cards, as well as from the operation of its own fitness club network. In the Company's view, these activities are complementary and it is appropriate to present and analyse them together. Revenue from these business areas accounted for more than 97% of the Company's total revenue in 2024.

The number of MultiSport cards at the end of the fourth quarter of 2024 at the Company was 1,490.4 thousand.

The costs of the Company's core activities comprise primarily the costs of sport card users' visits to partner facilities, additional costs associated with the development of the main product, the costs of support departments, and the costs of fitness clubs' day-to-day operations.

In 2024, other income and expenses included net value of retired items of property, plant and equipment of PLN 1.7 million, and impairment loss on financial receivables of PLN 7.3 million.

The most significant items of finance income and costs in 2024 were foreign exchange gains of PLN 6.1 million, interest income of PLN 28.5 million, interest on lease liabilities of PLN 30.9 million, and interest on overdraft and investment credit facilities of PLN 7.2 million.

3.3. Employment

As at 31 December 2024, the Benefit Systems Group recorded a 38% year-on-year increase in average employment, from 1,615 to 2,222. At the Parent, the number of employees increased from 957 to 1,077. Given the nature of the Group's business, particular emphasis is placed on continuous professional improvement of its employees. Approximately 62% of the Group's workforce hold a university degree, reflecting the organisation's commitment to maintaining a highly qualified team.

3.4. Seasonal and cyclical changes in the Group's business in the reporting period

The industry in which the Group operates is subject to seasonal variation. In the third quarter of a calendar year, the activity of holders of sport cards and fitness club passes tends to be lower than in the first, second and fourth quarters of the year, which affects revenue, costs and profitability of the sport card business and the operation of fitness clubs. On the other hand, seasonality of sales in the Cafeterias segment is reflected in an increase in revenues in the last month of the year, partly attributable to the Christmas period.

3.5. Sales and supply markets and dependence on customers and suppliers

In 2024, the Benefit Systems Group conducted its business and generated revenues predominantly in the domestic market, but the foreign markets in which the Group operates (the Czech Republic, Bulgaria, Croatia, Slovakia and Turkey) have been growing in importance. The customers of the Benefit Systems Group include companies and institutions from all sectors of the economy as well as individuals using the services of fitness clubs. None of the customers accounted for more than 1% of the Benefit Systems Group's revenue in the reporting period. Therefore, in the opinion of the Benefit Systems Group, the Group is not dependent on any of the customers.

The main suppliers of the Benefit Systems Group include companies offering access to sports facilities and sports activities, which the Benefit Systems Group offers to its customers as part of the MultiSport programmes. In terms of the value of contracts concluded, also important are selected real estate companies that offer space in premises leased by the Group's companies for use as offices or for the operation of fitness clubs. As at the date of these financial statements, the Benefit Systems Group was not dependent on the services provided by any partner or other supplier.

3.6. Research and development activities

The rapidly evolving landscape of non-pay benefit services, spurred by technological advancements, is leading to transformations in the services provided, sales channels, service delivery and internal collaboration models, and the imperative to enhance IT systems through the automation on internal processes.

The Group conducts R&D activities on a systematic basis ("R&D Activities") to offer better, more technologically advanced and competitive product solutions on the market.

The R&D Activities are directly related to:

- Developing new tools, platforms and applications,
- Developing new technological concepts,
- Improving integrability with other software,
- Making significant improvements to existing Programmes,
- Working on new auxiliary software.

The Group conducts, in conceptual form or in the form of targeted projects carried out as development work, a wide range of conceptual and programming projects aimed at building applications, developing software and creating algorithms in order to expand the knowledge base and use knowledge resources to come up with new applications, products, services and processes.

The Parent's net revenue from sale of research and development services classified as scientific research and development work services was PLN 1,896 million for the financial year ended 31 December 2024 (revenue from sale of services under the MuliSport and MultiLife programmes, and other non-pay benefits), compared with PLN 1,539 million for 2023.

3.7. Financial resources management at the Benefit Systems Group

In 2024, the Benefit Systems Group and the Parent did not encounter any threats related to financial resources management, particularly with regard to the timely settlement of liabilities. As at the reporting date, there were no material commitments relating to purchase of non-current assets.

As at 31 December 2024, the Group held PLN 238.0 million of cash at bank, PLN 69.3 million in short-term deposits, PLN 45.0 million in undrawn funds available under overdraft facilities, and PLN 300.0 million in undrawn funds under a syndicated credit facility.

As at 31 December 2024, the Parent held PLN 115.8 million of cash at bank, PLN 45.0 million in undrawn funds available under overdraft facilities, and PLN 300.0 million in undrawn funds under a syndicated credit facility.

For information on the assessment of the management of financial resources and its justification, see Note 32 to the consolidated financial statements of the Benefit Systems Group for the 12 months ended 31 December 2024.

3.8. Factors and events, especially of non-recurring nature, with bearing on financial results

In the reporting period, no non-recurring or extraordinary business events or circumstances which would have material bearing on the financial results of the Benefit Systems Group and the Parent occurred. Any material non-recurring business events that could inform the analysis of the Group's performance relative to comparative periods or their recognition for accounting purposes are detailed in the comments on the affected operating segment (or under Corporate).

3.9. Management Board's position regarding delivery against earnings forecasts

The Benefit Systems Group and the Parent did not publish any profit forecasts for 2024.

3.10. Selected financial ratios

Financial ratios of the Benefit Systems Group

Profitability ratios	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023	Change
Gross margin	35.6%	33.6%	2.0pp
EBITDA margin	28.9%	29.8%	(0.9)pp
EBIT margin	18.5%	19.5%	(1.0)pp
Pre-tax margin	17.5%	19.5%	(2.0)pp
Net margin	13.3%	15.7%	(2.4)pp
Return on equity (ROE)	39.2%	44.6%	(5.4)pp
Return on assets (ROA)	13.3%	15.9%	(2.6)pp

Liquidity ratios	31 Dec 2024	31 Dec 2023	Change
Current ratio	0.65	0.86	(24.4%)
Current ratio net of lease contracts	0.87	1.15	(24.5%)
Quick ratio	0.63	0.84	(25.8%)
Quick ratio net of lease contracts	0.83	1.12	(25.8%)

Financial ratios of Benefit Systems S.A.

Profitability ratios	1 Jan–31 Dec 2024	1 Jan–31 Dec 2023	Change
Gross margin	37.7%	34.5%	3.2pp
EBITDA margin	32.9%	32.8%	0.1pp
EBIT margin	21.4%	21.2%	0.2pp
Pre-tax margin	21.1%	22.6%	(1.5)pp
Net margin	16.5%	18.1%	(1.6)pp
Return on equity (ROE)	37.0%	32.7%	4.3pp
Return on assets (ROA)	14.3%	15.0%	(0.7)pp

Liquidity ratios	31 Dec 2024	31 Dec 2023	Change
Current ratio	0.46	0.81	(43.2%)
Current ratio net of lease contracts	0.61	1.03	(40.8%)
Quick ratio	0.44	0.79	(44.3%)
Quick ratio net of lease contracts	0.58	1.01	(42.2%)

The Group's profitability was assessed based on the following ratios defined below:

- gross margin: gross profit / revenue,
- EBITDA margin: EBITDA (operating profit before depreciation and amortisation)/revenue,
- EBIT margin: operating profit / revenue,
- EBIT margin net of the costs of the Incentive Scheme: EBIT before the costs of the Incentive Scheme / revenue,
- pre-tax margin: profit before tax / (operating income + finance income),
- net margin: net profit / (operating income + finance income),
- return on equity (ROE): net profit / equity (end of period),
- return on assets (ROA): net profit / total assets (end of period),
- current ratio: current assets / current liabilities,
- current ratio net of lease contracts: current assets / (current liabilities - current lease liabilities),
- quick ratio: (current assets - inventories - current prepayments) / current liabilities,
- quick ratio net of lease contracts: (current assets - inventories - current prepayments) / (current liabilities - current lease liabilities).

The Group monitors its debt service capacity using the equity to total funding ratio, which is the ratio of equity to the sum of shareholders' equity and borrowings, other debt instruments and lease liabilities, and the ratio of debt (i.e. borrowings and other debt instruments less cash held) to EBITDA, net of the IFRS 16 effect. The effect of IFRS 16 on EBITDA is calculated as the difference between cost savings on operating leases under IAS 17 (the sum of lease payments spread over the lease term) and the effect of modifications of lease contracts recognised in accordance with IFRS 16 (including gain /(loss) on closing, modification of the contract scope).

The ratios in the reporting period are presented below.

	31 Dec 2024	31 Dec 2023
Equity	**1,159,961**	**998,330**
Borrowings, other debt instruments	156,766	60,529
Lease liabilities	1,293,349	1,062,477
Total sources of funding	**2,610,076**	**2,121,336**
Equity to total sources of funding	**0.44**	**0.47**
Net profit	454,659	444,873
Income tax	145,663	108,536
(Gains) on net monetary position (hyperinflation)	(7,070)	-
Share of profit of equity-accounted entities	(709)	(662)
Net finance income/(costs)	35,726	(12,648)
Depreciation and amortisation	353,001	287,474
EBITDA	**981,270**	**827,573**
Theoretical operating lease costs under IAS 17**	216,728	173,982
Gain/(loss) on closing and changing the contract scope	851	1,204
Effect of IFRS 16	**217,579**	**175,186**
EBITDA, net of IFRS 16	**763,691**	**652,387**
Borrowings, other debt instruments	156,766	60,529
Cash at end of period	309,498	434,004
Debt (Net financial liabilities)	**(152,732)**	**(373,475)**
Debt to EBITDA	**(0.16)**	**(0.45)**
Debt to EBITDA, net of IFRS 16	**(0.20)**	**(0.57)**

** The Group calculates EBITDA as operating profit plus depreciation and amortisation.*
*** The sum of annual lease payments, assuming equal spread over the lease term.*

3.11. Assessment of the feasibility of investment plans, including equity investments, in relation to available financial resources

As part of its strategic plan through 2027, the Benefit Systems Group aims to expand its own fitness network to a total of 600–650 clubs. This target is being pursued through both organic growth – by opening new clubs – and through the acquisition of existing fitness facilities.

On 10 March 2025, the Parent signed a preliminary agreement to acquire Mars Spor Kulübü, a company operating a fitness club chain in Turkey (for more details, see Current Report No. 14/2025). The purchase price of 100% of the shares in Mars Spor Kulübü (equity value) was set at USD 420 million as at 31 December 2024. The transaction is to be financed based on:

- Debt finance
- Internally available funds,

- Potential proceeds from the planned issue of up to 280 thousand new shares.

The Benefit Systems Group believes that its investment plans, including equity investments, are feasible based on the Group's current financial resources and access to external funding.

3.12. Investments in property, plant and equipment

In 2024, the Group purchased property, plant and equipment with a total value of PLN 220.0 million, compared with PLN 113.1 million in 2023. The expenditure mainly involved purchases of fitness equipment, fit-out of fitness clubs and investments in club premises. The Parent's expenditure on property, plant and equipment in 2024 amounted to PLN 124.9 million, compared with PLN 54.2 million in 2023.

As at the reporting date, the Group and the Parent had no material commitments or obligations related to purchase of property, plant and equipment.

3.13. Use of issue proceeds

In 2024, the Parent received PLN 23.1 million in share issue proceeds (relative to PLN 18.6 million in 2023). The proceeds are related to the Share-Based Payment Scheme, described in more detail in Section 5.1 of this Report. The funds received were used to finance ongoing operations.

3.14. Borrowings, guarantees and sureties obtained by the Group

Under the long-term financing agreement of 1 April 2022 (as subsequently amended) concluded by the Parent and some of its subsidiaries with the European Bank for Reconstruction and Development and Santander Bank Polska S.A., on 2 October 2024 the Parent received PLN 115 million in cash funding. Additionally, based on an amendment signed on 8 November 2024, Santander Bank Polska S.A. granted an additional financing tranche of PLN 300 million, which may be partly drawn in euros (up to EUR 25 million). The additional funding is for a five-year term and will be secured in the same manner as the existing funding, as announced by the Company in Current Report No. 13/2022 of 1 April 2022. Disbursement of the funds will be subject to the fulfilment of certain conditions precedent. The amendment also contains standard provisions typically found in such agreements.

Furthermore, under the multi-facility agreements of 27 May 2020 and 2 April 2012 (as subsequently amended), concluded by the Parent with Santander Bank Polska S.A., the availability period of the financing and the guarantee facility was extended – pursuant to amendments signed on 19 December 2024 – until 12 December 2027. In addition, the guarantee facility limit was raised from PLN 105 million to PLN 125 million.

On 27 May 2024, Lunching Sp. z o.o. received a PLN 0.7 million loan from its future owner, SmartLunch S.A.

In 2024, there were no breaches of credit covenants at the Group, and all borrowings were being repaid in a timely manner.

3.15. Loans advanced, sureties and guarantees issued

For information on the amounts of loans and interest rates, see Note 12 to the consolidated financial statements of the Benefit Systems Group for the 12 months ended 31 December 2024.

Contingent liabilities

Sureties and guarantees	as at 31 December 2024	as at 31 December 2023	Change
Benefit Systems Group	2,465	2,421	44
Parent	11,084	15,027	(3,943)

In the reporting period, neither Benefit Systems S.A. nor the Group companies provided any sureties for any credit facility or loan or guarantees to a single entity or its subsidiary where the aggregate amount of such instruments would be significant in relation to Benefit Systems S.A.'s equity. The significant amount of equity has been determined in accordance with the Individual Reporting Standards effective since July 2016, and the threshold for recognition of an amount as significant is 10% of the Parent's equity based on the most recent published full-year consolidated financial statements.

The disclosed contingent liabilities are related to the capital support provided to the subsidiaries and associates and consist mainly of sureties granted for liabilities in respect of lease payments and payments for the use of fitness equipment.

3.16. Changes in the economic environment and trading conditions which have material bearing on the fair value of financial assets and liabilities

No material changes in the business environment and conditions which would have material bearing on the fair value of the Benefit Systems Group's and the Parent's financial assets occurred in 2024.

3.17. Recognition and reversal of impairment losses on financial assets, property, plant and equipment, intangible assets or other assets

In 2024, the Group discontinued the use of the Active Point trademark with a value of PLN 0.1 million and recognised an impairment loss of PLN 0.2 million on intangible assets that were no longer used. The entire amount of impairment losses on intangible assets was attributable to the Parent.

As at 31 December 2024, impairment losses on the Group's trade receivables amounted to PLN 21.6 million, including an additional impairment loss of PLN 8.7 million recognised and a PLN 1.5 million impairment loss reversed in 2024.

As at 31 December 2024, impairment losses on the Parent's trade receivables amounted to PLN 21.9 million, including an additional impairment loss of PLN 7.4 million recognised and a 145 thousand impairment loss reversed in 2024. The amount of PLN 6.9 million represented an increase in impairment losses on receivables recorded in 2024 following the accounting recognition of receivables carried by the companies merged with during the year and the corresponding impairment losses recognised as at the merger dates.

3.18. Inventory write-downs to net realisable value and reversals

In 2024, the Benefit Systems Group recognised inventory write-downs of PLN 10 thousand. The Parent did not recognise any inventory write-downs during the year.

3.19. Changes in the classification of financial assets as a result of change in the purpose or use of the assets

In 2024, the Benefit Systems Group did not reclassify any of its financial assets.

3.20. Change in the method of measurement of financial instruments at fair value

In 2024, the Benefit Systems Group did not change the method of measuring financial instruments.

3.21. Correction of prior period errors

No corrections of prior period errors were made in the Group's consolidated financial statements or the separate financial statements of Benefit Systems S.A.

3.22. Proceedings instigated before a court or administrative authority, and material settlements arising in connection with court proceedings

Antitrust proceedings against Benefit Systems S.A.

On 22 June 2018, the President of the Office of Competition and Consumer Protection (the "President of UOKiK") initiated antitrust proceedings against Benefit Systems S.A. (and other entities) regarding allegations of forming a market-sharing cartel in the fitness club market, engaging in concerted practices related to exclusive cooperation arrangements with fitness clubs, and participating in concerted practices to limit competition in the market for sports and recreation package services (the "Proceedings").

On 4 January 2021, the Company received a decision of the President of UOKiK (the "Decision") concerning one of the three alleged breaches in respect of which the Procedure was initiated.

The President of UOKiK recognised the Company's participation in a market-sharing agreement between 2012 and 2017 as a practice restricting competition in the domestic market for the provision of fitness services in clubs, which

constitutes an infringement of Art. 6.1.3 of the Act on Competition and Consumer Protection and Art. 101.1.c of the Treaty on the Functioning of the European Union.

The President of UOKiK imposed fines on the parties to the Proceedings, including: on the Parent in the amount of PLN 26,915,218.36 (taking into account the succession resulting from the merger of the Company with those of its subsidiaries which are also named in the Proceedings) and on its subsidiary (Yes to Move sp. z o.o., formerly: Fitness Academy sp. z o.o.) in the amount of PLN 1,748.74. Guided by, among other things, an analysis of well-known cases involving competition-restricting practices, where courts in some instances have decided to significantly reduce fines imposed on businesses (in some cases by as much as 60–90%), and by the opinion of lawyers, the Parent recognised a provision for the fine of PLN 10.8 million in 2020 (Note 19 in the consolidated financial statements of the Group for 2024).

The Parent did not agree with the Decision and filed an appeal against the Decision within the period prescribed by law.

On 21 August 2023, the Polish Court of Competition and Consumer Protection (the "Court") dismissed the Parent's appeal against the Decision. The Court's judgment is not final. The Parent disagrees with the judgment and has filed an appeal within the prescribed time frame. Guided by the opinion of lawyers, as at 31 December 2024 the Parent maintained the provision in an unchanged amount.

With respect to the two other alleged breaches (alleged concerted practices with respect to exclusive cooperation arrangements with fitness clubs, and alleged concerted practices to restrict competition in the market for sports and recreation package services), the proceedings were closed following the issue, on 7 December 2021, of a decision by the President of UOKiK ("Decision 2") under Art. 12.1 of the Act on Competition and Consumer Protection of 16 February 2007. By Decision 2, the President of UOKiK did not impose any fine on the Company and obliged the Company to take certain measures described in Note 34.1 to the Consolidated Financial Statements of the Group for 2022, which were fully implemented by the Parent by the prescribed deadline.

4. SIGNIFICANT RISK FACTORS AND THREATS, AND THE GROUP'S EXPOSURE TO SUCH RISKS OR THREATS

The following section outlines risks and threats that could adversely impact the Group's operations, financial condition, results, and growth prospects. These risks include both controllable and manageable factors, as well as those largely beyond the Group's control. The latter encompasses macroeconomic shifts, geopolitical tensions, pandemics, and cybersecurity threats. While the Parent has made every effort to identify material risks and threats, it is possible that some risks may not have been identified or assessed accurately, or that their potential impact on the Group's operations and performance may be underestimated. For details on risks related to financial instruments, such as market risk, credit risk, and liquidity risk, please refer to Note 31 'Risk arising from financial instruments' in the consolidated financial statements of the Benefit Systems Group for 2024.

Macroeconomic and geopolitical risks

Global or local economic slowdowns, rising inflation and interest rates, potential pandemics, and geopolitical factors, such as armed conflicts, economic sanctions, political instability or disruptions in global supply chains, may materialise leading to a decline in revenue from the Group's operations. Specifically, operating in a high-inflation environment may challenge the Group's ability to effectively raise service prices for customers and users, and may increase operating costs at MultiSport partner facilities and its own sports facilities (including due to rising energy prices), raise the cost of remuneration for employees and independent contractors, and cause price pressure from cafeteria partners as well as other partners and suppliers.

The possibility of increasing or maintaining the prices of MultiSport, MyBenefit and MultiLife services in a high-inflation environment may be further undermined by the price pressure from competitors, which are increasingly seeking to carve out larger shares in the market for non-pay employee benefits. If these risks materialise, they could lead to reduced margins and profitability.

The Group actively monitors these risks and takes measures to mitigate their impact. However, there remains a risk that the ability of the Group's customers and business partners to flexibly adapt to changing conditions may be limited.

At the same time, economic and geopolitical instability, rising living costs, armed conflicts, and inflation have an adverse impact on society. Customers and users may cut back on spending for sports, recreation, and other non-pay benefits as part of their savings efforts. This could negatively affect the Group's customer and user numbers.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to pandemics and infectious diseases

Pandemics and outbreaks of infectious diseases, including seasonal ones, may materially impact the Group's operations due to potential restrictions, need to comply with stringent sanitary requirements and unpredictable changes in user behaviour regarding services provided by the Group. Pandemics present the risk that the Group, its employees, suppliers, and business partners, may experience operational disruptions for an unpredictable period. These disruptions could result from government-imposed on business activities and movement, social distancing requirements, stay-at-home orders, and other temporary legal restrictions. Such disruptions could lead to reduced service availability, a decline in customer numbers, and increased operating costs associated with the implementation of necessary health and safety measures. Additionally, there is a risk of revenue loss due to suspended operations, as well as potential challenges in returning to business as usual following the lifting of restrictions. The occurrence, duration, and impact of any future pandemics remain highly uncertain and difficult to predict.

The COVID-19 pandemic prompted the Group to introduce changes aimed at increasing product diversification and revenue resilience (including the launch of the new MultiLife card).

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to competitors

Competitor activities may adversely impact the Group's operations and its ability to achieve business objectives. There is a risk that competitors in the sport card market, both in Poland (Medicover Sport, PZU Sport) and in the Group's foreign markets, will expand their networks of owned and partner facilities, increase their share in the card market and introduce new, innovative products offered to employers and/or their employees. Moreover, competitors may offer sport cards at discounted prices, putting pressure on the Group's pricing. The price competition could also extend to pass prices and validity periods as a result of further acquisitions of facilities by other companies.

In the cafeteria and HR support solutions market, strong competition requires the Group to swiftly adapt to changing employer expectations and market conditions, including by continually developing technologies and expanding its product and service offerings. There is a risk that competitors may deploy more advanced and attractive technologies, offering enhanced features, improved user experience, and better integration with employer systems, thereby delivering innovative non-pay employee benefit services faster and better.

The market for products competing with MultiLife – a holistic benefit programme designed to address the growing demand for corporate wellbeing solutions – remains highly fragmented. Providers in this space tend to fall into two categories: those specialising in a specific area of employee wellbeing (e.g. mental health), and those offering multi-dimensional solutions spanning several domains. MultiLife provides the flexibility to address a diverse range of needs for a broad spectrum of customers.

Competition arising from the above factors may lead to decline in the Group's growth rate, stagnation or reduction of the Group's market share and lower profitability. The Group's ability to compete effectively depends on a number of external factors beyond its control. The Group continuously monitors and analyses the market of non-pay employee benefits, invests in enhancing its offerings, expands the range of products and services, improves the quality and safety of its services and products, and engages in active marketing and promotional activities.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risks related to the Group's growth and development

The Group constantly grows its business through mergers and acquisitions, the development of new products and services and enhancement of its current offerings. Failure to manage this growth effectively could harm the Group's

reputation, hinder its development, and negatively impact its operating performance. If the growth and development strategies are implemented too fast, it may lead to reduced operational efficiency, difficulties in adapting business processes and maintaining service quality, excessive workloads for employees, and increased employee turnover.

On the other hand, there is a risk of failure to align the pace of technological advancements or process automation with new business requirements. If the Group fails to implement necessary changes and adapt its processes in a timely manner, it may affect its business, financial condition, and performance.

To mitigate this risk, the Group employs a structured process for acquisitions and mergers and, when needed, collaborates with top experts and reputable external partners. Furthermore, the Group analyses its needs for new business requirements, including in human, technological and financial resources, in order to reduce the adverse impact of operational changes.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to mergers and acquisitions

To grow its business, the Group acquires and may in the future acquire or invest in other companies, assets, and projects, both in Poland and beyond.

One of the pillars of the Benefit Systems Group Strategy for 2025–2027 is to ensure the growth of its fitness network at a level no lower than the growth in sales of sport cards and higher than that achieved by competitors, thereby entrenching the market position of Benefit Systems. As part of the Benefit Systems Group Strategy for 2025–2027 in the fitness area, the Group aims to expand its own club network through, among other means, acquisitions, with the objective of increasing service accessibility and offering formats tailored to the diverse needs of user groups.

Acquisition transactions involve a number of risks, including:

- Failure to complete transactions due to excessively high acquisition costs, competitor actions, or risks identified during due diligence;
- Difficulties in achieving expected benefits within the anticipated timeframe;
- Difficulties in retaining key personnel;
- Issues related to technological, legal, financial, or HR integration;
- Disruption of operational processes;
- Difficulties in standardising processes and rules;
- Ensuring compliance with applicable laws governing the acquired entities;
- Difficulties in obtaining necessary regulatory approvals.

If the Group fails to accurately assess the value of a transaction, integrate the acquired entity effectively and cost-efficiently, or incurs costs that later prove unjustified, it could adversely impact the Group's operations.

The Group mitigates these risks through a structured acquisition process, adhering to best industry practices, executed by a dedicated team with extensive expertise and supported by independent, reputable advisory firms and legal counsel.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to expansion into new markets

The Group operates in Poland as well as in five foreign markets: the Czech Republic, Bulgaria, Croatia, Turkey, and Slovakia. Its international operations involve the sale of MultiSport cards and the management of its own fitness club network.

The Group also explores other markets for potential expansion opportunities. However, expanding into new markets presents several risks that could adversely affect the Group's operations. It is uncertain whether the Group's business model will be successfully adopted in new markets or achieve the desired profitability. Unsuccessful expansion into new markets may result in the inability to recover the investments made. The Group's inability to establish a presence in a new market with its business model may be attributed to factors such as:

- Local conditions, including economic, market, political, regulatory, and legal factors (e.g. tax laws, data privacy regulations, and compliance requirements);
- Cultural differences and variations in consumer behaviour, habits, and expectations;
- Geopolitical events, including wars and acts of terrorism;
- Actions taken by local competitors and their strategic responses;
- Insufficient adaptation of the business model to specific needs of the local market.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Business model risk (MultiSport card)

The Group's main product is the MultiSport sport card. In determining the prices of its MultiSport cards, the Group is guided by its own estimates of the frequency of visits by cardholders (users) to sport facilities. These estimates are based on an analysis of available data on the activity of users for different customer characteristics and for different product financing models.

The Group's main cost items are:

- Payments to partner facilities;
- Costs associated with the day-to-day operations of the Group and its own sports facilities.

Sudden changes in the activity of users may result in inadequate prices of the main product and inability to quickly adjust them to the level of costs incurred by the Group. Furthermore, no assurance can be given that unit cost of cardholders' visits to partner venues would not increase, or that costs incurred by the Group to operate its own clubs would not increase. In addition, there is a risk that due to the financial situation of the Group's partners and customers, their flexibility to adapt to changing business conditions may be limited. This may result in a longer period of adjustment of product prices to the costs incurred and may create the risk of lower profits margins achieved on the Group's core product. An additional factor is the price pressure from competitors, which are increasingly seeking to carve out larger shares in the sport card section of the market for non-pay employee benefits.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk of changing user preferences regarding employee benefits

The Group's flagship product is the MultiSport card, which provides users with access to fitness clubs and other sports and recreational activities. Access to fitness clubs and partner sports facilities remains the main reason why the Group's customers choose to establish a relationship with the Group. There is a risk that the preferences of existing and potential cardholders may change, including as a result of unforeseen events, such as pandemics, and they will decide to exercise away from sports facilities (at home or outdoors) or change their selection of non-pay benefits. User preferences may also evolve due to social and economic shifts or competitive market dynamics. Generational, cultural, or regional differences may influence user choices across the countries where the Group operates. During periods of economic downturn or financial uncertainty, users may deprioritise employee benefits, for example in favour of savings programmes. Additionally, competitor actions may drive preference shifts, including customers opting for alternative providers of employee benefits, offering enhanced functionalities, superior technology, diversified offerings, social impact initiatives, or peer recommendations.

The occurrence of the above risk, despite the adaptation of the Group's portfolio to changing expectations (e.g. new sports activities, online workouts, the MyBenefit platform, and expanding wellness-related products and services – MultiLife), may in the long term result in an increase in the number of membership cancellations by users, which may have a material adverse effect on the Group's business, financial condition, or growth prospects.

To mitigate this risk, the Group continuously invests in enhancing its offerings, including expanding its network of proprietary fitness clubs, improving its mobile application, simplifying user identification, investing in innovation and advanced technologies, and developing complementary products to encourage cross-selling. Additionally, the Group actively monitors user preferences and satisfaction levels to tailor its products accordingly. Additionally, the Group also engages in brand awareness initiatives, promoting physical activity and employee wellbeing.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk of employers changing the funding model for non-pay benefits

Most MultiSport, MultiLife and MyBenefit products are co-funded by employers – the Group's customers – for their employees (cardholders). There is a risk that, particularly due to a deterioration in the financial condition of the Group's customers, the funding model for non-pay benefits provided by employers could change. Such changes might lead to reduced fees paid by customers and users, a decrease in the number of users, and a lasting increase in the proportion of heavy users among all MultiSport users. This, in turn, could negatively impact the Group's revenue and profitability.

Additionally, changes in the funding model for non-pay employee benefits may arise from potential amendments to tax legislation in the markets where the Group operates. The introduction of additional tax burdens or the elimination of existing tax incentives may lead employers to scale back their budgets for employee benefits.

Additionally, structural shifts in employment models, such as an increased share of civil-law contracts instead of standard employment arrangements, may reduce the perceived value of non-pay benefits for employers.

To mitigate this risk, the Group continuously monitors customer satisfaction and preferences, market conditions, the regulatory landscape, and competitor activity, in order to tailor its offering to the needs and expectations of both employers and employees. When developing its products, the Group considers and integrates factors influencing employer preferences and decision-making.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to retaining MultiSport partner facilities, as well as MyBenefit and MultiLife partners

Over 90% of the sports facilities the Group collaborates with under the MultiSport programme are partner facilities. If key partners, particularly those with premium locations, decide to discontinue their cooperation – potentially due to acquisitions by competitors – the Group might lose essential geographical coverage. This could result in a higher number of MultiSport card cancellations. Similarly, the discontinuation of cooperation by key business partners essential to the operation of the MyBenefit platform or MultiLife card could adversely affect the perceived value of these products for users.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to fitness club locations and rental costs

A key element of the Group's business model and future growth strategy is its fitness club infrastructure, which relies on securing attractive locations selected according to criteria defined by the Group.

The selection of a specific location depends on various factors, including the assessed market potential of the city or region, investment scale, site characteristics, and lease conditions (including rent levels and additional charges). Each location is subject to a detailed profitability analysis prior to selection. Nonetheless, there is a risk that certain locations may ultimately prove to be suboptimal in terms of attractiveness to sport card users and B2C customers, resulting in a failure to achieve the expected user numbers or delays in reaching the targeted usage levels.

Furthermore, the Group cannot guarantee that existing fitness clubs will remain attractive to card users over time. This is particularly relevant in cases where customer interest declines due to the opening of competing facilities in the same locality.

In addition, most lease contracts are indexed to inflation, which can lead to increased rental costs. If the Group is unable to pass on these higher costs to customers through price adjustments, they may negatively affect the profitability of club operations.

The Group is also exposed to risks related to the availability of suitable locations for new fitness clubs, which is directly influenced by conditions in the commercial real estate market. Adverse trends in this market may delay or halt the development of new retail or office properties that would otherwise be attractive to the Group. Even when

an optimal location is identified, the opening of a new facility may not materialise due to factors such as unsuccessful lease negotiations with landlords, lack of available rental space, or the cancellation of planned commercial, office, or other developments. Additionally, the Group competes with other industry players for space in premium locations. In this context, it cannot be ruled out that competitors may secure leases under conditions that the Group finds unacceptable. Any constraints in the supply and availability of new space may necessitate a temporary limitation of operations in certain areas or require intensified operational efforts and increased costs to secure attractive locations.

Any circumstances impacting the fitness network expansion, particularly misjudged selection of new locations or limited space availability, may slow down the Group's growth and, consequently, have a material adverse effect on the Group's business, financial position or growth prospects.

Risk related to new products, services, and technologies

The Group is continually developing and introducing new products, services, and technologies. These activities carry risks related to market reception by the Group's customers and users. Disruptions in the implementation, operation, or performance of new offerings – such as failures, quality issues, or delays – could lead to dissatisfaction among target customers (users), potentially affecting the profitability of these products and, consequently, the Group's operations and financial performance. Moreover, the profitability of new products and services may fall short of the Group's expectations, posing the risk of failing to recover financial investments made in their development.

Additionally, the Group plans to implement or develop technology solutions based on Artificial Intelligence (AI), which may generate further risks related to data security, predictability, transparency, accountability of outcomes, regulatory compliance, and adherence to ethical standards.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Cybersecurity risks and risks related to personal data protection

Ensuring the security of infrastructure and information, including personal data, is a top priority for the Group. We employ appropriate security measures and solutions to safeguard against cyber threats such as phishing, malware, and ransomware. However, our systems may be vulnerable to damage from cyber attacks originating from various sources, some of which are beyond our direct control. A security breach, particularly a personal data breach, could negatively impact the Group's business operations and relationships, leading to disruptions, financial losses, reputational damage, and loss of customers, users, and suppliers. As the Group expands and introduces new products and services, the volume of processed information, including personal data, may increase. Inadequate protection or failure to prevent or mitigate breaches effectively could result in regulatory penalties, legal disputes, and liabilities under data protection laws, potentially leading to customer and user attrition or otherwise harming the Group's business and reputation.

The Group implements procedures, processes, and technologies to ensure data security and legal compliance, using well-established and proven market solutions. Despite these measures, no data protection system, regardless of how robustly implemented, can offer complete immunity from cyber attacks or information security incidents. While the Group cannot guarantee that security breaches will not occur or that potential incidents will not have an impact on its operations and financial results, it remains fully committed to minimising such risks. Additionally, cybersecurity risks may be exacerbated by geopolitical events, such as the ongoing conflict in Ukraine, which are beyond the Group's control.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risks related to changes resulting from technological progress

The Group relies extensively on technology in its operations. Despite the Group's ongoing monitoring of technological advancements, there remains a risk that the technologies currently used by the Group may become less attractive in terms of cost or quality to the Group's customers or end users. Transitioning to new technologies or upgrading existing ones may involve significant financial investment and considerable time and resources. In addition, no assurance can be given that existing or future competitors will not offer more advanced or appealing technological solutions, such as those with enhanced features, improved user experience, or better speed and security.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risks related to IT systems implementation and maintenance, and operational continuity

The Group's operations rely heavily on its IT systems, which must be efficient, reliable, and secure, as well as on operational continuity and the ability to expand and update the infrastructure in response to changing needs.

The Group manages IT risks through established procedures and controls designed to prevent or mitigate potential issues should such risks materialise. However, despite these mitigation measures, the Group's IT systems may still be susceptible to various internal and external threats, including errors (human or otherwise), system failures, and issues with third-party IT solution, service or software providers.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to human resources

Key factors influencing the Group's business and future growth include the human resources and skills of key highly-qualified employees and independent contractors, including management staff. Inadequate recruitment and retention of skilled specialists and qualified management personnel could negatively impact the Group's business and results of operations.

Failure to effectively recruit, train, manage, and retain a sufficient number of qualified employees and independent contractors may hinder operations, damage the Group's reputation, and affect its financial performance. Given that the Group's operations span several foreign markets, difficulties in hiring, retaining, and managing personnel may also result from cultural and language differences, and other local factors.

Risks related to human resources encompass:

- Changes in the labour market, such as rising salary expectations and pay pressures, which may increase the Group's operating expenses;
- Factors associated with equal opportunities and equal treatment: social inequalities, including wage disparities, limited access to managerial positions, restricted professional development opportunities, and lack of workplace diversity e.g. resulting from local conditions, may potentially impact the Group's operations.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to legal compliance, including personal data protection regulations

The Group must adhere to local and European Union laws and regulations, particularly those governing personal data protection. Any instances of non-compliance, especially concerning privacy or data protection regulations, could damage the Group's reputation, diminish its ability to attract and retain customers, business partners, and users, and result in financial penalties, thus adversely affecting its business, financial condition, and results of operations.

Although the Group has implemented numerous measures to ensure compliance with legal requirements, especially those related to personal data protection, full protection cannot be guaranteed due to factors beyond the Group's control.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to antitrust regulations and proceedings

Regulatory risks are properly managed and monitored and the Group attaches great importance to the way it treats all business partners, in particular customers, holders of sport and recreational cards and passes, and MultiSport Partners – providers of sports services. However, an adverse decision of the competition protection authorities

cannot be ruled out, especially concerning past events. Additionally, as the Group pursues significant growth and expands its operations across various markets, each governed by different legal frameworks and characterised by different levels of market competition, there remains a risk that new investigations may be launched by competition regulators in the future. In the Group's opinion, any decisions issued by competition protection authorities may have a limited impact on ongoing operations of the Group.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to changes in and interpretation of tax laws

One of the potential adverse factors affecting the Group's operations is the evolving landscape of tax legislation, differing interpretations of tax laws, and varying practices of tax authorities at both the local level (including in countries other than Poland where the Group operates) and at the level of the European Union.

The Polish legal system is characterised by frequent changes in tax regulations. Many of these provisions lack clarity and precision, and in numerous cases there is an absence of binding interpretations or consistent guidance. Even when interpretations exist, they are often subject to change. The practices of tax authorities, as well as court rulings in the area of taxation, tend to be inconsistent and fragmented. As a result, companies operating in Poland face greater risks than those in jurisdictions with more stable and predictable tax systems.

Should there be any changes in tax laws, or should tax authorities adopt an interpretative approach that differs from the one currently applied by the Group, such developments could significantly impact the Group's financial condition and growth prospects.

Across the countries in which the Group operates, tax rates – particularly VAT rates – vary depending on the nature of services provided. For example, local governments may withdraw or restrict tax credits, raise existing tax burdens, or impose new charges, which could adversely affect the sale of the Group's services in those countries. As a consequence, the Group's services may become less attractive, which may adversely affect the Group's performance.

Additionally, new tax and tax reporting obligations at the EU level may be introduced, potentially affecting the Group's operations and requiring compliance with new EU regulations in the countries where the Group operates.

Understanding and managing tax-related risks is critical to the Group's financial stability and long-term development. The Group actively monitors current tax legislation, evolving interpretations, and proposed changes both in Poland and internationally. Seeking to mitigate non-compliance risks, the Group engages reputable tax advisory firms when necessary.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to changes in the regulatory environment

The Group operates under a range of legal and regulatory frameworks at both the local and EU levels, including those applicable to publicly listed companies. These frameworks cover areas such as data protection, cybersecurity, digital trading platforms, and consumer rights. Adverse changes in these laws or their interpretations could necessitate adjustments to the Group's internal processes, procedures, products, and services, or even require a reassessment and adjustment of the business model. Of particular relevance to the Group's operations in Poland are regulations concerning company social benefits funds. A portion of the Group's revenue from the sale of MultiSport cards, MultiLife cards, and MyBenefit platform products in Poland is funded or co-funded by customers through their companies' social benefits funds, as regulated by applicable legislation. Changes to these regulations could negatively impact the Group's business. The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Risk related to ESG

The increasingly complex legal environment and regulatory requirements for sustainability reporting – encompassing ESG (Environmental, Social, and Governance) factors – may pose challenges for the Group in adapting to new conditions and regulations. The complexity of applicable laws and regulations may result in ambiguity of interpretation and elevate the risk of compliance misjudgements. What is more, the scale of

forthcoming regulatory changes will require substantial organisational effort, including a significant modification of existing processes, reporting frameworks, and ESG management structures. In parallel, the Group will need to strengthen its internal capabilities and build relevant competencies. All this entails the risk of non-compliance due to the Group's failure to adapt or insufficient expertise.

At the same time, the Group's current ESG initiatives – guided by its ESG strategy – may prove less than effective, require a revision in light of updated regulatory expectations, or face implementation challenges. Any failure by the Group, or by its business partners, to comply with binding ESG regulations and publicly stated commitments, for instance those articulated in the Group's ESG strategies, policies and plans, could negatively impact the Group's business. Inadequate ESG risk management may result in reputational damage, but also in regulatory non-compliance, potentially leading to financial losses. Efforts to restore the Group's brand value and reputation, should it become impaired, could prove both costly and time-consuming.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

Reputational risk

The Group considers its reputation to be a critical asset underpinning its ability to attract and retain customers, business partners, users, and employees, as well as to secure financing. Reputational risk may arise as a consequence of other risk areas, including operational, legal, or compliance-related incidents. Any significant shortcomings in areas such as ethical conduct, regulatory compliance, operational efficiency, technological performance or corporate reporting could present a material threat to the Group's reputation. These risks are actively monitored, analysed, and mitigated through the Group's risk management system. Additionally, reputational damage may occur due to negative public perception regarding the actual or perceived business conduct of the Group, including its employees, associates, partners, or affiliated organisations. The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

The risk factors set out above could adversely affect the Group's business, financial condition, results of operations, and prospects.

5. ADDITIONAL INFORMATION

5.1. Incentive Scheme

Pursuant to resolutions of the General Meeting, Benefit Systems S.A. has in place an Incentive Scheme (the "Incentive Scheme") for senior and middle management of the Parent and for the Benefit Systems Group subsidiaries with which the Parent has entered into relevant agreements. Under the Scheme, eligible employees receive subscription warrants convertible into shares in the Parent. The purpose of the Incentive Scheme is to provide an incentive system that would promote employee productivity and loyalty, aimed at achieving strong financial performance and a long-term increase in the Parent's value.

On 3 February 2021, the General Meeting resolved to establish an Incentive Scheme for 2021–2025. In the 2021–2025 edition of the Incentive Scheme, its participants (up to 149 persons) will be able to acquire up to a total of 125,000 subscription warrants (which, upon conversion into shares, will represent up to 4.1% of the Parent's (post-issue) share capital), entitling them to subscribe for a specific number of shares in the Parent in five equal tranches.

The vesting of the warrants will depend on the satisfaction of certain service and performance criteria set out in the Incentive Scheme Rules, and the operation of the Incentive Scheme in a given year will be subject to the mandatory condition that a specified level of consolidated operating profit adjusted for the accounting cost of the Incentive Scheme is achieved for a given financial year.

By a resolution of the General Meeting of 3 February 2021, the warrants not granted for 2021 may increase the number of warrants for 2023 (up to 12,500 Series K1 warrants) and 2025 (up to 12,500 Series K2 warrants). Series K1 Warrants may be granted in a number representing 50%, 75% and 100% of the maximum number of Series K1 Warrants only if the cumulative consolidated adjusted operating profit (net of the costs of the Incentive Scheme) exceeds the sum of the thresholds for 2021-2023, i.e. PLN 400 million, PLN 460 million and PLN 515 million, respectively. In the case of Series K2, the warrants may be granted if cumulative consolidated adjusted operating profit (net of the costs of the Incentive Scheme) for 2021–2025 exceeds the sum of the thresholds for that period

(PLN 825 million, PLN 920 million and PLN 1,010 million), in a number representing, respectively, 50%, 75% and 100% of the maximum number of Series K2 warrants.

Following the achievement of 100% of the threshold for the condition relating to adjusted consolidated operating profit of the Group for 2023, 25,000 Series Ł subscription warrants were granted to senior management (including the Management Board of the Parent) on 18 March 2024. Following achievement of 100% of the threshold for the condition relating to adjusted consolidated operating profit of the Group for 2021–2023, 12,500 Series K1 subscription warrants for 2021 were granted on 18 March 2024. The fair value of the subscription warrants granted to the employees was estimated as at the grant date using the Black-Scholes model.

The estimated total cost of the tranche for 2021 and 2023 granted on 18 March 2024 was PLN 63.8 million, with PLN 36.8 million recognised by the Group in profit or loss for 2024. In 2023, the Group incurred costs of PLN 6.3 million for the 2022 tranche L of the Scheme.

As at 31 December 2024, the estimated cost of the valuation of Series M warrants amounted to PLN 57.7 million, of which PLN 38.5 million (4/6 of the total estimated cost) was recognised in 2024. As at 31 December 2024, the estimated cost of the valuation of Series K2 warrants was PLN 28.9 million, of which PLN 11.5 million (4/10 of the total estimated cost) was recognised in 2024. At the moment of granting Series M and Series K2 warrants to eligible persons – by the Supervisory Board (with respect to Management Board members) and the Management Board (with respect to eligible persons other than Management Board members), respectively – the valuation of the relevant tranche under the Scheme will be revised to be expensed in the period in which the warrants are granted to eligible persons.

Starting from 2024, the Group began recognising the cost of a given tranche earlier, i.e. at the beginning of the year to which the tranche relates, rather than from the moment of granting the warrants to eligible persons, as was the practice in previous years. The valuation model and the total value of individual tranches remained unchanged. The commencement of cost recognition for the valuation of Series M and K2 tranches starting from 2024 is consistent with the requirements of IFRS 2, according to which the costs of an incentive scheme are to be recognised from the beginning of the service period by eligible persons for a given tranche (the service condition). In the case of tranche K2 warrants, which may increase the pool of warrants for 2025 provided that PLN 1,010 million in adjusted EBIT is achieved for the period 2021–2025, the decision to start recognising valuation costs of this series from 2024 was made in connection with the achievement in 2024 of the performance condition, i.e. adjusted EBIT for 2021–2024 exceeding PLN 1,010 million. The mandatory condition for the launch of Tranche M of the Incentive Scheme was fulfilled, which means the Group exceeded adjusted EBIT of PLN 230 million in 2024, which was the condition for the award of 100% of the Series M warrants.

The amount expensed in 2024 totalled PLN 86.8 million, comprising the cost of the valuation of Series K1 and Ł warrants (granted on 18 March 2024) and the estimated cost of the valuation of Series M and K2 warrants as at 31 December 2024.

The final verification of the fulfilment of the criteria for the grant of Series M subscription warrants to eligible persons other than Management Board members falls within the remit of the Management Board, while in respect of Management Board members, this is the responsibility of the Supervisory Board, and must take place within 30 days following the date of the Annual General Meeting approving the consolidated financial statements of the Benefit Systems Group for 2024.

5.2. Dividend

On 15 December 2022, the Management Board of the Parent adopted a dividend policy for 2023-2025, under which the Management Board will recommend to the General Meeting payment of dividend of at least 60% of the Group's consolidated net profit for the previous financial year, less any unrealised foreign exchange gains or losses for the same period. The Management Board's recommendation will take into account the financial and liquidity position, growth prospects and investment needs of the Parent and the Group. The dividend policy is effective and applies as of the distribution of profit for the financial year ended 31 December 2022. The policy was positively assessed by the Supervisory Board of the Parent on 15 December 2022. The Management Board of the Parent also resolved to disapply the Dividend Policy for 2020–2023.

On 28 June 2024, the Annual General Meeting of the Parent resolved to allocate the net profit for 2023, of PLN 348.6 million, as follows:

- PLN 348.6 million was allocated for dividend payments,
- A portion of statutory reserve funds (created from retained earnings), amounting to PLN 50.8 million, was allocated for dividend payments.

The total dividend was PLN 399.4 million, or PLN 135 per share, Payable on 2,958,292 eligible Company shares. The Annual General Meeting set 16 September 2024 as the dividend record date, with the first instalment of PLN 67.5 per share paid on 27 September 2024, and the second instalment of PLN 67.5 per share paid on 25 November 2024.

5.3. Related-party transaction, if they were individually or jointly significant and were concluded on non-arm's length terms

In the reporting period, the Benefit Systems Group did not enter into any related-party transactions that individually or jointly would be significant and would be concluded on non-arm's length terms.

5.4. Auditor

KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. is the entity authorised to audit separate and consolidated full-year financial statements and review separate and consolidated interim financial statements of Benefit Systems Group for the financial years 2024 and 2023 and to issue opinions and reports on the audits and reviews. For information on the auditor's fees for 2024 and 2023, see Note 35.1 to the consolidated financial statements of the Benefit Systems Group for the 12 months ended 31 December 2024.

5.5. Contracts with the auditor of financial statements

The Parent and KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. executed a contract to audit the Parent's and Benefit Systems Group's separate and consolidated full-year financial statements for the financial years ending 31 December 2023, 31 December 2024, and 31 December 2025. The contract also provides for a review of the separate financial statements of Benefit Systems S.A. and the consolidated financial statements of the Benefit Systems Group for 2023, 2024 and 2025.

The auditor was appointed by the Parent's Supervisory Board and the contract was concluded on 10 August 2023 with effect from 31 May 2023.

In addition, the Parent entered into a contract with KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. for assurance services regarding the report on management and supervisory board remuneration and the sustainability reporting.

The Parent did not enter into any contracts with the auditor other than those described above.

5.6. Agreements known to the Benefit Systems Group which may result in changes in the proportions of shares held by the existing shareholders

In connection with the execution of a conditional agreement for the acquisition of 100% of the shares in Mars Spor Kulübü ve Tesisleri İşletmeciliği A.Ş. (Current Report No. 14/2025), which the Parent may potentially finance in part through the issue of new shares, a resolution concerning the increase of the share capital through the issue of Series H Shares, with the existing shareholders' pre-emptive rights waived, was included in the agenda of the Extraordinary General Meeting convened for 8 April 2025.

If the resolution is adopted, the Company's Management Board will be authorised to take all actions necessary to issue up to 280,000 Series H Shares, including the determination of the issue price and the number of shares to be offered to investors. This process will also include the establishment of the terms and conditions of the offering and subscription of the shares, as well as the conduct of a book-building process. The Series H Shares will be offered primarily to qualified investors, as well as to existing shareholders who, as at 23 March 2025, hold at least 0.5% of the total number of voting rights in the Company. Such shareholders will have a pre-emptive right to subscribe for a number of new shares that will enable them to maintain their existing percentage share in the Company's share capital and total voting rights at the General Meeting.

If existing shareholders decide not to exercise their pre-emptive rights, the proportion of their shareholding in relation to the total number of shares in the Company may change. Furthermore, any Series H Shares not subscribed for by eligible shareholders may be offered to other investors, which may also affect the Company's ownership structure and the distribution of voting rights at the General Meeting.

The Parent has in place an Incentive Scheme 2021–2025 for senior and middle management of the Parent and for the Benefit Systems Group subsidiaries with which the Parent has entered into relevant agreements. Under the Scheme, eligible employees receive subscription warrants convertible into shares in the Parent. As at the date of authorisation of the 2024 report for issue, the total number of warrants granted but not yet converted into shares of the Company amounted to 25,300, and the number of warrants that may potentially be granted under the Scheme amounts to 37,500. For a description of the Incentive Scheme, see Note 5.1.

The Benefit Systems Group is not aware of any other agreements of this type.

5.7. Changes in the number of shares or rights to such shares held by management and supervisory staff

The holdings of shares or other rights to shares (subscription warrants) in Benefit Systems S.A. by members of the Management Board and Supervisory Board of the Parent as at the issue date of this report were as follows:

Shares held by members of Benefit Systems S.A. Management Board

	As at the date of authorisation of the 2024 report		As at the date of authorisation of the report for the nine months ended 30 September 2024		
Member of the Management Board	Number of shares	Equity interest	Number of shares	Equity interest	Change
Marcin Fojudzki	-	-	-	-	-
Adam Kędzierski	**-**	**-**	N/A	N/A	**-**
Emilia Rogalewicz	8,150	0.27%	4,000	0.14%	4,150
Marek Trepko	**-**	**-**	N/A	N/A	**-**
Total	**8,150**	**0.27%**	**4,000**	**0.14%**	**4,150**

Warrants held by members of the Management Board as at the date of authorisation of the 2024 report

Member of the Management Board	Series Ł warrants granted for 2023	Series M warrants granted for 2024	Outstanding series Ł and M warrants
Marcin Fojudzki	250	1,400	1,650
Adam Kędzierski	-	-	-
Emilia Rogalewicz	-	3,400	3,400
Marek Trepko	-	200	200
Total	**250**	**5,000**	**5,250**

The exercise price of the options granted as at the issue date of the report for 2024 is PLN 617.01.

As at the date of authorisation of the 2024 report for issue, members of the Benefit Systems S.A. Supervisory Board did not hold any Company shares. A company controlled by the Chair of the Supervisory Board holds 453,691 shares in Benefit Systems S.A., representing 15.14% of the Company's share capital. A person closely related to the Chair of the Supervisory Board serves as the Chair of the Board of the Drzewo i Jutro Foundation, which owns a 6.96% equity interest in Benefit Systems S.A. (Note 6.4).

As at 31 December 2024, members of the Parent's Management Board and Supervisory Board did not hold any shares in the subsidiaries.

5.8. Agreements concluded between the Benefit Systems Group and its management staff, providing for compensation in the event of resignation or removal from office without a good reason

Where the employment contract with a member of the Management Board of Benefit Systems S.A. is terminated by the Employer (after the contract has been in force for 12 months), the Employer guarantees the payment of a severance pay equal to three times the gross monthly base salary under the employment contract and the consideration due to the Employee for appointment to the Management Board, plus three times the gross consideration due to the Employee for serving as an appointed member of the Management Board member, payable in two equal instalments: the first one on the date of termination and the second one after 90 days from the date of termination. In return for the Employee refraining from competing activities, the Employer pays 25% of the gross base monthly pay as of the last day of the term of the employment contract for each month of the term of the non-compete agreement.

In 2024, the Benefit Systems Group had no obligations arising from retirement or similar benefits to former members of the Parent's management or supervisory staff.

5.9. Remuneration, awards or benefits, including under incentive or bonus schemes based on equity of Benefit Systems S.A. for management and supervisory staff

Remuneration of members of Benefit Systems S.A. Management Board paid in the period from 1 January 2024 to 31 December 2024

Management Board Member (PLN '000)	Remuneration at the Parent	Remuneration at subsidiaries	Value of Series Ł and K1 warrants granted for 2023 and 2021, respectively	Other benefits	Total
Marcin Fojudzki	812	0	454	14	1,280
Emilia Rogalewicz	1,289	0	9,707	17	11,013
Wojciech Szwarc*	722	0	6,986	11	7,718
Total	**2,824**	**0**	**17,146**	**41**	**20,012**

** Member of the Management Board until 28 May 2024.*

Following the achievement of 100% of the threshold for the condition relating to adjusted consolidated operating profit of the Group for 2023 and for 2021–2023, on 18 March 2024 members of the Parent's Management Board were granted the following subscription warrants:

- Series Ł warrants: 250 to Marcin Fojudzki, 3,500 to Emilia Rogalewicz and 2,500 to Wojciech Szwarc.
- Series K1 warrants: 1,850 to Emilia Rogalewicz and 1,350 to Wojciech Szwarc.

On 31 December 2024, Series Ł and K1 warrants awarded to Emilia Rogalewicz were converted into Parent shares at the ratio of 1:1. As a result, Emilia Rogalewicz became entitled to Series G shares, which were registered in the Central Securities Depository of Poland on 15 January 2025. As at the date of issue of the 2024 report, Marcin Fojudzki held 250 Series Ł warrants granted in 2024.

Given the satisfaction of the conditions of the Incentive Scheme for 2024, the conditions for granting Series M warrants were met. For information on Series M warrants granted on 19 March 2025, see Note 5.7 to this report.

As at 31 December 2024, Wojciech Szwarc, former Member of the Management Board, was entitled to severance pay of PLN 71 thousand.

Remuneration of members of Benefit Systems S.A. Supervisory Board paid in the period from 1 January 2024 to 31 December 2024 (no remuneration from subsidiaries)

Supervisory Board (PLN '000)	Remuneration	Other benefits	Total
James van Bergh	144	-	144
Krzysztof Kaczmarczyk	117	0.1	117
Aniela Hejnowska	107	0.1	107
Julita Jabłkowska*	49	0.3	49
Katarzyna Kazior	81	1.3	82
Artur Osuchowski**	62	1.4	64
Michael Sanderson	81	0.4	81
Total	**641**	**3.6**	**645**

** Member of the Supervisory Board from 7 August 2024.*
*** Member of the Supervisory Board until 25 June 2024.*

5.10. Control system for employee stock option plans

Pursuant to resolutions of the General Meeting, Benefit Systems S.A. has established an Incentive Scheme for 2021–2025 based on Parent shares, intended for senior and middle management of the Parent and for the Benefit Systems Group subsidiaries. The detailed rules of the Scheme were approved by the Supervisory Board.

The implementation of incentive schemes is directly overseen by the Management Board, and with regard to the members of the Management Board – by the Supervisory Board.

See subsection 5.1. of this Report for a detailed description of the Incentive Scheme.

6. STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES BY BENEFIT SYSTEMS S.A. (THE "COMPANY") IN 2024

6.1. The corporate governance code applicable to the Company and the place where the text of the code is publicly available.

The Management Board of Benefit Systems S.A. represents that in 2024 the Company made every effort to comply with the corporate governance principles set out in the Best Practice for WSE Listed Companies.

Since 1 July 2021, the Company has been under the obligation to apply the current corporate governance principles for companies listed on the WSE Main Market, that is "Best Practice for WSE Listed Companies 2021", annexed to WSE Supervisory Board Resolution No. 13/1834/2021 of 29 March 2021.

Best Practice for WSE Listed Companies 2021 is available at www.gpw.pl/pub/GPW/pdf/DPSN_2021.pdf.

Information on compliance with corporate governance principles is available publicly at 158421_PL_GPW_dobre_praktyki_BENEFIT-0.pdf (benefitsystems.pl).

6.2. Statement of compliance with the recommendations and principles set out in Best Practice for WSE Listed Companies 2021

In 2024, the Company followed the recommendations and specific principles of Best Practice for WSE Listed Companies 2021 ("Best Practice 2021"), effective from 1 July 2021, with the exception of the following 9 principles: 1.3.1.,1.4.1.,1.4.2., 2.1., 3.7., 3.10., 4.1., 6.2., 6.3.

Principle 1.3.

Companies integrate ESG factors in their business strategy, including in particular:

1.3.1 environmental factors, including measures and risks relating to climate change and sustainable development;

The principle is not applied.

Company's commentary: The principle is not applied in full. The Benefit Systems Group has in place an ESG (Environmental, Social, Governance) strategy, which is separate from its business strategy. The ESG strategy sets targets and metrics in the social, environmental and governance areas. In the coming years, the Benefit Systems Group expects to develop a climate policy, which would encompass environmental factors associated with climate change and sustainable development. Benefit Systems reaffirmed its commitment to conducting business in accordance with the high social, environmental and governance standards through the recertification process for the B Corp certificate in 2023. This certification, first obtained by Benefit Systems in 2018, marked it as the first public company in Poland and in Central and Eastern Europe to achieve this recognition. The certificate is valid until 2026. The Benefit Systems Group publishes annual non-financial reports, on the dates set for the issue of its full-year financial statements, and – starting from 2024 – sustainability statements forming part of the Directors' Reports, in accordance with the requirements of the European Sustainability Reporting Standards (ESRS).

Principle 1.4.

To ensure quality communications with stakeholders, as a part of the business strategy, companies publish on their website information concerning the framework of the strategy, measurable goals, including in particular long-term goals, planned activities and their status, defined by measures, both financial and non-financial.

ESG information concerning the strategy should among others:

1.4.1. explain how the decision-making processes of the company and its group members integrate climate change, including the resulting risks;

The principle is not applied.

Company's commentary: The principle is not applied in full. The Company has in place an ESG strategy, which it pursues in a consistent manner. The ESG strategy sets out climate-related targets, approved by the Management Board of the Benefit Systems Group. In the coming years, the Group also expects to develop a climate policy, addressing climate-related risks.

1.4.2. present the equal pay index for employees, defined as the percentage difference between the average monthly pay (including bonuses, awards and other benefits) of women and men in the last year, and present information about actions taken to eliminate any pay gaps, including a presentation of related risks and the time horizon of the equality target.

The principle is not applied.

Company's commentary: The principle is not applied in full. The target concerning equal pay for women and men is covered by the ESG strategy. In the ESRS-compliant sustainability statement for 2024, the Gender Pay Gap was not reported because the topic was not identified as material through the double materiality assessment. The area is managed by the organisation and the adjusted gender pay gap is below 5%.

Principle 2.1.

Companies should have in place a diversity policy applicable to the management board and the supervisory board, approved by the supervisory board and the general meeting, respectively. The diversity policy defines diversity goals and criteria, among others including gender, education, expertise, age, professional experience, and specifies the target dates and the monitoring systems for such goals. With regard to gender diversity of corporate bodies, the participation of the minority group in each body should be at least 30%.

The principle is not applied.

Company's commentary: The principle is partially applied. The Company has adopted a Diversity Policy for the Management Board and a Diversity Policy for the Supervisory Board (the "Diversity Policies"). As at the reporting

date, the Company ensures a minimum 30% representation of the minority gender among the members of the Supervisory Board. However, this threshold is not met for the Management Board. The Company has declared its intention to achieve a minimum 30% representation of the minority gender in its governing bodies by no later than 2030, taking into account the duration of terms of office, as reported in the annual report on the activities of the Supervisory Board and set out in the Diversity Policies. Furthermore, since 2021, Benefit Systems has been one of the first Polish publicly listed companies to join the 30% Club initiative, thereby supporting the increased representation of women on the governing bodies of listed companies. One of the founding members of the 30% Club Poland is James Van Bergh, the founder of Benefit Systems and currently the Chair of the Company's Supervisory Board.

Principle 3.7.

Principles 3.4 to 3.6 apply also to members of the company's group which are material to its activity if they appoint persons to perform such tasks.

The principle is not applied.

Company's commentary: The Benefit Systems Group aims to standardise its risk and compliance management system across all companies crucial to the Group's operations. The formalisation of the Group's policies in this area began in 2023 and will continue into the following years. In 2024, the Benefit Systems Group's Risk Management Policy was adopted and rules were developed to standardise the risk management process at companies crucial to the Group's operations. These rules are being gradually implemented at selected companies of the Benefit Systems Group. Where a compliance function is set up at a subsidiary, the person responsible for this function reports directly to the Management Board of the subsidiary, in line with principle 3.5 of Best Practice 2021. The Company's internal audit function encompasses the operations of certain companies of the Benefit Systems Group based on risk assessment and the significance of a company for the Group's operations.

Principle 3.10.

Companies participating in the WIG20, mWIG40 or sWIG80 index have the internal audit function reviewed at least once every five years by an independent auditor appointed with the participation of the audit committee.

The principle is not applied.

Company's commentary: In accordance with Best Practice 2021, the Company intends to have its internal audit function reviewed by an independent entity within the required period of five years from the effective date of principle 3.10., i.e., by the end of 2026.

Principle 4.1.

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

The principle is not applied.

Company's commentary: Given the Company's relatively concentrated shareholding structure, a significant share of Polish entities in the shareholding structure, and the fact that none of the shareholders has expressed an expectation that General Meetings be held using electronic means of communication, the Company does not provide two-way communication with shareholders using electronic means of communication. The Company enables shareholders to exercise their voting rights during a General Meeting either in person or through a proxy, but without the possibility of using electronic means of communication for that purpose. Shareholders regularly exercise the right to vote by proxy at a General Meeting. In the Company's opinion, the current rules of holding and participating in the General Meeting enable the shareholders to exercise the rights attached to their shares and protect their interests. The Company publishes resolutions passed by the General Meeting in the form of current reports available on the Company's website and provides access to minutes of the General Meetings at the Company's head office. The Management Board believes that this manner of documenting the proceedings of the General Meeting guarantees transparency.

Principle 6.2.

Incentive schemes should be constructed in a way necessary among others to tie the level of remuneration of members of the company's management board and key managers to the actual long-term standing of the company measured by its financial and non-financial results as well as long-term shareholder value creation, sustainable development and the company's stability.

The principle is not applied.

Company's commentary: The incentive scheme for 2021-2025 makes the remuneration of members of the Company's Management Board and key managers dependent on the long-term amount of adjusted consolidated operating profit defined as consolidated operating profit disclosed in audited consolidated financial statements, adjusted for the effect of one-off events in 2021-2025. Subscription warrants will be taken up by the eligible persons upon fulfilment of the service and performance criteria set out in the incentive scheme rules and Resolution No. 4/03.02.2021 of the Extraordinary General Meeting of 3 February 2021. The principle is not fully applied by the Company because the incentive scheme for 2021–2025 as currently designed does not tie the remuneration of the eligible persons to the Company's long-term non-financial performance or sustainability criteria.

Principle 6.3.

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

The principle is not applied.

Company's commentary: The principle is not applied in full. The Company operates an incentive scheme for 2021–2025, based on subscription warrants. The scheme was adopted pursuant to a resolution of the General Meeting of 3 February 2021. The vesting of the warrants will depend on the satisfaction of certain service and performance criteria set out in the incentive scheme rules, and the operation of the incentive scheme in a given year and the grant of a tranche of subscription warrants to employees will be subject to the mandatory condition that a predefined level of consolidated operating profit adjusted for the accounting cost of the incentive scheme is achieved for a given financial year. The implementation of the scheme does not depend on predefined non-financial or sustainability objectives.

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6.3. Key features of the Company's internal control and risk management systems used in the preparation of separate and consolidated financial statements.

The Company has structurally separate functions responsible for the internal control, risk management and compliance activities, as well as an internal audit function. The functions, overseen by the Management Board, are appropriate for the Company's size as well as for the type and scale of its operations. The persons responsible for these functions report organisationally and functionally to the Management Board Member for Finance. The head of the internal audit function reports organisationally to the Management Board Member for Finance, and functionally – to the Chair of the Company's Audit Committee.

In particular, the Company takes the following steps to achieve effective internal control in financial reporting:

1. Ensuring that uniform accounting policies are followed by the Benefit Systems Group companies with respect to consolidated data as regards recognition, measurement and disclosures in accordance with International Financial Reporting Standards as endorsed by the European Union (IFRS EU);
2. Keeping current records of economic events in the financial and accounting system by competent teams, their analysis and regular comparison with budgets and previous years' data;
3. Verifying the correctness and completeness of the data and the way transactions and events are recognised by way of formalised operational and acceptance procedures;
4. Recording economic events at the key companies of the Benefit Systems Group subject to consolidation in a financial and accounting system that ensures the security of data and information it contains;
5. Appropriate alignment of the financial and accounting system with the changing tax and accounting regulations;

6. Regular reviews of the risks associated with the processing of information in the system and reviews of business continuity plans for the system;
7. Monthly comparison of consolidated financial data with management data;
8. Providing the Benefit Systems Group companies with uniform templates of consolidation packages ensuring consistent data presentation;
9. Procedures for authorisation of and issue of opinions on financial statements before their publication.

The Management Board of Benefit Systems S.A. regularly approves accounting policy updates resulting from changes in financial reporting standards or accounting regulations. The accounting policy provides the basis for reporting data for consolidation purposes by the Benefit Systems Group companies, ensuring consistency and appropriateness of the accounting policies applied.

The separate financial statements of the Company and the consolidated financial statements of the Benefit Systems Group are prepared by a dedicated Financial Reporting Team with appropriate competencies and knowledge of International Financial Reporting Standards. The Team is subject to professional and operational oversight by the Chief Financial Officer and the Management Board Member for Finance.

The full-year and half-year separate financial statements of the Company and the full-year and half-year consolidated financial statements of the Benefit Systems Group are audited and reviewed by an independent lead auditor acting on behalf of the audit firm appointed to audit the Company's financial statements by the Supervisory Board.

The Company regularly assesses risks related to the financial reporting process and non-compliance with financial reporting regulations as part of its risk management system. The Company monitors amendments to the laws and regulations governing financial reporting (International Financial Reporting Standards) and periodic reporting by issuers of securities on an ongoing basis and updates its Accounting Policy and disclosure requirements accordingly. With respect to the consolidated financial statements, the Company provides guidance on the accounting policies adopted by the Benefit Systems Group for the preparation of consolidation packages of the subsidiaries and exercises control functions with respect to the financial data of the subsidiaries by, among other things, reviewing the packages and preparing the consolidation sheet, for the purposes of preparing the consolidated financial statements of the Benefit Systems Group. Material consolidation packages of the subsidiaries are subject to selected audit and review procedures by the independent statutory auditor of the Benefit Systems Group or an auditor from the network of the audit firm selected to audit the consolidated financial statements of the Benefit Systems Group.

6.4. Shareholders holding directly or indirectly major holdings of shares, along with an indication of the numbers of shares and percentages of the Company's share capital held by such shareholders, and the numbers of voting rights and percentages of total voting rights conferred by those shares

The equity and voting interests held in the Parent take account of the increase in the Parent's share capital made within the limit of its conditional share capital. Series D shares were acquired as part of the conditional share capital by holders of Series D, E and F subscription warrants granted by the Parent in accordance with the terms of the 2014–2016 Incentive Scheme, Series E shares – by holders of Series G, H and I subscription warrants granted by the Parent in accordance with the terms of the 2017−2020 Incentive Scheme, and Series G shares – by holders of Series K1, L and Ł subscription warrants granted by the Parent in accordance with the terms of the 2021−2025 Incentive Scheme.

Shareholding structure

	As at the date of authorisation of the 2024 report	As at the date of authorisation of the report for the nine months ended 30 September 2024	

Shareholder	Number of shares	Ownership interest	Voting interest	Number of shares	Ownership interest	Voting interest	Change
Benefit Invest 1 Company*	453,691	15.14%	15.14%	453,691	15.34%	15.34%	-
Fundacja Drzewo i Jutro*	208,497	6.96%	6.96%	208,497	7.05%	7.05%	-
Nationale-Nederlanden PTE	314,588	10.50%	10.50%	320,182	10.82%	10.82%	(5,594)
Allianz OFE	276,290	9.22%	9.22%	276,290	9.34%	9.34%	-
Marek Kamola	233,000	7.78%	7.78%	233,000	7.88%	7.88%	-
Generali OFE	216,221	7.22%	7.22%	216,221	7.31%	7.31%	-
Other	1,293,455	43.18%	43.18%	1,250,411	42.25%	42.25%	43,044
TOTAL	**2,995,742**	**100.00%**	**100.00%**	**2,958,292**	**100.00%**	**100.00%**	**37,450**

** Related individuals and/or entities as described in Note 28 Related-party transactions in the Group's full-year consolidated financial statements for 2024.*

Information based, among other things, on notifications sent to the Company, the annual asset structure of open-end (OFE) and voluntary (DFE) pension funds, and information submitted for the General Meetings.

As at the date of authorisation the 2024 report for issue, the Company's share capital amounted to PLN 2,995,742. Number of shares comprising the share capital: 2,995,742 shares, including 2,204,842 Series A shares, 200,000 Series B shares, 150,000 Series C shares, 120,000 Series D shares, 74,700 Series E shares, 184,000 Series F shares, and 62,200 Series G shares. The shares of all series have a par value of PLN 1 per share. The total number of voting rights carried by all outstanding shares is 2,995,742. The equity interests held by individual shareholders in Benefit Systems S.A. are equal to their respective voting interests in the Company.

6.5. Holders of securities conferring special control powers, together with description of such powers.

The Company is unaware of any holders of securities conferring special powers. The Company's Articles of Association do not confer any special powers on holders of the Company's shares or other securities.

6.6. Restrictions on voting rights, such as limitation of the voting rights of holders of a given percentage or number of votes, time limits on the exercise of voting rights, or provisions under which, with the company's cooperation, equity rights attaching to securities are separated from the holding of the securities.

The Company's Articles of Association do not provide for any restrictions on the exercise of voting rights. Voting rights attached to treasury shares held by the Company are not exercised.

6.7. Restrictions on transferability of title to the Company's securities.

There are no restrictions on transferability of the Company's securities.

6.8. Rules governing appointment and removal of the Company's management personnel; powers of the management personnel, including in particular the authority to resolve to issue or buy back shares.

Members of the Company's Management Board are appointed for a joint four-year term of office and removed by way of a resolution of the Company's Supervisory Board. The Supervisory Board adopts resolutions by 4/6 majority vote in the presence of at least half of its members. In the event of a tie vote, the Chair has the casting vote. Resolutions of the Supervisory Board are valid if all members of the Supervisory Board have been invited to the meeting.

Members of the Management Board may be appointed for further terms of office.

The Management Board manages the Company's operations and assets and represents the Company before courts, government authorities and third parties.

The Management Board has the authority to manage the Company's affairs to the extent set out in the Articles of Association and not reserved for other governing bodies of the Company under the Articles of Association and applicable laws.

Representations on behalf of the Company may be made by one member of the Management Board if the Management Board is composed of only one member, and if the Company's Management Board has more than one member, representations may be made by two members of the Management Board acting jointly or by a Management Board member acting jointly with a commercial proxy.

Management Board resolutions are passed by an absolute majority of votes.

The Company's Articles of Association do not provide for any additional powers for the management personnel, such as the power to decide on issue or repurchase of shares.

6.9. Rules governing amendments to the Articles of Association.

Amendments to the Company's Articles of Association fall within the remit of the General Meeting and require a resolution to be passed by the General Meeting by a three-fourths majority vote, subject to specific requirements of applicable laws.

In accordance with the provisions of the Commercial Companies Code, if the Articles of Association are intended to be amended, the notice of the General Meeting, to be published on the Company's website and otherwise as required by the rules of publication of current and periodic information, includes the existing provisions and the proposed amendments.

After the General Meeting passes a resolution amending the Company's Articles of Association, the Management Board notifies the registry court of the amendments. The amendments come into force upon registration by the court.

Then the Supervisory Board draws up the consolidated text of the Articles of Association incorporating the amendments, provided that the General Meeting grants the Supervisory Board a relevant authorisation.

6.10. Manner of operation of the General Meeting, its basic powers and description of the shareholder rights, along with the procedure for their exercise, including in particular rules provided for in the Rules of Procedure for the General Meeting, if any, unless such information follows directly from applicable laws.

The General Meeting proceeds in accordance with the rules set out in the Commercial Companies Code, the Articles of Association and the Rules of Procedure for the General Meeting of Benefit Systems S.A. The Articles of Association and the Rules of Procedure for the General Meeting are made public and are available on the Company's website.

Convening of the General Meeting.

The key rules for convening the General Meeting are as follows:

1. The General Meeting may be convened as an ordinary (annual) or extraordinary meeting of shareholders. The Annual General Meeting is held within 6 (six) months after the end of each financial year.
2. General Meetings are held at the Company's registered office.
3. The General Meeting is convened by the Management Board or, in certain cases, by the Supervisory Board or by the Management Board at the request of the Supervisory Board or every Management Board member. An Extraordinary General Meeting may be convened by a shareholder or shareholders representing at least half of the share capital or at least half of total voting rights in the Company. Shareholders designate the Chair of the Extraordinary General Meeting so convened. A shareholder or shareholders representing at least one-twentieth of the share capital may request that an Extraordinary General Meeting be called and that particular matters be placed on its agenda.
4. A convocation notice (stating the venue, date and time of the General Meeting) is published as a current report and on the Company's website.

5. Draft resolutions recommended for adoption by the General Meeting and other important materials should be presented to the shareholders together with a statement of reasons and the Supervisory Board's opinion thereon, if the Supervisory Board considers it advisable, sufficiently in advance to enable the shareholders to review and assess them in light of the provisions of the Commercial Companies Code.

Key powers of the General Meeting.

The powers of the Company's General Meeting are conferred by the Commercial Companies Code, the Rules of Procedure of the General Meeting and the Articles of Association, and include in particular:

1. Consideration and approval of the Directors' Report on the Company's operations and the financial statements for the previous financial year, and granting discharge from liability to members of the governing bodies of the Company in respect of their performance of duties;
2. Sale or lease of, or creation of limited property rights in, the Company's business or an organised part thereof;
3. Acquisition and disposal of real estate, perpetual usufruct right to or interest in real estate, unless the Articles of Association provide otherwise;
4. Issue of convertible bonds or bonds with pre-emptive rights and issue of subscription warrants referred to in Article 453.2 of the Commercial Companies Code;
5. Acquisition of the Company's own shares in cases specified in Art. 362.1.2 of the Commercial Companies Code, and granting authorisations to acquire the Company's own shares in cases specified in Art. 362.1.8 of the Commercial Companies Code;
6. Determination of the dividend record date and the dividend payment date;
7. Amendments to the Company's Articles of Association, share capital increase or reduction;
8. Appointment of Supervisory Board members;
9. Determination of the remuneration of Supervisory Board members;
10. Merger, transformation, dissolution or liquidation of the Company;
11. Considering matters put forward by the Supervisory Board, the Management Board or shareholders.

Rules governing participation in the General Meeting.

The principal rules for participation in the General Meeting include the following:

1. The right to participate in the General Meeting is vested only in persons that are the Company's shareholders sixteen days before the date of the General Meeting;
2. A shareholder who is a natural person may attend and vote at a General Meeting in person or by proxy;
3. A shareholder other than a natural person may attend and vote at a General Meeting either through a person authorised to represent that shareholder or through a proxy;
4. The power of proxy is null and void unless made in writing or should be issued in electronic form;
5. A shareholder may vote each of their shares in a different manner;
6. A General Meeting should be attended by those members of the Management Board and Supervisory Board who are in the position to give relevant answers to questions asked during the General Meeting. It may also be attended by experts and other persons invited by the convening body.

Voting at the General Meeting.

1. As a general rule, the General Meeting makes decisions in an open ballot;
2. A secret ballot is only called to elect or remove from office members of the Company's governing bodies or liquidators, when voting on bringing them to account and when voting on personnel matters;
3. Resolutions on any material changes to the Company's business profile are adopted in an open ballot and should be published;

4. Resolutions of the General Meeting are passed by an absolute majority of votes, unless the Articles of Association or the Commercial Companies Code provide otherwise. An absolute majority of three-fourths of votes cast in the presence of shareholders representing at least 50% of the Company's share capital is required for resolutions concerning: (i) removal of items from the agenda of the General Meeting; (ii) a shareholder's liability to the Company, howsoever arising;

5. General Meeting resolutions are recorded in the minutes of the meeting, which must be drawn up by a notary public to be valid;

6. The Company publishes voting results on its website within a week after a General Meeting. The voting results should remain available until the day of expiry of the time limit to appeal against a resolution of the General Meeting;

7. One share carries the right to one vote at the General Meeting. The Company has not issued any shares with voting preference. In accordance with the Commercial Companies Code, the Company does not exercise the voting rights attached to its treasury shares.

6.11. Composition and activities of the Company's management, supervisory and administrative bodies and of their committees; changes in their composition in the last financial year.

Management Board of the Company

The Management Board operates in accordance with the Rules of Procedure for the Management Board, the Company's Articles of Association and generally applicable laws. The Rules of Procedure for the Management Board are available on the Company's website: https://www.benefitsystems.pl/dla-inwestora/lad-korporacyjny/dokumenty-korporacyjne/.

As at 31 December 2024, the Company's Management Board was composed of:

1. Marcin Fojudzki – Member of the Management Board,
2. Emilia Rogalewicz – Member of the Management Board.

Changes in the Company's governing bodies in 2024.

In 2024, the following changes were made in the composition of the Management Board:

On 27 May 2024, the Company received a letter of resignation from Wojciech Szwarc, in which he resigned from his position on and membership of the Management Board, effective end of day 28 May 2024, citing personal reasons.

Supervisory Board

The Supervisory Board operates in accordance with the Rules of Procedure for the Supervisory Board, the Company's Articles of Association and generally applicable laws. The Rules of Procedure for the Supervisory Board are available on the Company's website: https://www.benefitsystems.pl/dla-inwestora/lad-korporacyjny/dokumenty-korporacyjne/.

As at 31 December 2024, the Supervisory Board was composed of:

1. James van Bergh – Chair of the Supervisory Board,

2. Krzysztof Kaczmarczyk – Deputy Chair of the Supervisory Board,

3. Aniela Anna Hejnowska – Member of the Supervisory Board,
4. Katarzyna Kazior – Member of the Supervisory Board,
5. Julita Jabłkowska – Member of the Supervisory Board,
6. Michael Sanderson – Member of the Supervisory Board.

In 2024, the following changes were made in the composition of the Supervisory Board:

On 25 June 2024, the Management Board received a letter of resignation from Artur Osuchowski, in which he resigned from his position as Member and Deputy Chair of the Supervisory Board, with immediate effect. As the reason, Mr Osuchowski cited his intention to assume the position of member of the management board of Orlen S.A.

On 7 August 2024, the Extraordinary General Meeting appointed Julita Jabłkowska as Member of the Supervisory Board for the term of office commenced on 29 June 2023.

By a resolution of 21 August 2024, the Supervisory Board – acting pursuant to Art. 21.1 of the Company's Articles of Association – appointed Krzysztof Kaczmarczyk as Deputy Chair of the Supervisory Board.

In 2024, the function of the Remuneration Committee was performed by the Supervisory Board.

Audit Committee

The scope of operation and procedures of the Audit Committee are detailed in the Rules of Procedure for the Audit Committee of Benefit Systems S.A. Supervisory Board. The Rules of Procedure for the Audit Committee of the Supervisory Board are available on the Company's website: https://www.benefitsystems.pl/dla-inwestora/lad-korporacyjny/dokumenty-korporacyjne/.

As at 31 December 2024, the Audit Committee was composed of:

1. Aniela Anna Hejnowska – Chair of the Audit Committee,
2. Julita Jabłkowska – Member of the Audit Committee,
3. Krzysztof Kaczmarczyk – Member of the Audit Committee.

In 2024, the following changes were made in the composition of the Audit Committee:

On 25 June 2024, the Management Board received a letter of resignation from Artur Osuchowski, in which he resigned from his position as Member and Deputy Chair of the Supervisory Board, with immediate effect. As the reason, Mr Osuchowski cited his intention to assume the position of member of the management board of Orlen S.A. Artur Osuchowski additionally served as Chair of the Audit Committee from 3 April 2023 to the resignation date.

On 7 August 2024, the Extraordinary General Meeting appointed Julita Jabłkowska as Member of the Supervisory Board for the term of office commenced on 29 June 2023.

In accordance with a resolution of 21 August 2024, the Supervisory Board – acting pursuant to Art. 26.1 of the Company's Articles of Association – determined that the Audit Committee of the Supervisory Board of the current term would be composed of three members.

By way of a resolution of 21 August 2024, the Supervisory Board appointed Julita Jabłkowska to serve on the Audit Committee.

In accordance with a resolution of 21 August 2024, the Supervisory Board – acting pursuant to Art. 261.1 of the Company's Articles of Association – appointed Aniela Hejnowska to the position of Chair.

6.12. Information on the Company's Audit Committee.

Persons who meet statutory independence criteria and possess knowledge and skills in accounting or financial statements auditing, as well as knowledge and skills specific to the industry in which the issuer operates, including the means through which they acquired such knowledge and skills.

The following members of the Audit Committee meet the independence criteria:

Aniela Anna Hejnowska – Chair of the Audit Committee, Krzysztof Kaczmarczyk.

The Audit Committee member possessing knowledge and skills in accounting or financial statements auditing is Krzysztof Kaczmarczyk, a graduate of the Warsaw School of Economics with a major in finance and accounting and with more than a decade of experience serving as a member of audit committees in other companies.

Aniela Hejnowska and Julita Jabłkowska are the Audit Committee members possessing the knowledge and skills specific to the industry in which the Company operates, based on their professional knowledge and experience.

Number of meetings held by the audit committee.

In 2024, the Audit Committee held five meetings.

Description of permitted non-audit services provided to the Company by the audit firm auditing its financial statements, assessment of the independence of the audit firm and consent to the provision of such services.

KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp.k. ("KPMG"), the audit firm engaged, under the Supervisory Board Resolution of 15 December 2022, to audit the financial statements of the Company and the consolidated financial statements of the Benefit Systems Group for 2023–2025, provided permitted non-audit services to the Company and the Benefit Systems Group in 2024, which involved a review of the half-year interim condensed separate financial statements of the Company and the half-year interim condensed consolidated financial statements of the Benefit Systems Group for the six months ended 30 June 2024, as well as an additional assurance service, i.e. an assessment of the full-year report on remuneration of the Management Board and Supervisory Board for 2023 prepared in accordance with Art. 90g of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies.

On 15 December 2022, the Audit Committee submitted a recommendation to the Company's Supervisory Board regarding the selection of an audit firm and the scope of services to be provided by it also with respect to permitted additional non-audit services in the process of selecting an audit firm to audit the Company's financial statements and the consolidated financial statements of the Benefit Systems Group for 2023–2025.

Following an assessment of threats to the auditor's independence and the safeguards applied to mitigate those threats based on an analysis of applicable laws and a statement from KMPG on compliance with the legal and regulatory requirements to provide permitted non-audit services, the Audit Committee gave its consent.

Furthermore, on 25 September 2024, after the Audit Committee had carried out the assessment of threats to the auditor's independence and the safeguards applied to mitigate those threats under applicable laws as at the date of the relevant resolution (i.e. Art. 136.3 of the Statutory Auditors Act and Article 5(4) of Regulation (EU) No. 537/2014 of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities (…)), as well as the auditor's independence declaration submitted by KPMG, the Audit Committee concluded that the audit firm could provide the assurance service regarding the Company's sustainability reporting for 2024–2025 as a permitted service and consented to the provision of that service by KPMG.

Key principles of the policy for the selection of an audit firm to audit financial statements and the policy for the provision of permitted non-audit services by the audit firm, its affiliates and members of its network.

The Company has the following regulations in place:

1. Policy for the selection of the audit firm for Benefit Systems S.A.

2. Procedure for the selection of the audit firm for Benefit Systems S.A.
3. Policy for the provision of additional services by an audit firm, its affiliates or a member of its network for Benefit Systems S.A.

The documents referred to above set out the guidelines and principles to be followed by the Management Board when selecting an audit firm, by the Audit Committee when preparing a recommendation and by the Supervisory Board when selecting an audit firm to audit the financial statements of Benefit Systems S.A., and contain provisions on how the Management Board and the Audit Committee should proceed in the event that it is necessary to approve the contracting of permitted non-audit services. They take into account the requirements laid down in the Act on Statutory Auditors, Audit Firms and Public Oversight (the "Statutory Auditors Act"), Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC ("Regulation 537/2014"), and the Company's Articles of Association.

Key provisions of the policy for the selection of the audit firm for Benefit Systems S.A.

1. The auditor is selected by the Supervisory Board by way of a resolution, acting upon a recommendation of the Audit Committee.
2. The Supervisory Board – while selecting the audit firm, and the Audit Committee – while preparing its recommendation, take into account certain considerations, such as:
    a) Confirmation of impartiality and independence of the audit firm;
    b) Confirmation that the audit firm has not lost its qualification to audit the Company's financial statements and that no other circumstances have arisen which would prevent the audit firm from conducting the audit;
    c) The price;
    d) The past experience in auditing public-interest entities, in particular those listed on the Warsaw Stock Exchange, and in auditing entities with a business profile similar to that of the Company;
    e) The capacity to provide the full range of services specified by the Company (audit and review of separate and consolidated financial statements reviews, etc.);
    f) The capacity to conduct audits within a timeframe specified by the Company;
    g) Professional qualifications and experience of persons directly involved in the audit;
    h) Operating in most of the countries in which Benefit Systems Group companies are based.
3. Contracts with an audit firm are executed and performed in accordance with the applicable laws (including the mandatory audit firm rotation and conclusion of the first contract with an audit firm for no less than two years, with the option to renew for subsequent periods of no less than two years).
4. The Supervisory Board observes the principle of audit firm and lead auditor rotation in accordance with the applicable laws.

Key features of the Policy for the provision of permitted non-audit services by the audit firm, its affiliates, or members of the firm's network:

1. Neither the lead auditor nor the audit firm carrying out the statutory audit of the Company, nor the auditor's or audit firm's affiliates or members of their networks provide, directly or indirectly, to the Company or its affiliates, any services whose provision is prohibited by law, other than audit of financial statements or legally required financial auditing activities;
2. The prohibited services referred to in item 1 above mean the services defined in Article 5 of Regulation 537/2014 and Art. 136 of the Act on Statutory Auditors;
3. The services referred to in Art. 136.2 of the Act on Statutory Auditors are not considered as prohibited services;
4. The lead auditor may provide the Company and its affiliates with services permitted under applicable laws insofar as they are not related to the Company's tax policy, and after the Audit Committee has conducted an assessment of threats to the auditor's independence as well as the safeguards applied to mitigate those threats and has given its consent.

Information on whether the recommendation on selection of the audit firm to audit financial statements met the applicable conditions, and, where the selection of the audit firm was not related to extending the agreement for audit of financial statements – whether the recommendation was prepared following a selection procedure organised by the Company in accordance with the applicable criteria.

Recommendation of the Audit Committee of the Benefit Systems S.A. Supervisory Board regarding the selection of the KPMG audit firm and extension of cooperation for 2023-2025 along with the rationale.

In connection with the expiry of the agreement for audit of financial statements and review of interim financial statements concluded on 3 August 2021 between Benefit Systems S.A. (the "Company") and KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k. ("KPMG"), concerning the audit and review of financial statements for 2021 and 2022, the Audit Committee, having consulted the Management Board and the Company's accounting services, and having read the report on audit firm selection submitted by the Company, recommends that the Supervisory Board extend the audit engagement with KPMG for 2023-2025 in accordance with Article 17(1) and (2) of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909.

Acting pursuant to Art. 27.f. of the Company's Articles of Association and in accordance with the Procedure for the Selection of the Audit Firm for Benefit Systems S.A. set out in Appendix 1 to Resolution No. 2022/12/15/1 passed by the Audit Committee of the Benefit Systems S.A. Supervisory Board on 15 December 2022, and having read the recommendation together with the rationale submitted by the Audit Committee, the Company's Supervisory Board approved the rationale contained in the recommendation and on 15 December 2022 passed a resolution to select the audit firm KPMG through extension of cooperation for 2023-2025.

6.13. Description of the diversity policy applied in relation to the undertaking's administrative, management and supervisory bodies with regard to aspects such as age, gender, or educational and professional backgrounds, the objectives of that diversity policy, how it has been implemented and the results in the reporting period; if no such policy is applied, the statement shall contain an explanation as to why this is the case.

In 2024, the Company applied a Policy for Diversity, Equity and Inclusion (DEI) at Benefit Systems S.A. – a new version of the document, adopted by the Management Board on 9 September 2023. For a description of its features and application, see the sustainability statement for 2024.

The document is available on the Company's website: https://www.benefitsystems.pl/dla-inwestora/lad-korporacyjny/dokumenty-korporacyjne/.

In 2024, the Company applied the Diversity Policy adopted by the Company's Supervisory Board by Resolution of 11 August 2022 with respect to members of the Benefit Systems S.A. Management Board and the Diversity Policy with respect to members of the Benefit Systems S.A. Supervisory Board.

The Diversity Policy for members of the Company's Management Board is available on the Company's website: https://www.benefitsystems.pl/dla-inwestora/lad-korporacyjny/dokumenty-korporacyjne/.

The Diversity Policy with respect to members of the Supervisory Board is available on the Company's website: https://www.benefitsystems.pl/dla-inwestora/lad-korporacyjny/dokumenty-korporacyjne/.

7. SUSTAINABILITY REPORT OF THE BENEFIT SYSTEMS GROUP FOR 2024

Letter from the Management Board

We are pleased to present the Sustainability Report of the Benefit Systems Group (this "Report") – a comprehensive overview of our activities in the areas of environmental sustainability, social responsibility, and governance. This Report introduces new data, metrics and indicators, and an updated reporting standard. However, our mission remains unchanged: to provide services in Poland and abroad that help people of all ages achieve a sense of satisfaction, fulfilment, and a high quality of life. Our offering supports the physical health and mental well-being of employees across several European countries. The MultiSport card provides access to thousands of sports and fitness facilities, the MultiLife programme delivers innovative well-being solutions, and the MyBenefit cafeteria is a flexible tool for creating tailored employee benefits and managing organisational rewards. Our extensive network of modern fitness clubs operates in both domestic and international markets.

Each year, we expand and enhance our offering by increasing access to sports and recreational facilities, developing well-being services, and investing in state-of-the-art technologies. We support our clients in building comprehensive strategies to enhance employee well-being within their organisations. Through the MultiSport Foundation, we promote physical activity among children, young people, seniors, and individuals with disabilities, further strengthening Benefit Systems' positive social impact.

Our mission remains as relevant as ever. According to the MultiSport Index 2024, one in three Poles does not engage in any physical activity. Unfortunately, this aspect continues to be overlooked in everyday priorities. At Benefit Systems, we recognise this as a challenge – one that calls for mobilising the public and reshaping perceptions of the importance of an active lifestyle.

At Benefit Systems, we believe that not only what we do matters, but also how we do it. As a longstanding member of the B Corp movement, we adhere to a collaboration model that is both ethical and partnership-driven, in full alignment with international standards and best practices for stakeholder engagement.

In 2024, we continued to deliver on our ESG commitments. Our perspective and understanding of sustainability matters have been further expanded through the double materiality assessment we conducted. This assessment forms part of a broader process – reporting in accordance with the new requirements introduced by the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). This year marks the first time that Benefit Systems Group is reporting in compliance with these standards. We approach this challenge with full commitment, firmly believing that transparency and accountability are fundamental to building trust and ensuring long-term sustainable growth.

We invite you to explore our 2024 Sustainability Report. We trust that the data and initiatives presented here reflect our unwavering commitment to our mission and our dedication to creating a better future for all.

Management Board of Benefit Systems S.A.

General information

To ensure transparency and clarity in this report, the following key terms and abbreviations used throughout the document are defined below:

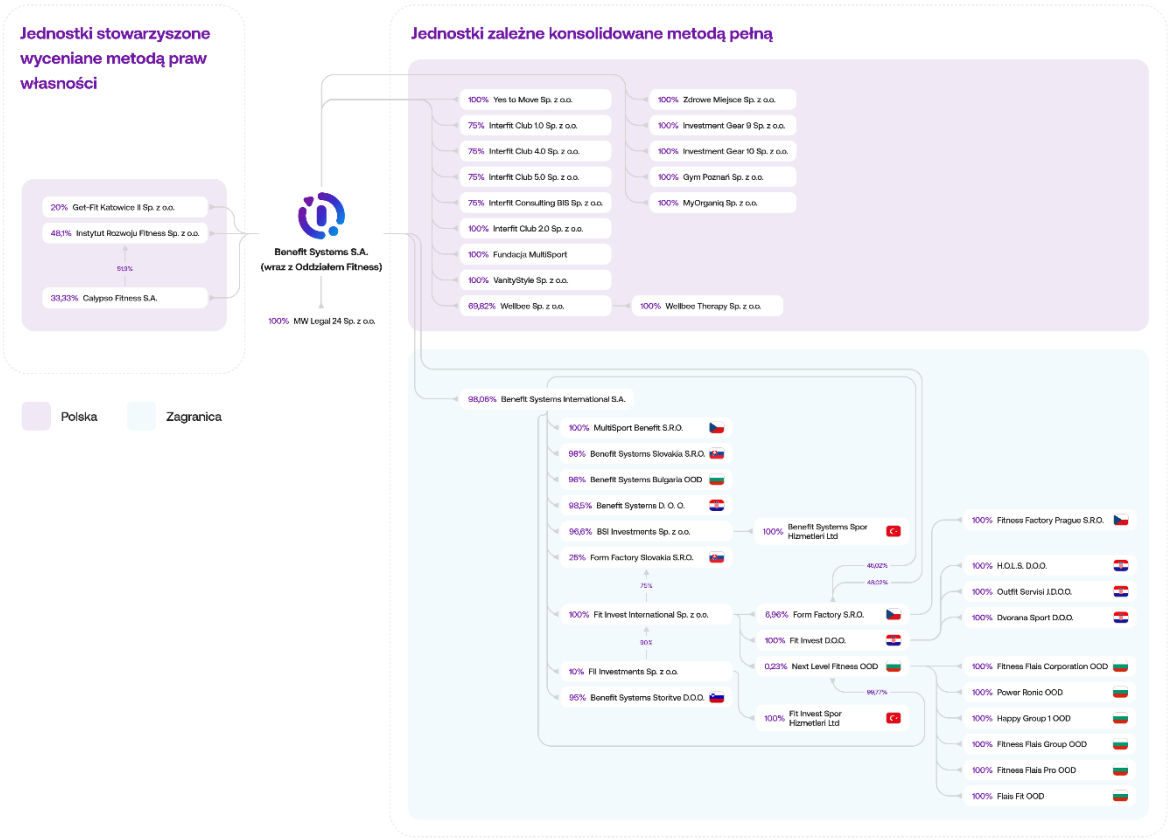
- **Benefit Systems Group** – hereinafter referred to as the "**Group**" or "**Benefit Systems Group**", comprising Benefit Systems S.A. and its subsidiaries.
- **Benefit Systems S.A.** – hereinafter referred to as the "**Company**", "**BSSA**", "**Parent**", acting as the parent company of Benefit Systems Group.
- **Benefit Systems Fitness Branch of Warsaw** – hereinafter referred to as "**Fitness Branch**", a division of Benefit Systems S.A. responsible for managing operations related to the Group's owned sports and fitness facilities.
- **associates** – non-employees who are part of the Group's own workforce and collaborate under alternative forms of engagement.

BP-1 General basis for preparation of the sustainability statement

The sustainability statement has been prepared for the period 1 January to 31 December 2024 on a consolidated basis for the Benefit Systems Group, and it forms part of the Directors' Report. The statement has been developed in accordance with applicable regulations, particularly the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), as well as the national legislation implementing the CSRD Directive into Polish law, namely the Act of 6 December 2024 Amending the Accounting Act, the Act on Statutory Auditors, Audit Firms, and Public Oversight, and Certain Other Acts.

This report covers the period 1 January to 31 December 2024 and has been prepared on a consolidated basis, with the scope of consolidation aligned with that of the Group's consolidated financial statements.

The subsidiaries included in the Group's consolidation scope operate under a homogeneous business model, primarily focusing on the provision of non-pay employee benefits in the areas of sports and recreation. Their core offering includes sport cards granting access to a network of sports and fitness facilities, including the Group's own fitness clubs. The Group does not disclose information on social, environmental, or governance matters for three associated companies, due to its minority interest and lack of operational control over them: Get-Fit Katowice II Sp. z o.o., Instytut Rozwoju Fitness Sp. z o.o., and Calypso Fitness S.A. On 19 April 2024, the Company entered into agreements with the shareholders of SmartLunch S.A., covering, among other matters, the sale of 100% of the shares in its subsidiary Lunching.pl Sp. z o.o. As a result, on 20 November 2024, the Company lost control over Lunching.pl Sp. z o.o. to SmartLunch S.A. and became the owner of 19.15% of the shares in SmartLunch S.A., which is not part of the Benefit Systems Group. Disclosures on the Group's carbon footprint and environmental metrics do not include data from Lunching.pl Sp. z o.o. or the MultiSport Foundation. On 19 November 2024, the Company acquired a 69.8% interest in Wellbee Sp. z o.o., which holds 100% of the shares in Wellbee Therapy Sp. z o.o., thereby obtaining control over both companies as of that date. This Report does not include data on Wellbee Sp. z o.o. and Wellbee Therapy Sp. z o.o. These companies have been excluded from this Report as they are considered immaterial to the Group's reporting. As at 31 December 2024, the structure of the Benefit Systems Group was as follows:



The Group's value chain served as the basis for the double materiality assessment, which considered both the impact of the Group's operations on its suppliers and partners as well as their impact on the Group. A key step in the process was the assessment of the Group's impact on customers and end-users, and their impact on the organisation, which is an integral part of the downstream value chain. This report also encompasses the value chain in both upstream and downstream Scope 3 greenhouse gas emissions, as well as external stakeholders falling within the scope of: ESRS S2 *Workers in the value chain*, ESRS S3 *Affected communities*, and ESRS S4 *Consumers and end-users*.

The Group has used the option to omit specific information corresponding to intellectual property, know-how, or the results of innovation, as indicated in section S4. The Group has not applied the exemption from disclosure of impending developments or matters in the course of negotiation, as provided for in Articles 19a(3) and 29a(3) of Directive 2013/34/EU.

BP-2 Disclosures in relation to specific circumstances

The Group has applied the exemptions set out in Appendix C to ESRS 1 List of Phased-in Disclosure Requirements. These are:

- E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities
- E3-5 Anticipated financial effects from water and marine resources-related impacts, risks and opportunities
- E5-6 Potential financial effects from resource use and circular economy-related risks and opportunities
- SBM-3 paragraph 48(e) (anticipated financial effects) for the first year of preparation of its sustainability statement.

The statement discloses information in accordance with Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment.

The Group applies time horizon definitions consistent with ESRS standards, defining a period of up to 12 months as short-term, a period of 1 to 5 years as medium-term, and a period of more than 5 years as long-term.

This document represents the Group's first sustainability statement prepared in accordance with ESRS standards. Consequently, the Group has not disclosed any changes in the preparation or presentation of the ESG report, nor any prior-period errors.

This sustainability statement has been reviewed under an external assurance engagement, concluded with limited assurance. The assurance engagement was conducted by the audit firm KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k.

(DP_id: BP-2_09) + (DP_id: BP-2_08) + (DP_id: BP-2_07) + (DP_id: BP-2_05) + (DP_id: BP-2_04) + (DP_id: BP-2_03)

For the purposes of the GHG emissions reporting process (section E1-6), the Group used metrics incorporating data from both direct internal sources (internal IT systems) and indirect sources for emissions estimation (including environmental databases and sources such as Ecoinvent, Exiobase, AIB, KOBIZE, and DEFRA). The analysis was based primarily on actual operational data, including energy consumption, the weight of purchased goods, and accounting records. Where data availability was limited, an extrapolation approach was applied, including for emissions from employee commuting (only 11% of the workforce participated in the survey), emissions from the business activities of foreign subsidiaries (partially based on source data and partially extrapolated using financial data), and indirect emissions related to the infrastructure and services provided by the Group.

The accuracy of reported emissions depends on the availability and quality of source data. Scope 1 and 2 emissions, as well as most Scope 3 categories, have been fully verified, with comprehensive input data coverage for key areas (such as purchased goods and services, capital goods, and business travel). In cases where complete operational data was unavailable, estimates were made using measurement tools (for example, distance tracking for business travel and transport), and emission models (for example, a model of emissions from the use of products based on internal data). The level of uncertainty is particularly significant for emissions associated with infrastructure and services within the Group's business model, including the operation of sports and recreational facilities, where emissions were extrapolated based on energy consumption at the Group's own facilities. Similarly, emissions from transport and distribution related to the Group's purchases were estimated using average emission factors for different transport modes, making the results dependent on external databases and market variables.

To improve the accuracy of emissions calculations in the future, the Group plans to expand the scope of actual data collected from foreign subsidiaries, suppliers, and value chain partners, particularly for Scope 3 categories, where in-house estimation models are currently applied. In the coming years, the Group intends to implement more advanced data collection methods, including the automation of emissions reporting processes and a broader assessment of the impact of various energy sources on emission levels using the market-based approach.

Certain quantitative metrics and monetary amounts are subject to a high level of measurement uncertainty, particularly regarding indirect value chain emissions (with the greatest uncertainty in emissions derived from financial data). All estimations in this reporting process are based on the best available data and established methodologies, with ongoing efforts focused on systematically improving accuracy and completeness.

Cross-cutting disclosures included in this sustainability statement, as determined by the list of material reportable topics, have been presented in accordance with the corresponding ESRS 2 cross-cutting disclosure requirements.

Sustainability governance

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

The Benefit Systems Group is governed by the Management Board ("Management Board"), which operates in accordance with applicable laws, including the Commercial Companies Code, the Company's Articles of Association, resolutions of the General Meeting ("General Meeting"), resolutions of the Supervisory Board ("Supervisory Board"), and the Rules of Procedure for the Management Board. Under the Articles of Association, the Management Board is responsible for all matters related to the management of the Company, except for those reserved by law for the General Meeting or the Supervisory Board. The Management Board defines the Company's strategy and key business objectives for the next financial year and presents them to the Supervisory Board. It is also responsible for the implementation and execution of the strategy and key business objectives. The Audit Committee ("Audit Committee") monitors the sustainability reporting process, including the double materiality assessment and the assurance process conducted by the audit firm for sustainability reporting.

Composition of administrative, management, and supervisory bodies in the Parent as at the end of 2024

Number of Management Board members	2
Number of Supervisory Board members	6
Number of independent Supervisory Board members	3
Employee representatives on the Management Board and Supervisory Board	0

Female	Number of non-executive members	3
	Number of executive members	1
	Percentage of women on the Management Board and Supervisory Board	50%

Male	Number of non-executive members	3
	Number of executive members	1
	Percentage of men on the Management Board and Supervisory Board	50%
Other/not disclosed	Number of non-executive members	0
	Number of executive members	0

In 2024, the Management Board comprised:

Marcin Fojudzki – Member of the Management Board	Emilia Rogalewicz – Member of the Management Board
Appointed on 6 September 2023. He is responsible for financial management, investor relations, internal audit, risk management, compliance, mergers and acquisitions, corporate communication, ESG, legal affairs, and certain IT functions. Prior to joining the Group, he served as a Management Board member and Chief Financial Officer at Iglotex S.A. He previously held key leadership positions, including Director of Financial Controlling, General Manager of Eurocash Cash & Carry, and Deputy Chief Financial Officer of the Eurocash Group. Additionally, he was a Supervisory Board member at the Mar-Ol Group and Frisco. He holds a degree in Finance and Banking from the Poznań University of Economics and Business, and a Capital Investments qualification from WSB University. He has completed the Kellogg-Católica Advanced Management Programme and holds an ACCA qualification.	Appointed on 10 August 2017. She is responsible for sales strategy, product and service development, partner relations, customer service, and certain IT functions. She also oversees the HR and administration departments and the Fitness Branch. Before joining the Company in 2007, she worked in the insurance sector for two years. Since joining the Company, she has played a key role in building the partner network and developing the MultiSport card sales model. From 2009, she held managerial positions, leading sales teams and structuring the sales organisation nationwide. In 2013, as Sales Director, she was responsible for defining the Company's sales strategy and achieving sales targets. Following the integration of customer service and sales structures in 2016, she has been managing a team of over 200 employees. She holds a degree from the Faculty of Management at Częstochowa University of Technology and has completed postgraduate studies in Sales Team Management and Business Psychology for Managers at Kozminski University in Warsaw. She also completed the Matrik Trainer School, Negotiation School, and the Strategic Leadership Academy at ICAN Institute, as well as executive development programmes at INSEAD (France) and IMD (Switzerland).

The Supervisory Board is responsible for the ongoing supervision of the Group's operations across all areas of activity. Its key responsibilities include:

- assessing the consolidated Directors Report on the operations of the Group and the consolidated financial statements for each financial year,
- approving the Rules of Procedure for the Management Board,
- appointing and removing Management Board members and determining the terms of their service,
- selecting the audit firm responsible for auditing the financial statements,
- providing opinions on proposals submitted by the Management Board to the General Meeting.

The Supervisory Board operates in accordance with the Commercial Companies Code, the Company's Articles of Association, and the Rules of Procedure for the Supervisory Board. As at 31 December 2024, the Supervisory Board comprised:

James Van Bergh – Chair of the Supervisory Board	James Van Bergh graduated from Harvard Business School in 1985. In 1981–1990, he worked in Boston and London as a Consultant for Bain & Co. He later became a Director at the Task Force on Company Assistance, where he led a United Nations project aimed at supporting Polish state-owned enterprises in restructuring processes by collaborating with business experts from various countries. For the next four years, he continued his career in Poland as General Director at Company Assistance. From 1995 to 1997, he served as a Director at Trinity Management, a joint venture between Pekao S.A., BZW Barclays Bank, and Company Assistance Ltd. In 1997, he assumed the role of President of the Management Board of Trinity Management, a position he held for two years. In 2000–2003, he was President of E-Katalyst S.A. He continues to serve as a Director at Benefit Invest Ltd. In 2014, he founded Good&Well, a Canadian fund focused on investing in early-stage companies with embedded social impact objectives.
Krzysztof Kaczmarczyk – Deputy Chair of the Supervisory Board	From 1999 to 2008, he worked at Deutsche Bank in Poland, where he held various roles, including Deputy Director of the Equity Research Department and Equity Analyst for the Central and Eastern Europe region. Between 2008 and 2010, he held senior management positions at the TP Group, including Director of Strategy and Development. From 2010 to 2011, he worked at Credit Suisse in Poland. From 2012 to 2015, he served as Vice President of the Management Board for Strategy and Development at Emitel, a leading operator of terrestrial radio and television networks in Poland. Between 2016 and 2019, he was an Advisor to the Management Board of KGHM Polska Miedź S.A. Since 2021, he has served as President of the Management Board of Mabion S.A., a biotechnology company listed on the Warsaw Stock Exchange. He has over 15 years of supervisory experience, having served on the Supervisory Boards of more than 30 companies listed on the Warsaw Stock Exchange, including Action, Alta, APS Energia, Arteria, Braster, Best, BSC Drukarnia, Celon Pharma, Elektrotim, Enter Air, EnelMed, Duon, the Warsaw Stock Exchange, Graal, Huuuge Games, Integer, InPost, KGHM, Develia, Magellan, Mabion, Polimex-Mostostal, Polish Energy Partners, Robyg, SARE, TIM, Wirtualna Polska, Work Service, VIGO, and 4fun Media. He qualifies as an independent member under capital market regulations and the Act on Statutory Auditors.
Aniela Anna Hejnowska – Member of the Supervisory Board	In 2020, she assumed the role of General Manager at IQVIA, a global leader in healthcare consulting, research, technology, and data analytics. Previously, she served as Chief Operating Officer and Management Board member at Microsoft Poland. She has over 15 years of experience in managing organisations in the telecommunications and new technology sectors. At Microsoft, she was responsible for digitalisation strategies supporting the development of a data centre for the CEE region in Poland. In 2009, she held the position of Managing Director for SOHO/SME and Home markets at Netia. In 2012, she was appointed Managing Director of Groupon Poland, and after four years, she was promoted to an international role. From there, she spent three years as International Vice President at Groupon, overseeing a 450-person team across four markets. She specialises in strategic, process, and organisational culture transformations. In addition to her corporate experience, she is an entrepreneur and co-founder of Renters.pl, a company that grew to 80 employees and generated over PLN 100 million in revenue within four years. The company was later acquired by Enterprise Investors.
Julita Jabłkowska – Member of the Supervisory Board	She is a strategic adviser, mentor, and executive coach with over 25 years of professional experience. She specialises in business transformation, supporting companies in developing and implementing vision and strategy, as well as in creating cohesive business models and governance frameworks. A significant part of her career was spent at KPMG, in the Business Consulting division, where she focused on strategic advisory and corporate restructuring. Since 2021, she has served as President of the Management Board and co-owner of Grupa ALT, a consulting firm. She has led strategic and development projects for organisations including LUX MED Group, AGORA Group, Dealz Polska, OTL Group, PZU Group, PERN Group, Goldman Sachs TFI, Faurecia R&D Polska, CBOS, TV Puls, Huuuge Games, Arup Polska, PAYBAC, PEKAES, Castorama, Tauron Group, Poczta Polska, and the Polish Humanitarian Action (PAH). She holds a degree in Economics from the University of Warsaw, specialising in Finance and Banking, and has completed postgraduate studies in Professional Coaching – Methods and Practice at Kozminski University.
Katarzyna Kazior – Member of the Supervisory Board	She is a mentor and adviser to Private Equity funds, Last Mile Experts, and private companies. From 2015 to 2018, she served as President of the Management Board of Frisco.pl, Poland's largest online supermarket, where she led the company to significantly increase revenue, enhance profitability, and establish itself as a market leader. Between 2018 and 2019, she was Director of Digital Transformation at Żabka Polska, where she was responsible for key initiatives, including the development and implementation of the Żappka mobile app, the Store of the Future project, and internal AI-driven initiatives optimising business processes and decision-making. She began her career at McKinsey & Company, a leading global strategic consulting firm. In addition to her corporate experience, Katarzyna Kazior is an entrepreneur. She co-founded ClubCodes.pl, which was acquired by the French group Edenred in 2014. In 2012, as part of Rocket Internet, she co-founded Global Savings Group (then operating under the Cuponation brand) and was responsible for establishing the company's operations in Poland. She is a graduate of the London School of Economics and the Warsaw School of Economics, where she completed the CEMS Masters in Management international programme. She has also completed education at Harvard Business School.

Michael Sanderson – Member of the Supervisory Board	He holds a master's degree in Management from the Wharton School in Philadelphia. He began his professional career at Bain & Co. in London, a consulting firm. He currently serves as a Director at Benefit Invest Ltd (formerly Company Assistance Ltd, Dublin). From 1995 to 1999, he served as Vice President of the Management Board at Trinity Management. Since 2011, he has also been a mindfulness coach.

The Benefit Systems Group has established a sustainability governance system. Responsibility for the ESG strategy and its implementation rests with the Management Board of the Parent. In accordance with the Articles of Association of the Parent, Management Board members are required to perform their duties in a manner that considers the Company's long-term objectives and the interests of its stakeholders. Article 19 of the Articles of Association sets out the key considerations the Management Board takes into account when making decisions:

4. Management Board members perform their duties in a manner that aligns with the Company's objectives, considering the following factors:

(a) the likely consequences of any Management Board decision for the Company and its shareholders, including in the long term,

(b) the interests of employees and associates, including suppliers,

(c) the need to maintain positive business relationships, including with suppliers and customers,

(d) the impact of the Company's operations on society, particularly on local communities,

(e) the Company's environmental impact,

(f) the impact of the Company's activities on other stakeholders not explicitly referenced in this section,

(g) the Company's commitment to upholding and maintaining a reputation for adhering to high business conduct standards. Collectively, these are referred to as "Stakeholder Interests", with each individually referred to as a "Stakeholder Interest".

5. When performing the duty specified in item 4 above, a Management Board member must not assign greater or lesser weight to any specific Stakeholder Interest or group of Stakeholder Interests over others.

6. A Management Board member's pursuit of the Company's objectives and compliance with the obligations set out in item 4 constitute actions in the best interest of the Company.

These regulations form the foundation of the Benefit Systems Group's approach to ESG management and corporate responsibility.

In 2024, the ESG Committee was established as an advisory and consultative body supporting the Management Board. The Chair of the ESG Committee is Marcin Fojudzki (Management Board member responsible for ESG), with Tomasz Półgrabski (Head of ESG and Public Affairs) serving as Deputy Chair. The ESG Committee is composed of senior management representatives, including Director of the HR and Administration Department, Director of the Legal Department, Deputy Director of the Internal Audit Department, Compliance Officer, Chief Financial Officer of the Fitness Branch, Director of Operations Management for the Fitness Branch, Director of Partner Relations, representative of Benefit Systems International, Risk Management Manager. As an advisory and consultative body, the ESG Committee supports the Management Board in overseeing ESG matters within the organization. The Head of ESG and Public Affairs is responsible for coordinating the Committee's activities and managing internal ESG communications.

The Audit Committee ("Audit Committee") monitors the sustainability reporting process, including the double materiality assessment and the assurance process conducted by the audit firm for sustainability reporting.

The ESG function is led by the Head of ESG and Public Affairs, who reports to the Management Board member responsible for Finance. The Head of ESG and Public Affairs is responsible for coordinating the implementation of the ESG strategy, identifying impacts, risks, and opportunities within the double materiality assessment, and overseeing sustainability reporting. This role also reports consolidated ESG-related information to the Management Board and the Supervisory Board, ensuring effective oversight and the integration of ESG considerations into the overall strategy. At the Parent level, the Head of ESG and Public Affairs is responsible for coordinating the preparation and monitoring of the ESG strategy's implementation. The strategy's objectives and performance measurement framework have been established in collaboration with business owners across various functional areas. These objectives are aligned with the role and business function of each area and focus on supporting internal and external stakeholders, advancing climate and environmental initiatives, and ensuring responsible business conduct. Business owners are accountable for delivering ESG objectives, while the Head of ESG and Public Affairs monitors progress against strategic targets. The status of these objectives is reviewed by the ESG Committee and subsequently approved by the Management Board. The Rules of Procedure for the ESG Committee require a minimum of three meetings per year. The ESG strategy objectives will be updated annually, following the completion of an ESG report and an assessment of regulatory gaps and double materiality assessment results.

In 2024, the first double materiality assessment was conducted in accordance with ESRS standards under the CSRD directive. The results were approved by the Management Board and will serve as the basis for reviewing and updating the strategic objectives of the current ESG strategy, as well as for selecting appropriate qualitative and quantitative metrics.

In the coming years, the Group aims to further structure the ESG goal-setting process and implement an approach that enables a more precise assessment of sustainability-related impacts.

Developing ESG competencies remains a key priority for the Group. In 2024, both the Management Board and the Supervisory Board participated in training on ESG reporting compliant with ESRS. Additional educational initiatives are planned for the coming years, along with collaboration with external advisers to enhance the qualifications of management and supervisory bodies and strengthen internal ESG knowledge and competencies across relevant departments, including the ESG department and other organisational units. In 2025, an assessment of available competencies will be conducted to identify areas requiring further development to more effectively integrate ESG considerations into key decision-making and operational processes.

In 2024, the Group Risk Management Policy was developed and approved, incorporating ESG-related risks, and a Risk Committee was established within the Company. The assessment of ESG risks and opportunities, which was an integral part of the double materiality assessment and serves as the foundation for ESG reporting, was reviewed alongside the methodology for integrating these factors into the existing risk management framework. The findings were presented at the Risk Committee meeting and subsequently discussed at the Management Board and Audit Committee meetings.

Requirements related to reporting lines to the Management Board and the Supervisory Board are detailed in section GOV-2, while dedicated controls and procedures for managing impacts, risks, and opportunities, including their integration with other internal functions, are outlined in section GOV-5.

GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Head of ESG and Public Affairs is responsible for reporting aggregated sustainability-related information to the Management Board and the Supervisory Board, as well as information on ESG reporting and assurance process to the Audit Committee. In 2024, the Management Board was informed of key sustainability matters, including approval of the ESG strategy, initiation of the ESG reporting process, approval of the results of the double materiality assessment, and approval of the internal ESG Report Preparation Procedure and the Rules of Procedure for the ESG Committee.

The ESG Committee is primarily responsible for implementing and updating the Group's ESG strategy and for ensuring compliance with ESG-related regulations. The Committee held its first meeting on 2 December 2024, during which it reviewed the status of the ESG Strategy for 2024–2026.

In accordance with its Rules of Procedure, the ESG Committee addresses the following:

- monitoring compliance with applicable local and EU regulations, as well as relevant ESG standards and guidelines within the Group,
- monitoring the implementation of the Group's ESG strategy, with a focus on adopted metrics, established targets, and assigned responsibilities,
- consulting on the scope of ESG-related legal and regulatory requirements and proposed implementation solutions,
- developing recommendations for proposed actions and initiatives to enhance ESG management within the Group,
- consulting on initiatives to foster an ESG culture and awareness among employees,
- developing recommendations and guidelines for strategic ESG documents, including ESG policies,
- developing recommendations for ESG-related educational initiatives across the Group,
- overseeing and monitoring plans and actions related to the preparation of the Group's annual ESG report.

In accordance with its Rules of Procedure, the ESG Committee will convene at least three times per year. Additionally, regular working meetings between the Management Board member responsible for ESG and the Head of ESG and Public Affairs will be held at least once every two weeks. The Management Board will receive regular updates on ESG activities through minutes from ESG Committee meetings, ensuring ongoing monitoring of progress toward sustainability and ESG reporting objectives. In 2025, the Group plans to develop and adopt a formalised procedure and framework for reporting sustainability-related matters by the Head of ESG and Public Affairs to the Management Board and Supervisory Board.

The Audit Committee is responsible for coordinating the Supervisory Board's oversight of the sustainability reporting process. In line with the requirements of the Act on Statutory Auditors, the Audit Committee's responsibilities regarding sustainability reporting include:

- monitoring the ESG reporting process and identifying ESRS-compliant information – the double materiality assessment,
- monitoring the effectiveness of internal control, risk management, and internal audit systems to the extent relating to sustainability reporting,
- monitoring the financial audit process, particularly the assurance of sustainability reporting conducted by the audit firm.

In relation to the 2024 reporting, the Audit Committee's work included:

- reviewing the new responsibilities of the Audit Committee concerning sustainability (ESG) reporting,
- summarising the selection process for the audit firm responsible for the assurance of sustainability reporting for 2024–2025 and granting approval for the provision of ESG assurance services for this period,
- providing an update on the financial reporting process (organisation of the internal control process and system in the area of ESG reporting (ESG Reporting Procedure), implementation of a reporting tool, collaboration with an external advisor, and the establishment of the ESG Committee),

- providing an update on the assurance process for the 2024 ESG Report,
- approving the material topics selected by the Management Board, which were identified based on the Benefit Systems Group's double materiality assessment and serve as the basis for 2024 reporting in accordance with ESRS,
- summarising the 2024 sustainability reporting process and key findings,
- summarising the process and results of the assurance engagement for the 2024 ESG Report.

Details of the identified material topics are provided in section SBM-3.

In May 2024, a Risk Committee was established within the Company. Its primary objective is to support the Management Board and oversee the execution of risk management and business continuity tasks defined and implemented within the Company. The Risk Committee is responsible for developing solutions and issuing recommendations related to the implementation, maintenance, and improvement of the risk management system and the business continuity management system. The Committee meets at least three times per year.

In 2024, the Risk Committee held three meetings, focusing on risk management, including ESG-related risks. The key topics discussed included:

- approval of risk assessment results,
- development of recommendations for risk mitigation measures,
- approval of risk response plans,
- review of risk materialisation cases (for example, security incidents or breaches) and risk indicators,
- discussion of the double materiality analysis findings on risks and opportunities, including methodology for integrating risks and opportunities into the risk management system, and development of recommendations for risk and opportunity management.

The Committee's recommendations and key conclusions were submitted to the Management Board and subsequently presented to the Audit Committee.

In 2025, the Group plans to establish and standardise the approach by which the Management Board and the Supervisory Board incorporate impacts, risks, and opportunities in overseeing the ESG strategy, major transactions, and risk management processes. This aspect was not formally regulated within the Group in 2024. However, in 2024, the Company monitored and analysed ESG-related risks, which align with the material topics identified in the double materiality assessment. These include equal treatment and opportunities for all, working conditions, health and safety, privacy (covering both own workforce and external stakeholders), anti-corruption and anti-bribery.

ESG-related risks and opportunities have been integrated into the Company's existing risk management system and will be reported as part of management information, which is periodically submitted to the Risk Committee and the Management Board to ensure their inclusion in business decision-making processes. In 2024, the Group did not have a formal mechanism for the Supervisory Board to monitor the Management Board's actions regarding ESG management. The implementation of such a mechanism is planned for 2025.

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

[(DP_id: E1.GOV-3_01)]

The remuneration policy for members of the Management Board and Supervisory Board of Benefit Systems S.A. (the "Parent" or "Company") is set out in the Remuneration Policy for Members of the Management Board and Supervisory Board of Benefit Systems S.A., adopted by Resolution No. 24/10.06.2020 of the Annual General Meeting of 10 June 2020, and subsequently amended by Resolution No. 5/24.04.2024 of the Extraordinary General Meeting of 24 April 2024 (the "Remuneration Policy"). The Remuneration Policy is designed to attract, motivate, and retain qualified Management Board and Supervisory Board members, support the execution of the Company's business strategy and long-term objectives, and contribute to its stability, sustainable development, and continuous value growth. The remuneration system for Management Board members comprises both fixed and variable components, including annual bonuses and remuneration in the form of financial instruments.

The variable remuneration component is linked to the achievement of financial performance targets as well as specific non-financial objectives. As part of the Remuneration Policy and the Benefit Systems Group ESG Strategy for 2024–2026 (the "Strategy"), the promotion and implementation of ESG standards within the Company's internal environment and operational activities, and achieving a defined percentage score in the Pulse Check survey, which measures employee well-being at Benefit Systems, is one of the annual performance objectives for Management Board members that is subject to annual review by the Supervisory Board.

The Supervisory Board conducts an annual review to assess whether these objectives, including those defined in the ESG Strategy, have been met. Beyond the indicators mentioned above, the Company does not apply additional specific sustainability performance metrics.

The achievement of ESG-related objectives by a Management Board member is part of the overall assessment of non-financial performance, which influences variable remuneration as determined by the Supervisory Board. However, the portion of variable remuneration linked to sustainability performance is not quantified separately as a percentage relative to other objectives. Instead,

the adopted non-financial targets serve as a benchmark for evaluating the Company's ESG efforts. Decisions regarding variable remuneration and its link to achieved results are made by the Supervisory Board, which conducts an annual review of strategic priorities and adjusts the incentive framework to reflect evolving stakeholder expectations and objectives. The remuneration system is continuously updated to ensure alignment with the Company's long-term goals and to effectively incentivise actions that support the sustainability strategy.

The Supervisory Board determines the specific remuneration terms for the Management Board on an annual basis. Supervisory Board members receive only fixed remuneration, as established by a resolution of the General Meeting.

GOV-4 Statement on due diligence

No formal human rights policy has been adopted at the Group level. However, in 2024, work commenced on the implementation of a due diligence policy called the Benefit Systems Group Responsible Business Conduct Policy, which is scheduled for adoption in 2025. The Group undertakes a range of measures to identify, assess, and manage actual and potential negative impacts on people and the environment, including in the context of human rights protection.

Core elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy and business model	▪ GOV-1 The role of the administrative, management and supervisory bodies ▪ GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies ▪ SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model
Engaging with affected stakeholders in all key steps of the due diligence	▪ IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities ▪ SBM-2 Interests and views of stakeholders ▪ S1-2 Processes for engaging with own workforce and workers' representatives about impacts ▪ S2-2 Processes for engaging with value chain workers about impacts ▪ S3 Affected communities – entity-specific disclosure ▪ S4-2 Processes for engaging with consumers and end-users about impacts
Identifying and assessing adverse impacts	▪ SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model ▪ IRO-1 (along with E1 IRO-1, E3 IRO-1 and E5 IRO-1) Description of the processes to identify and assess material impacts, risks and opportunities
Taking actions to address those adverse impacts	▪ E1-3 Actions and resources in relation to climate change policies ▪ S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions ▪ S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions
Tracking the effectiveness of these efforts and communicating	• IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities – due diligence

GOV-5 Risk management and internal controls over sustainability reporting

The Group has implemented a risk management system based on recognised international standards and best market practices, including ISO 31000:2018 Risk management – Guidelines. The Group Risk Management Policy serves as the primary document outlining the core principles and framework for risk management.

Risk management is a continuous process comprising the following key elements: risk identification, analysis, and evaluation, risk response, monitoring, review, and communication, including developing a risk-aware organisational culture, documentation, and reporting.

The risk assessment process consists of multiple stages, guiding the organisation from identifying potential threats to determining appropriate risk response strategies. The key stages of risk assessment include:

- risk identification – identifying, discussing, and documenting internal and external events that, if materialised, could impact the achievement of business objectives,
- risk analysis – assessing the nature, level, and potential impact of risks, including its magnitude and scope. The outcome of the analysis determines the risk level, forming the basis for decisions on risk response measures aligned with the organisation's risk appetite,
- risk evaluation – assessing the materiality of risks, prioritising them, and determining the organisation's response strategy.

In May 2024, a Risk Committee was established within the Company. Its primary objective is to support the Management Board and oversee the implementation of risk management and business continuity processes defined and executed within the Company.

The Company systematically documents the risk management process, particularly the outcomes of each stage, including risk analyses, the risk register, and risk response plans. The risk register is updated at least once per year, with more frequent updates as needed. A summary of key risk factors and threats identified for the Group is published in the consolidated Directors' Report on the operations of the Benefit Systems Group.

In 2024, the Group conducted its first double materiality assessment in accordance with CSRD, identifying and assessing sustainability-related material risks and opportunities. These risks have been incorporated into the overall risk register and will be monitored and reported in line with the Company's established procedures.

The internal control system of the Parent is an integral part of the Group's risk management framework, supporting the achievement of corporate objectives and tasks while ensuring the accuracy and reliability of financial and sustainability reporting. The internal control system involves all business units and supporting functions. As part of the second line of defence, the internal control team supports first-line business functions and is responsible for structuring key control mechanisms and internal procedures. Independent assessments of these activities are conducted by the internal audit function (third line of defence).

Since 2024, the sustainability reporting process has been formally structured under the ESG Report Preparation Procedure, adopted by the Management Board. The Procedure defines the framework for preparing the sustainability report, including defining the reporting scope, data collection, analysis, and interpretation, preparation of qualitative and quantitative disclosures, review, approval, and publication of the ESG report, roles, responsibilities, and accountability of individuals involved in the ESG reporting process. The purpose of the Procedure is to ensure the timely delivery of a comprehensive, accurate, and reliable ESG report, fully compliant with regulatory requirements. Following the first ESG reporting cycle for 2024, recommendations from internal audit and internal control regarding identified gaps in the sustainability reporting process will be gradually implemented, along with recommendations from other areas, with reporting provided to the Management Board and the Supervisory Board as required.

A key risk in the sustainability reporting process concerns data collection from the value chain, given the large number of subsidiaries, partners, and suppliers across multiple countries. Additionally, risks include non-compliance with ESG regulations and sustainability principles in the broader market environment. At present, the Group does not have a formalised risk mitigation strategy for these issues available for disclosure. However, it plans to develop measures to address and mitigate these risks.

Strategy, business model and value chain

SBM-1 Strategy, business model and value chain

2,024	
Country	Number of employees (headcount)
Poland	1,240
Czech Republic	471
Slovakia	206

Bulgaria	321
Croatia	71
Turkey	128

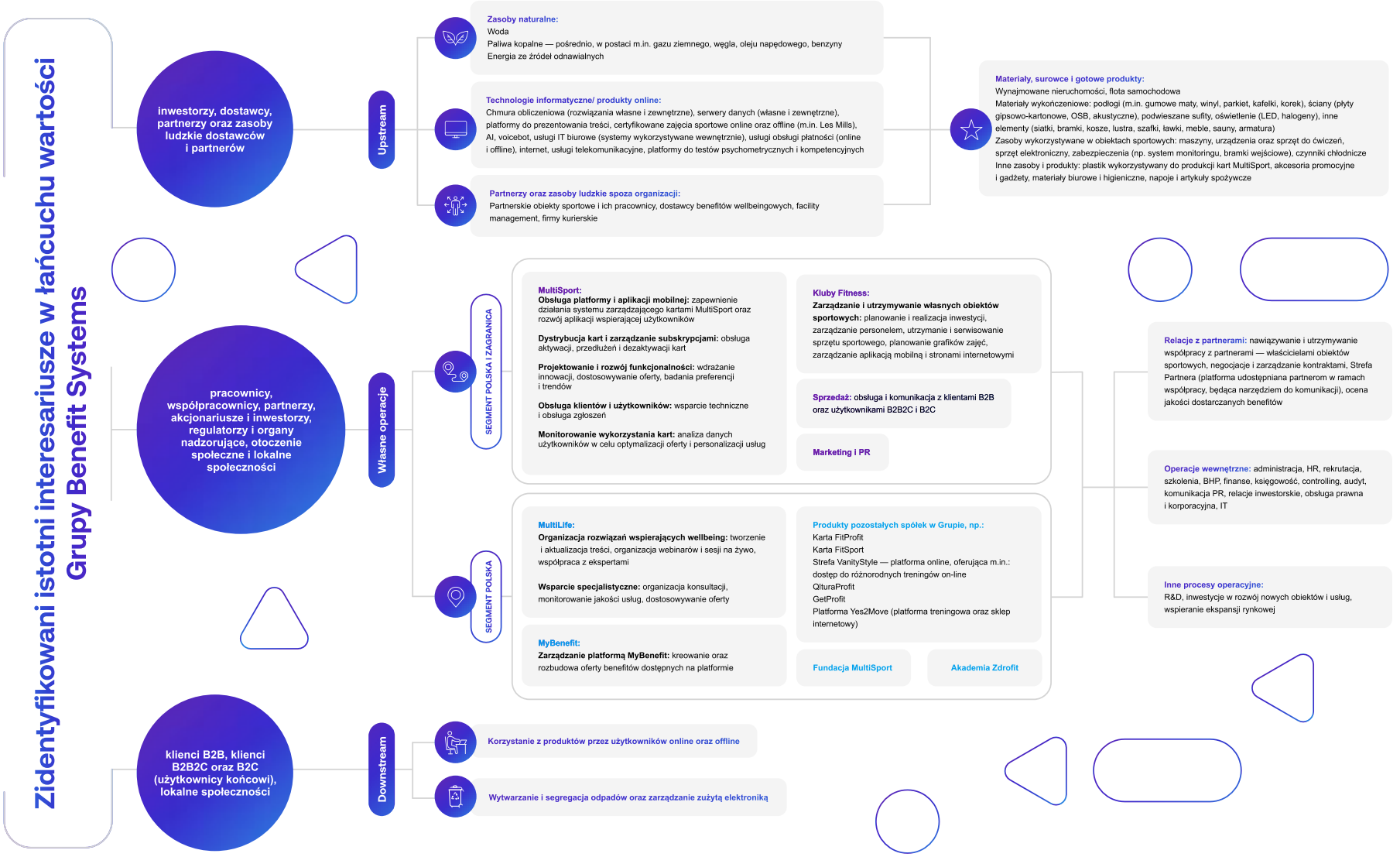
Value chain

The Benefit Systems Group delivers comprehensive solutions that promote an active and healthy lifestyle, integrating companies, employees, sports and fitness facilities, well-being services, and a cafeteria platform into a cohesive benefits ecosystem. The Group's business model is based on the provision of sports and recreational services and well-being solutions, which employers offer to their employees as part of their non-pay benefits strategies. A key component of the Group's operations is the provision of access to thousands of sports and fitness facilities through the MultiSport card and cooperation with an extensive network of external facilities that accept the card, as well as the management of the Group's own fitness club network, including the brands Zdrofit, Fabryka Formy, Fitness Academy, My Fitness Place, and FitFabric.

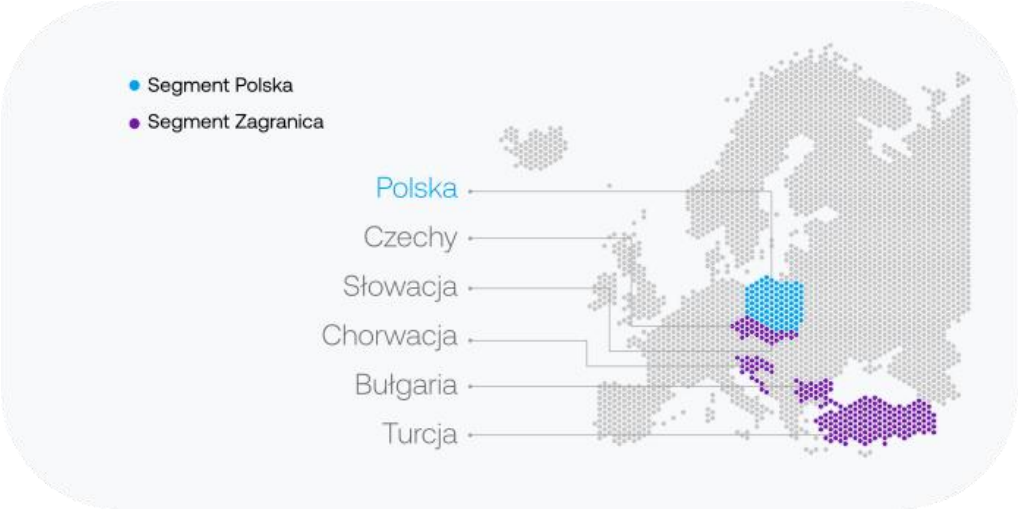
At the upstream level of the value chain are producers and suppliers of key resources (products and services), including as well as sports and fitness infrastructure necessary for the operation of fitness clubs. Collaboration with partners providing well-being services, mental health, nutrition, and personal development services, enables the expansion of the offering and enhances the value delivered to end-users. The development of digital tools also plays a key role, including those that support the development of the MyBenefit cafeteria programme and online applications and platforms that provide remote access to training programmes and consultations.

The Group's own operations include activities related to the development of products such as MultiSport, MultiLife, and MyBenefit, as well as the management of sports infrastructure (fitness clubs). These form the foundation of the Group's business model. MultiSport provides users with access to a broad network of sports and fitness facilities. The MultiLife programme focuses on supporting mental health, healthy nutrition, and personal development, and the MyBenefit cafeteria platform enables the flexible selection of non-pay benefits. At the same time, the Group engages in educational initiatives and competence development through the Zdrofit Academy, which trains fitness coaches and instructors, contributing to higher standards in the sports industry. The MultiSport Foundation promotes an active and healthy lifestyle, offering programmes for various social groups to reduce exclusion in this area.

At the downstream level of the value chain are B2B clients – companies implementing non-pay benefits programmes for their employees, B2B2C users – employees of those companies, and B2C users who purchase access to sports and fitness facilities directly. The distribution network includes both direct sales to companies and digital platforms enabling individual users to access services. Through the synergy between its proprietary products and sports and fitness facilities, external partners, and digital tools, the Group builds a sustainable value chain that supports both physical activity and overall well-being.


Zidentyfikowani istotni interesariusze w łańcuchu wartości Grupy Benefit Systems
inwestorzy, dostawcy, partnerzy oraz zasoby ludzkie dostawców i partnerów
pracownicy, współpracownicy, partnerzy, akcjonariusze i inwestorzy, regulatorzy i organy nadzorujące, otoczenie społeczne i lokalne społeczności
klienci B2B, klienci B2B2C oraz B2C (użytkownicy końcowi), lokalne społeczności
Upstream
Własne operacje
Downstream
Zasoby naturalne:
Woda
Paliwa kopalne — pośrednio, w postaci m.in. gazu ziemnego, węgla, oleju napędowego, benzyny
Energia ze źródeł odnawialnych
Technologie informatyczne/ produkty online:
Chmura obliczeniowa (rozwiązania własne i zewnętrzne), serwery danych (własne i zewnętrzne), platformy do prezentowania treści, certyfikowane zajęcia sportowe online oraz offline (m.in. Les Mills), AI, voicebot, usługi IT biurowe (systemy wykorzystywane wewnętrznie), usługi obsługi płatności (online i offline), internet, usługi telekomunikacyjne, platformy do testów psychometrycznych i kompetencyjnych
Partnerzy oraz zasoby ludzkie spoza organizacji:
Partnerskie obiekty sportowe i ich pracownicy, dostawcy benefitów wellbeingowych, facility management, firmy kurierskie
Materiały, surowce i gotowe produkty:
Wynajmowane nieruchomości, flota samochodowa
Materiały wykończeniowe: podłogi (m.in. gumowe maty, winyl, parkiet, kafelki, korek), ściany (płyty gipsowo-kartonowe, OSB, akustyczne), podwieszane sufity, oświetlenie (LED, halogeny), inne elementy (siatki, bramki, kosze, lustra, szafki, ławki, meble, sauny, armatura)
Zasoby wykorzystywane w obiektach sportowych: maszyny, urządzenia oraz sprzęt do ćwiczeń, sprzęt elektroniczny, zabezpieczenia (np. system monitoringu, bramki wejściowe), czynniki chłodnicze
Inne zasoby i produkty: plastik wykorzystywany do produkcji kart MultiSport, akcesoria promocyjne i gadżety, materiały biurowe i higieniczne, napoje i artykuły spożywcze
SEGMENT POLSKA I ZAGRANICA
SEGMENT POLSKA
MultiSport:
Obsługa platformy i aplikacji mobilnej: zapewnienie działania systemu zarządzającego kartami MultiSport oraz rozwój aplikacji wspierającej użytkowników
Dystrybucja kart i zarządzanie subskrypcjami: obsługa aktywacji, przedłużeń i dezaktywacji kart
Projektowanie i rozwój funkcjonalności: wdrażanie innowacji, dostosowywanie oferty, badania preferencji i trendów
Obsługa klientów i użytkowników: wsparcie techniczne i obsługa zgłoszeń
Monitorowanie wykorzystania kart: analiza danych użytkowników w celu optymalizacji oferty i personalizacji usług
Kluby Fitness:
Zarządzanie i utrzymywanie własnych obiektów sportowych: planowanie i realizacja inwestycji, zarządzanie personelem, utrzymanie i serwisowanie sprzętu sportowego, planowanie grafików zajęć, zarządzanie aplikacją mobilną i stronami internetowymi
Sprzedaż: obsługa i komunikacja z klientami B2B oraz użytkownikami B2B2C i B2C
Marketing i PR
MultiLife:
Organizacja rozwiązań wspierających wellbeing: tworzenie i aktualizacja treści, organizacja webinarów i sesji na żywo, współpraca z ekspertami
Wsparcie specjalistyczne: organizacja konsultacji, monitorowanie jakości usług, dostosowywanie oferty
MyBenefit:
Zarządzanie platformą MyBenefit: kreowanie oraz rozbudowa oferty benefitów dostępnych na platformie
Produkty pozostałych spółek w Grupie, np.:
Karta FitProfit
Karta FitSport
Strefa VanityStyle — platforma online, oferująca m.in.: dostęp do różnorodnych treningów on-line
QlturaProfit
GetProfit
Platforma Yes2Move (platforma treningowa oraz sklep internetowy)
Fundacja MultiSport
Akademia Zdrofit
Relacje z partnerami: nawiązywanie i utrzymywanie współpracy z partnerami — właścicielami obiektów sportowych, negocjacje i zarządzanie kontraktami, Strefa Partnera (platforma udostępniana partnerom w ramach współpracy, będąca narzędziem do komunikacji), ocena jakości dostarczanych benefitów
Operacje wewnętrzne: administracja, HR, rekrutacja, szkolenia, BHP, finanse, księgowość, controlling, audyt, komunikacja PR, relacje inwestorskie, obsługa prawna i korporacyjna, IT
Inne procesy operacyjne:
R&D, inwestycje w rozwój nowych obiektów i usług, wspieranie ekspansji rynkowej
Korzystanie z produktów przez użytkowników online oraz offline
Wytwarzanie i segregacja odpadów oraz zarządzanie zużytą elektroniką

Significant markets



Outside Poland, the Benefit Systems Group operates in the Czech Republic, Bulgaria, Slovakia, Croatia, and Turkey.

The Group's key types of products and services include:

- The MultiSport card and the Group's network of fitness clubs constitute core infrastructure and a source of competitive advantage. MultiSport is the most comprehensive sport card offering on the market, providing access to thousands of sports and fitness facilities. The product supports employers in promoting employee health and well-being, while fostering their overall welfare. The MultiSport card contributes to increased employee engagement and reduced costs associated with sickness-related absences. It enables access to professional services and sports infrastructure, promoting a healthy and active lifestyle. In addition, it fosters the development of local communities united around shared goals and sporting values.
- In addition to corporate employees, who represent the primary user group of the MultiSport card (B2B2C), the Group's fitness clubs are also used by B2C users –individual customers who purchase passes or pay for single-entry access.
- The MyBenefit online cafeteria platform, which also serves as a key distribution channel for the Group's sport cards, supports employers' HR processes by enabling access to non-pay benefits through a single interface. It offers a wide range of benefits and a flexible financing model, including funding from the Company Social Benefits Fund (ZFŚS). Users select preferred benefits from a portfolio of proven and pre-defined options, including food, health, travel and active leisure, education and personal development, culture, and entertainment. Most benefits are provided in the form of electronic codes, allowing for fast and convenient product redemption.
- MultiLife promotes employee well-being within such key areas as mental health, personal development, healthy nutrition, and physical activity. In 2024, the MultiLife programme included psychological support, mindfulness courses, consultations with dieticians and trainers, a personalised diet planner, yoga courses, access to the Yes2Move online training platform, a package of basic preventive health screenings, access to e-books via Legimi, and development tools such as Lerni and Berlitz on Demand.

The Group's offering is further complemented by products provided by its subsidiaries, including VanityStyle:

- FitProfit sport card – providing access to thousands of sports and recreational facilities throughout Poland, along with discounts on services and purchases,
- FitSport sport card – allowing for up to eight entries per month to various facilities,
- VanityStyle Zone – an online platform offering access to online training sessions, among other services,
- Mindfulness course – featuring challenges and materials promoting a healthy lifestyle,
- QlturaProfit – a corporate incentive programme enabling employees to access theatre performances, cinema screenings, exhibitions, and other cultural events,
- GetProfit – a discount programme providing price reductions and discounts at selected facilities.

The Group does not offer products or services that are prohibited in certain markets. The Group is not active in the fossil fuel sector, chemicals production, controversial weapons production, or tobacco cultivation and production.

Revenue generated by the companies is reported in the consolidated financial statements of the Benefit Systems Group for the year ended 31 December 2024.

The products offered by the companies forming part of the Benefit Systems Group create value for customers (employers), their employees (B2B2C), individual users of sports and fitness facilities (B2C), business partners, and local communities. The Group's offering enables employers to implement and manage attractive non-pay benefits for employees, fostering increased employee engagement, satisfaction, and loyalty. The image of an organisation that actively supports the health and well-being of its workforce may have a positive impact on employee retention and team effectiveness.

The Group's products enable users to engage in regular physical activity and support well-being, which directly translates into improved health, fitness, mental well-being, and overall quality of life. Improved health and greater resilience to stress may lead to enhanced productivity and well-being, both professionally and personally.

The partnership network established under the MultiSport programme contributes to the development of sports and recreational infrastructure, enabling partner facilities to reach a wider audience and secure stable revenue streams. The Group's activities support the creation of new jobs in local sports and fitness facilities, foster the development of local enterprises within the fitness sector, and help build communities based on sporting and health-oriented values.

The services provided by the Benefit Systems Group also generate broader social impact by supporting the promotion of a healthy lifestyle. Moreover, primarily through the MultiSport Foundation, the Group makes its offering available free of charge to various social groups as part of its mission to promote health and broaden access to professional physical activity programmes.

The strategic development directions of the Benefit Systems Group are as follows:

- focus on business growth based on the potential of the sport card and fitness markets in Poland and abroad,
- deeper penetration of the Polish market, expansion within existing international markets, and identification of new opportunities,
- continued expansion of the benefits offering to include well-being, nutrition, and physical health promotion,
- consolidation of the Group's product offering within a single platform to enhance employee experience and automate HR processes.

Vision and strategy for the development of the Benefit Systems Group by 2027:

The Benefit Systems Group aims to be the market leader in employee benefits in the categories of sport cards and well-being, as well as the leading fitness club operator in all markets in which it operates.

Objectives:

1. Sport cards

To reinforce our position as the undisputed leader in the sport card market. We aim to remain the product of first choice in Poland by strengthening our market advantage through expanded access to sports and fitness facilities, enhanced service offerings, and educational efforts to activate new users. In the Foreign Markets segment, we will focus on consolidating our leadership in the CEE fitness card market and increasing market penetration in Turkey.

2. Fitness

To ensure the growth rate of fitness clubs is at least equal to the growth rate of sport card sales. We will continue to expand our own network of clubs to improve service accessibility and offer formats tailored to the needs of different user groups. The broadest access to sports infrastructure, including the largest network of owned clubs, will be the Group's key competitive advantage.

3. Cafeterias and HR tools

To strengthen our leading position in the employee benefits cafeteria market. We will deliver a modern digital employee experience platform offering the broadest cafeteria benefit portfolio and state-of-the-art HR tools.

4. Corporate well-being

To deliver a holistic benefit addressing corporate well-being and establish a leadership position in this segment. Through the development of the innovative MultiLife platform, we aim to be the partner of choice for companies by providing comprehensive support in promoting employee well-being.

5. Nutrition benefits

To develop the nutrition benefit based on the SmartLunch product and maintain our number one market position. In the food segment, we will continue our expansion in the Polish market and pilot our presence in neighbouring international markets.

Sustainability strategy

The objective of the Benefit Systems Group ESG Strategy 2024–2026 is to contribute to a better quality of life for current and future generations. This will be achieved by fostering active communities and setting trends in sustainable development and in generating a positive impact on the surrounding environment. As part of this strategy, the Group focuses on key areas related to

the environment, social responsibility, and business conduct, all of which are aligned with the organisation's mission, values, and business objectives. The strategic activities are carried out both in Poland and in the foreign markets where the Benefit Systems Group operates.

In accordance with the arrangements of the ESG Committee adopted by the Management Board, the ESG Strategy will be updated in April 2025 following the conclusion of the first report under the new ESRS framework. The proposed revisions will primarily reflect the findings of the double materiality assessment and the management insights drawn from the gap analysis concerning mandatory ESRS disclosures. The review will also include an assessment of the ESRS requirements on the measurability of targets and additional management conclusions related to mandatory ESRS disclosures.

Specific operational objectives of the ESG Strategy linked to material topics are presented in the relevant sections.

ESG Strategy 2024–2026 *#BETTER LIFE*

SOCIETY:	BUSINESS:	ENVIRONMENT:

• Activity and engagement – promoting physical activity and strengthening the engagement of employees, users, and customers Priorities:
  ○ We activate and engage
• Well-being and education – supporting the mental and physical well-being of employees, users, and customers Priorities:
  ○ We support well-being
  ○ We respect diversity
  ○ We share knowledge
	• Responsible management – building and implementing coherent standards of sustainable business and responsible governance within the Benefit Systems Group and across the entire value chain Priorities:
	  ○ We manage responsibly and ethically
	  ○ We educate partners
		• The environment (for) everyone – collective care for natural resources and the climate, with future generations in mind Priorities:
		  ○ Green Benefit
		  ○ Green Club

The ESG Strategy was developed prior to the completion of the double materiality assessment and the ESRS-compliant sustainability reporting process. The Benefit Systems Group developed its strategic ESG objectives based on a gap analysis conducted by an external advisor, following the publication of the ESG Report 2023 (prepared in accordance with the Global Reporting Initiative standards). This process enabled the identification of key ESG topics and the assessment of compliance with regulatory frameworks and market best practices. It included an impact assessment of the organisation's operations and an analysis of key industry-specific indicators, based on benchmarking, ESG ratings, and international standards (including SDGs and SASB). The audit also involved a review of more than 30 documents and stakeholder consultations, including 11 interviews. Based on the results of these analyses, a list of material topics was established, alongside the Group's ESG strengths and weaknesses**.** Strategic ESG objectives were developed through workshops with area owners and approved by the Management Board in the first quarter of 2024. These were then translated into specific tasks and included in annual budgets.

Baseline values were set using 2024 data, enabling ongoing monitoring and comparison of results against the ESG Strategy targets. The ESG Strategy comprises both core and supporting objectives, which together contribute to the delivery of strategic ambitions. For recurring (annual) objectives, interim targets have been defined to enable year-on-year progress assessment. Monitoring and control of ESG Strategy implementation are coordinated by the Head of ESG and Public Affairs, who also prepares materials for ESG Committee meetings. Following a positive recommendation from the ESG Committee, the minutes and performance results are submitted for approval to the Management Board.

The ESG Strategy encompasses a wide range of activities aimed at enhancing the organisation's positive impact on society and the environment, while being fully embedded in its business operations.

In the area of sport cards and fitness clubs, there is a strong alignment between business goals and ESG objectives. Expanding the network of own sports and fitness facilities and improving access to sports infrastructure directly supports social objectives focused on promoting physical activity and healthy lifestyles among various social groups ('We activate and engage' priority). However, it should be noted that infrastructure expansion presents environmental challenges – particularly higher consumption of energy, water, and other natural resources. The adaptation of fitness clubs (in line with the 'Green Benefit' and "Green Club" priorities) therefore requires additional investment in energy-efficient solutions and operational optimisation, which may affect operating costs and the pace of expansion.

Similar challenges are observed in the corporate well-being segment and the development of the MultiLife platform. This product responds to employers' increasing needs to support employee well-being, which aligns with the ESG Strategy priorities 'We support well-being' and 'We share knowledge'.

In the area of benefit cafeterias and HR tools, the development of a modern digital employee experience platform supports ESG objectives by offering users a flexible selection of personalised non-pay benefits. However, expansion into new markets and increasing service accessibility necessitate close collaboration with new suppliers and partners, posing challenges related to the implementation of ESG standards across the value chain ('We manage responsibly and ethically' and 'We educate partners'

priorities). Measures to address this challenge are described in sections ‘G1 Business conduct’ and ‘S2 Workers in the value chain’).

SBM-2 Interests and views of stakeholders

STAKEHOLDERS Stakeholders are all natural and legal persons within the organisation and in its direct and indirect environment who can affect or be affected – positively or negatively – by the undertaking.

By engaging with key stakeholders, the Benefit Systems Group seeks to build long-term relationships founded on trust and mutual understanding.

Stakeholder engagement enables the Group to better understand stakeholder needs, expectations and constraints, thereby allowing it to adjust its offering to the evolving demands of the market. The insights gained support continuous improvement of the Group’s offering, contributing to enhanced comfort, safety and satisfaction for customers, partners and suppliers, while also promoting a healthy and active lifestyle.

The Group also places strong emphasis on engaging employees and associates (non-employees who are part of own workforce), with the aim of fostering an organisational culture built on collaboration, engagement and a shared sense of influence on the Group’s development.

In its stakeholder relations, the Benefit Systems Group adapts communication channels to reflect the mutual needs of both parties. The organisation communicates transparently about both its successes and challenges and, wherever possible, prioritises direct dialogue over formal announcements and statements. As a company listed on the Warsaw Stock Exchange, the Group is required to communicate in accordance with all applicable regulations and best practices governing publicly listed companies. The Company’s Supervisory Board includes three independent members who were nominated by entities representing the interests of different shareholder groups. These members actively participate in the meetings of the Supervisory Board, granting them access to key information regarding the Group and its strategic direction.

Key stakeholders and channels of engagement

Stakeholders	**Channels of engagement**
Shareholders, investors, managers, and market analysts	▪ Individual and group meetings (videoconferences) (over 100 in 2024) ▪ Teleconferences, roadshows, broker conferences (at least ten times per year) ▪ Retail investor conferences (once annually) ▪ Current reports, periodic reports (quarterly), ESG reports (annually) ▪ Investor presentations published on the investor relations website ▪ Online chats with retail investors ▪ Annual General Meetings (one in 2024), Extraordinary General Meetings (five in 2024) ▪ Press and media coverage ▪ Dedicated subpage on the corporate website
B2B customers, B2B2C users, B2C users	▪ Individual and group meetings ▪ User focus group research (twice annually) ▪ NPS (annually) ▪ Market research (twice to six times annually) ▪ Helpline, Data Protection Officer, Compliance Officer ▪ Contact form ▪ MultiSport Online User Zone ▪ Apps and online platforms, such as Yes2Move ▪ Websites, ESG reports ▪ Conferences, events, customer open days ▪ Projects dedicated to customers and users ▪ Social media: Facebook, Instagram, LinkedIn, Youtube ▪ MultiLife chat ▪ Newsletters and direct mail campaigns ▪ Posters, leaflets ▪ Whistleblowing to the Compliance Officer
Partners and suppliers	▪ Individual meetings (around 2,650 meetings in 2024) ▪ Annual conference for MultiSport partners ▪ Telephone contact ▪ Online platform: Partner Zone, including the Benefit Club programme ▪ Partner satisfaction survey (annually) ▪ Industry conferences ▪ Dedicated subpages on websites of Group companies

	▪ Publications on industry portals and in social media, ESG reports ▪ Whistleblowing to the Compliance Officer ▪ CSR questionnaire for prospective suppliers
Employees and associates	▪ Intranet ▪ Work Council (at least once per quarter, as required) ▪ Newsletter (monthly) ▪ Regular feedback, semi-annual performance reviews and evaluations ▪ Satisfaction and engagement surveys, and thematic questionnaires (several times per year) ▪ Company-wide events and meetings, including with the Management Board (several times per year, both in-person and online) ▪ Social programmes and initiatives involving employees (for example, two editions per year of the volunteering programme, the *Santa* campaign) ▪ Internship programmes (once per year) ▪ Training sessions and webinars (several times per year) ▪ Online meeting applications ▪ ESG reports, participation in materiality assessments ▪ Whistleblowing mechanisms via the Compliance Officer and Ethics Committee members or Management Board members
Experts and media	▪ Active press office: corporate website ▪ Telephone and email communication ▪ Regular distribution of press releases, primarily regarding the operations and products of the Group (49 press releases issued in 2024) ▪ Media briefings coinciding with financial results announcements and participation in the Wellbeing Summit (four briefings in 2024) ▪ Press publications, including interviews, articles and expert commentary (Group brands featured in 10,000 media publications or mentions in 2024) ▪ Positioning of internal and external experts specialising in fields such as medicine, psychology and sport ▪ Public awareness initiatives (for example, the annual MultiSport Index report on physical activity and sports engagement among Poles) ▪ Special events/industry conferences – including media debates or events where the Group prepared speakers or reviewed content (four events in 2024) ▪ Campaigns, reports, and communication platforms of external organisations, ESG reports ▪ Webinars (ten in 2024)
Local communities and beneficiaries	• Activities of the MultiSport Foundation • *Dobry MultiUczynek* programme (two editions per year) • Individual and group meetings • Industry conferences, anniversaries and beneficiary events • Dedicated subpages on the websites of individual Group companies • Publications on industry portals • Events, advertising and public awareness campaigns
Environment and climate	• Reporting of environmental performance indicators • Cooperation with institutions and partnerships with environmental organisations • Participation in meetings, events, training sessions and conferences on environmental topics • Environmental training and workshops for employees • Employee-led environmental initiatives • Social projects with an environmental focus, also involving external stakeholders

Identification of stakeholders was enabled by the development of the Group's value chain, while the dialogue conducted (in the form of a survey and in-depth interviews) helped identify and assess impacts, risks and opportunities as part of the double materiality assessment. Stakeholder input plays a significant role in shaping the Group's activities, as described in detail in the section *'Society'*. The organisation regularly gathers and analyses feedback from customers, users and employees through

surveys, meetings, as well as NPS and satisfaction studies. The results of these analyses support the identification of areas requiring improvement and key trends. They are subsequently communicated to decision-makers and used to establish operational and project-related priorities.

The Management Board is informed of stakeholder concerns related to the Group's potential negative impacts. Beginning in December 2024, meetings of the ESG Committee – an advisory body to the Management Board – are held at least three times a year.

The Group's business model, focused on promoting physical activity, corporate well-being and employee benefits, brings significant social value by fostering a healthy lifestyle, physical fitness, and mental well-being.

At the same time, as with any large-scale operational activity, the business model may involve challenges and potential negative impacts – both on its own workforce and workers in the value chain, as well as on customers and end-users. The Group proactively identifies these areas and implements measures to mitigate risks and negative impacts, without altering the fundamental assumptions of its business strategy and business model.

Own workforce

With respect to its own workforce, the Group integrates the interests, views and rights of its employees as a core component of its strategy and business model. In addition to systematically collecting employee feedback (through questionnaires, in-depth interviews and satisfaction surveys), the Group has implemented operational procedures such as occupational health and safety (OHS) systems and the Diversity, Equity and Inclusion (DEI) Policy, which ensures respect for human rights in the workplace. The Group also offers development and support programmes for employees, tailored to market trends and employee expectations.

Value chain workers

Although the Group does not have a direct impact on workers in the value chain, it safeguards respect for their rights indirectly through requirements imposed on suppliers and partners. Contracts with partners not subject to verification through the CSR Questionnaire contain provisions referring to the business ethics principles upheld by the Benefit Systems Group. Furthermore, since 2023, the procurement process includes screening of potential trade partners against sanctions lists, enabling the identification of entities linked to high-risk jurisdictions.

End-users

In the context of end-users, their interests, views and rights enable the Group to optimise its business model by:

- adjusting the standards of sports services,
- responding to evolving health and demographic needs,
- minimising risks – the Group continuously enhances safety systems, data protection policies and compliance procedures to prevent privacy breaches and other threats associated with operational activities.

The key areas where changes have been implemented or are planned in response to stakeholder needs and expectations, are presented below.

In the area of fitness club offerings, end-user data is systematically analysed, enabling the rapid and effective adaptation of services. Based on regular surveys, adjustments are made to class schedules, service availability and instructor selection. This process is carried out in cycles (weekly, monthly and quarterly), allowing for a prompt response to user needs. In the long term, the development of new services and areas is planned, based on market trend analyses. The business strategy provides for an increase in the number of own fitness clubs to 600–650 by the end of 2027.

In the area of collaboration with MultiSport partners, the Group continues its efforts to provide education and support in key areas. In 2025, the launch of a training programme is planned, covering financial management, customer service, sales, marketing and team management. The objective of the programme is to enhance the operational efficiency of sports and fitness facilities and to foster long-term partnerships. With respect to customer relations, the Group places emphasis on systematic satisfaction surveys and the analysis of the needs of users of its products, in particular the flagship offerings: MultiSport, MultiLife and MyBenefit. Quarterly NPS surveys and annual comprehensive satisfaction surveys enable the identification of areas for improvement. Additionally, the implemented exit interview process facilitates a better understanding of the reasons for customer attrition, thereby supporting the continued refinement of the offering.

Benefit Systems International S.A., the company responsible for managing international operations, plans further expansion into foreign markets. These activities will be carried out in 2025–2027, subject to market conditions and analyses of local customer and user needs.

At the same time, the Benefit Systems Group is focused on expanding ESG-related education and advancing business transformation in this area, as well as enhancing the transparency of ESG reporting. A gap analysis and implementation plan for the adoption of missing ESG-related policies and procedures within the Group is planned, which will be followed by an update and refinement of the Group's key strategic ESG objectives. In 2025, the process of integrating the ESG Strategy into business operations will continue, along with the further operationalisation of strategic objectives. The ESG-related impact, risk and opportunity management system – integrated with the ESG Strategy – will be further developed. ESG-related risks and opportunities identified through the double materiality assessment will be incorporated into the existing enterprise risk management system and evaluated in accordance with a unified risk assessment methodology. These actions are intended to

support the organisation's long-term resilience, strengthen investor trust, and enhance the Group's positive reputation both in Poland and internationally.

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

DOUBLE MATERIALITY
Double materiality has two dimensions: impact materiality and financial materiality. A sustainability matter meets the criterion of double materiality if it is material from the impact perspective or the financial perspective or both.

IMPACT MATERIALITY
A sustainability matter is material from an impact perspective when it pertains to the undertaking's material actual or potential, positive or negative impacts on people or the environment over the short-, medium- or long-term. This includes impacts that are connected to the undertaking's own operations, and value chain, including through its products or services, as well as through its business relationships.

Material impacts were identified by the Group as part of the double materiality assessment conducted in 2024. Impacts occur across all three time horizons, with the exception of 'Impact on climate change through greenhouse gas emissions' and 'Impact on the depletion of natural resources due to the extensive use of materials for facility fit-out and equipment', both of which are assigned to the long-term horizon.

ESRS topic	Description of impact	Impact type	Location in the value chain
Climate change	Impact on climate change through greenhouse gas emissions.	Negative	Entire value chain
	Impact on ozone layer depletion due to the use of refrigerants in building air conditioning systems.	Negative	Own operations
	Impact on the consumption of natural resources through the use of energy (electricity, heat, and transport fuels) for operational purposes.	Negative	Own operations
Water and marine resources	Impact on water availability due to increased water stress.	Negative	Entire value chain
Resource use and circular economy	Impact on the depletion of natural resources due to the extensive use of materials for facility fit-out and equipment.	Negative	Own operations
	Environmental impact resulting from the use, distribution, and sale of hard-to-recycle materials and products, such as promotional items, plastic membership cards, and food and workout supplements packaged in single-use containers, some of which are difficult to recycle.	Negative	Own operations
	Potential impact on the volume of municipal waste released into the environment, due to waste generation and improper sorting by employees and users.	Negative	Own operations
Own workforce	Impact on employment security due to the engagement of fitness facility associates under civil-law contracts or B2B arrangements.	Negative	Own operations
	Impact on the development of associates through support provided to trainers and instructors at sports and fitness facilities in enhancing the knowledge and competencies necessary for the performance of their roles.	Positive	Entire value chain
	Impact on the safety and health of employees and associates through procedures implemented at sports and fitness facilities.	Positive	Own operations
	Potential impact on the health and safety of employees and associates due to the nature of their roles and working conditions, which may increase the likelihood of accidents or other adverse events associated with the performance of duties in sports and fitness facilities.	Negative	Own operations
	Potential impact on the safety and health of employees and associates at sports and fitness facilities resulting from the direct or	Negative	Own operations

	indirect delegation of tasks that may exceed their competencies or fall outside their defined responsibilities.		
	Potential impact on the work-life balance of employees and associates at sports and fitness facilities due to frequent scheduling changes, insufficient time for consultation when such changes are introduced, and the incomplete implementation of dedicated communication tools (including the use of social media, which may not be universally accepted).	Negative	Own operations
Value chain workers	Potential indirect negative impact on working conditions of workers in the value chain, particularly in sports and fitness facilities, due to the absence of monitoring of working conditions.	Negative	Upstream
	Potential indirect negative impact on the health of workers in the value chain due to the nature of their roles and working conditions, which may increase the likelihood of accidents or other adverse events associated with the performance of duties.	Negative	Upstream
Affected communities	Positive impact on local communities through the organisation of sports programmes and events that enhance access to physical activity and foster social integration, particularly among children and youth.	Positive	Downstream
End-users	Potential impact on the safety and health of users of both proprietary and partner-operated sports and fitness facilities due to inadequate management of safety procedures or inadequate maintenance of air conditioning systems, which may lead to health risks, serious injuries, or accidents.	Negative	Downstream
	Potential impact on end-users' health due to misleading or incomplete information in content related to physical and mental health, created by individuals lacking appropriate qualifications. Inadequate training and outdated knowledge may affect the quality of health and fitness services, with implications for user well-being.	Negative	Downstream
	Potential impact on the right to privacy of users resulting from breaches of personal data privacy and security.	Negative	Downstream
	Impact on physical and mental health through increased physical activity and improved fitness enabled by the Group's products.	Positive	Downstream
Business conduct	Impact on corporate culture through the implementation and adherence to the Code of Ethics and good practices within the Poland segment, which positively affects both internal and external stakeholders.	Positive	Entire value chain

The double materiality assessment conducted in 2024 identified topics that are consistent with the Group's existing business strategy focused on providing non-pay employee benefit solutions in the areas of sports, recreation and well-being, as well as a flexible benefits programme. At the same time, the Group acknowledges the need to further explore the sustainability matters identified as material from an impact perspective. The objective is to ensure their effective integration into business decision-making processes.

FINANCIAL MATERIALITY
A sustainability matter is material from a financial perspective if it generates risks or opportunities that affect (or could reasonably be expected to affect) the undertaking's financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium or long term.

The double materiality assessment also identified material risks and opportunities.

ESRS topic	Type	Description	Location in the value chain
Climate change	Opportunity	Reduced winter heating costs in Europe due to a declining heating degree days index.	Own operations
	Risk	Inclusion of commercial buildings in the EU Emissions Trading System (ETS) may increase heating costs for sports and fitness facilities.	Own operations

	Risk	Costs related to the required implementation of low-emission technologies, including those for heating, transport, and energy-efficient equipment.	Own operations
	Risk	Increased electricity costs due to energy shortages resulting from adverse weather conditions (high temperatures, etc.) or legislative developments, such as the introduction of additional charges.	Entire value chain
	Risk	Increased likelihood of extreme weather events, which may result in asset impairment (for example, damage to sports and fitness facilities), operational disruptions, or other adverse effects.	Entire value chain
	Risk	Operational disruptions at facilities due to adverse weather events, such as heatwaves necessitating temporary closures and preventing employees from attending work.	Own operations
Water and marine resources	Risk	Water use restrictions that may result in water shortages at own or partner-operated facilities, thereby limiting the availability of the Group's services.	Own operations
Circular economy	Opportunity	Implementing waste management practices that enable selective waste collection and recycling. This may include the use of appropriate recycling bins and the sale of products and beverages in mono-material packaging.	Own operations
Own workforce	Opportunity	Investing in the development of employees and associates, leading to increased operational efficiency and service quality, thereby strengthening the Group's competitiveness.	Own operations
	Risk	The Group is exposed to the risk of breaches of employees' and associates' right to privacy, particularly in relation to personal data protection and information security. Data breaches may lead to unauthorised access to sensitive information, such as HR and payroll data, and may result in severe legal, financial and reputational consequences.	Own operations
Consumers and end-users	Risk	Risks associated with potential restrictions on the operation of sports and fitness facilities during a future pandemic. These include the consequences of complying with stringent sanitary requirements, maintaining social distancing, or suspending operations. Such disruptions could lead to reduced service availability, a decline in user numbers, and increased operating costs associated with the implementation of necessary health and safety measures. Additionally, there is a risk of revenue loss due to suspended operations, as well as potential challenges in returning to business as usual following the lifting of restrictions.	Entire value chain
	Risk	The Group is exposed to the risk of breaches of end-users' right to privacy, particularly in relation to personal data protection and information security. Data breaches may lead to unauthorised access to sensitive information and may result in severe legal, financial and reputational consequences.	Own operations
	Risk	The Group is exposed to risks associated with an ageing population and demographic shifts, which may affect demand for its services (MultiSport). This risk is associated with the need for a flexible response to evolving user expectations, which may require adjustments to product and communication strategies.	Downstream

The double materiality assessment carried out for the first time in 2024, together with the reporting process in accordance with the ESRS, enabled the Group to identify material impacts, risks and opportunities related to its business model, value chain and strategy.

Currently, the effects of these impacts, risks and opportunities do not require fundamental changes to the business model, but they highlight the need to further strengthen the management of selected sustainability areas. Most negative social impacts are potential impacts, primarily due to sector-specific challenges such as the likelihood of accidents or the protection of privacy. The Group has implemented numerous mitigating policies and actions. As the number of the Group's own sports and fitness facilities increases, the materiality of environmental topics also grows. These have been mapped through the double materiality assessment and may be formally addressed in the coming years to the extent possible. Due to certain limitations, such as leasing rather than owning real estate, the Group may not be able to influence all environmental aspects. In practice, the Group is gradually introducing new policies and procedures, including the due diligence policy called the Benefit Systems Group Responsible Business Conduct Policy planned for 2025 (covering, among other things, the protection of human rights and the prevention of violations across the value chain). In the environmental area, the Group is developing the Green Club standard, which aims to

reduce water and energy consumption and introduce circular economy solutions. These initiatives complement the existing strategy without requiring changes to the business model itself.

In 2025, the Group plans a comprehensive analysis of identified gaps in policies, procedures and the management of material sustainability topics. The results of this analysis will inform the necessary actions and any potential directions for change. The Head of ESG and Public Affairs will be responsible for monitoring the implementation of these actions, and the outcomes will be reported to the Management Board. The ESG Committee will provide advisory support for the implementation of the recommended changes.

As part of the climate resilience analysis of the Group's strategy and business model, a scenario analysis was conducted, as described in IRO-1 *Description of the process to identify and assess material impacts, risks and opportunities*.

In the 2024 sustainability reporting cycle, the Group has made use of the transitional provision allowing the omission of disclosures on anticipated financial effects, in accordance with the phased-in disclosure requirements.

The Group has not identified any changes in material impacts, risks or opportunities compared to the previous reporting period, as 2024 marks the first year of ESG reporting based on a double materiality assessment and in alignment with the ESRS.

In its 2024 sustainability report, the Group discloses one entity-specific metric under topical standard S3, related to a positive social impact, which goes beyond the topics listed in ESRS AR 16 covered by this standard.

Material impacts, risks and opportunities

IRO-1 Description of the process to identify and assess material impacts, risks and opportunities

In 2024, the Benefit Systems Group carried out its first double materiality assessment to identify key sustainability-related topics.

The Group conducted an analysis of impacts, risks, and opportunities for the following topics as part of the double materiality process:

- matters related to climate change, biodiversity, and ecosystems,
- matters related to water, pollution, circular economy, and business conduct,
- matters related to human rights impacts across the entire value chain,
- matters related to own workforce, workers in the value chain, affected communities, and consumers and end-users, which were not covered during the human rights impact workshop,
- matters related to business conduct.

For the purpose of the assessment, the Group mapped out its value chain, which served as the foundation for identifying material areas of impact, risk, and opportunity. The analysis considered key internal documents, current and planned Group activities, and organisational practices.

In addition, a peer benchmarking analysis was conducted across the European market to determine which ESG matters are material to entities with a similar business profile. The main findings indicate that the key impact areas of peer organisations overlap with Benefit Systems' operations, and primarily concern safety, data privacy, training, emissions, and business ethics.

External documents were also taken into account in the assessment process:

- SASB Standards – Leisure Facilities, focusing on three topics: Energy Management, Customer Welfare, and Employee Health and Safety, which are reported under standards E1, S4, and S1,
- MSCI ESG Industry Materiality Map, including an analysis of the following sectors: Leisure Facilities, Healthcare Services, and Specialised Consumer Services.

In summary, the following topical areas were incorporated into the materiality assessment: water stress, carbon emissions, labour management, product safety and quality, governance, data privacy and security, human capital development, and health and safety.

Internal and external stakeholders were involved in the double materiality process, including employees, associates, partners, suppliers, customers, local communities, NGOs, and industry organisations. Surveys and interviews were conducted, and the results were analysed and presented during an internal workshop on human rights impacts. During the workshop, the Group identified and assessed actual and potential negative impacts on human rights occurring in its own operations, and its upstream and downstream value chain.

A key element of the process to identify and assess impacts, risks and opportunities was a series of thematic workshops, which formed the basis for the double materiality assessment. During these sessions, the impacts previously identified through the analysis of internal and external documentation were reviewed, and the related risks and opportunities were identified, taking into account potential financial effects. Additional matters material to the Group's operations were also identified. Workshop participants were involved in assessing impacts, risks and opportunities using predefined criteria. These assessments were validated by the individuals responsible for each area within the organisation and by the ESG department.

Scale, scope, irremediable character, and likelihood were assessed on a five-point scale. For actual positive and negative impacts, the final score was calculated based on the arithmetic mean of the values for scale and scope, and – where applicable for negative impacts – irremediable character. A severity and likelihood matrix, as recommended by EFRAG, was applied. Additionally, for human rights-related impacts, a separate matrix was used, where the severity of the impact took precedence over its likelihood.

The arithmetic mean was also used to calculate the final assessment of risks and opportunities (based on scale and likelihood). The median was applied to determine the cut-off point for materiality. Impacts, risks and opportunities with scores above the median were classified as material. The topics excluded based on the median threshold were reviewed, which led to the decision to include two additional cases with scores equal to the median in the list of material topics. In October 2024, the list of material reportable ESG matters was approved by the Management Board and shared with employee representatives involved in the process. In December 2024, it was approved by the Audit Committee of the Supervisory Board.

The scope and method of integrating the process to identify, assess and manage impacts and risks into the overall enterprise risk management framework and using it to assess the Group's overall risk profile and risk management practices are described in section GOV-5.

The Group has not yet determined the frequency of conducting a full double materiality assessment. This will depend on the extent of changes in market conditions, the Group's business model, and future regulatory requirements. A relevant review and analysis will be performed at the beginning of each annual reporting cycle. However, the Group plans to carry out a full double materiality assessment at least once every two years.

Due diligence

No formal human rights policy has been adopted at the Group level. However, in 2024, work commenced on the implementation of a due diligence policy called the Benefit Systems Group Responsible Business Conduct Policy, which is scheduled for adoption in 2025.

Although the Group has not yet formalised its due diligence regulations, it undertakes a range of measures to identify, assess, and manage actual and potential negative impacts on people and the environment, including in the context of human rights protection.

As part of the double materiality assessment process, the Group conducted stakeholder impact research to identify and assess impacts related to the Group's operations, including those concerning human rights. The research was carried out through:

- **surveys** completed by 708 stakeholders (including employees, suppliers, business partners, and local communities),
- **in-depth interviews** conducted with eight representatives of key stakeholder groups,
- **consultations** with external experts from an advisory agency.

Based on the findings, the Group received information on its actual and potential negative human rights impacts. This served as a basis for monitoring these topics, collecting detailed data, and setting targets aimed at mitigating negative impacts.

In support of the due diligence process as an ongoing commitment, the Group has implemented whistleblowing procedures, as described in the section *'Business conduct'*. The Group has implemented an Internal Whistleblowing Procedure within the scope defined by the Whistleblower Protection Act. In the Poland segment, the Procedure has been adopted by Benefit Systems S.A., VanityStyle Sp. z o.o., and Benefit Systems International S.A. In foreign subsidiaries subject to local whistleblower protection regulations, appropriate procedures have been introduced in accordance with local requirements.

The Group also maintains various communication channels for stakeholder engagement, including working meetings, online consultations, and other forms of dialogue that support ongoing monitoring of developments within the organisation and its external environment. The primary tool for monitoring the effectiveness of due diligence measures and for the communication of relevant information is the annual ESG report prepared in accordance with ESRS, which will be published regularly and will serve as the Group's key channel of communication on due diligence-related matters.

G1. IRO-1 Description of the processes to identify and assess material business conduct-related impacts, risks and opportunities

The Group took into account key criteria such as location, business profile, sector, and transaction structure when identifying material impacts, risks and opportunities. The location of operations was analysed in the context of ESG regulatory compliance across different jurisdictions and the potential ethical risks associated with foreign subsidiaries.

Given the Group's business profile and the specific nature of the employee benefits sector, particular attention was paid to several key areas:

- Whistleblowing procedures – these played a critical role, particularly in the prevention of misconduct, which constitutes a material risk factor in the service industry.
- Awareness of policies and procedures among own workforce – due to the large number of employees and associates, the materiality survey included questions on awareness of internal policies (including ethical standards, diversity, anti-corruption, and whistleblowing procedures), ethical standards and business practices to ensure their appropriate application.

- Extensive network of partners and suppliers – the wide network of suppliers and partners required an analysis of collaboration criteria and procurement rules, which are essential for effective supply chain and business relationship management.

The transaction structure, particularly its impact on the financial stability of small businesses, was reviewed, including through an analysis of payment timeliness, which revealed no material negative impacts.

E1 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Climate-related impacts, risks and opportunities were identified by the Group in the double materiality assessment. The Group also analysed its resources, assets and operations across the value chain, identifying actual and potential sources of greenhouse gas emissions across all three scopes.

Physical climate risks were determined based on climate hazards outlined in the high-emission IPCC SSP5-8.5 scenario, as presented in the IPCC report Climate Change 2021: The Physical Science Basis. The Group assessed the potential occurrence of events listed in ESRS AR 11, focusing on regions in Eastern, Central and Southeastern Europe, as well as Turkey. Risks were identified related to potential supply chain disruptions or impediments to service delivery arising from climate hazards such as extreme weather events, rising sea levels and extreme temperatures. Furthermore, forecasts of wildfires, landslides, land subsidence and severe weather events indicated a potential for damage to assets owned by the Group or used across the value chain. In connection with these climate-related threats, risks were also identified regarding increased employee absenteeism – both in the form of general workday disruptions and more frequent instances of sick leave.

For the purpose of determining climate risk time horizons, the Group applies definitions consistent with the ESRS standard: short-term is defined as up to one year, medium-term as one to five years, and long-term as five years or more.

Following the identification of climate hazards, the Group assessed the degree to which its assets may be exposed. This assessment was also based on the IPCC SSP5-8.5 high-emission scenario. In evaluating the extent to which a given risk may materialise, the Group considered the geographic areas in which it operates and regions linked to its upstream value chain. These areas were analysed using the models outlined in the IPCC report[1]. In assessing the severity of each risk, the Group considered the potential financial loss associated with their occurrence.

Climate transition risks and opportunities in the Group's own operations and value chain were identified based on the Net Zero Emissions by 2050 Scenario developed by the International Energy Agency. The analysis involved mapping the Group's activities onto a model consistent with this scenario. Key assumptions included increased awareness and demand for environmentally sustainable services among consumers, business partners and the financial sector, the introduction of new and planned EU policies and strategic frameworks, and their implications for the Group's own operations. The assessment considered four categories of potential risks and opportunities:

- policy and legal,
- technological,
- market-related,
- reputational.

The time horizons adopted by the Group for transition risks are aligned with the ESRS and based on data provided in the International Energy Agency's scenario and the anticipated timeline of EU policy implementation: the short-term is defined as up to one year, the medium-term up to five years, and the long-term as five years or more.

The identification of climate transition events and the assessment of the Group's assets and business activities were informed by examples provided by the Task Force on Climate-related Financial Disclosures (TCFD). These examples were reviewed and evaluated in the context of the Group's business profile as well as low- and high-emissions scenarios included in the Net Zero Emissions by 2050 and IPCC SSP5-8.5 scenarios.

The Group did not identify any assets and business activities that are incompatible with or need significant efforts to be compatible with a transition to a climate-neutral economy. No climate-related assumptions have been incorporated into the Group's financial statements.

At present, climate-related matters are only marginally integrated into the Group's strategy and business model. The Group plans to conduct a detailed climate resilience analysis of its strategy and business model in the coming years. This will include an evaluation of the organisation's ability to adapt to climate change, including potential adjustments to operations, products and services.

E3 IRO-1 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

The Group analysed its value chain, resources, assets and operations to identify actual and potential future sources of water abstraction and consumption. The analysis revealed that the Group's principal activities related to water resources concern swimming pools and water use in the bathrooms of sports and fitness facilities.

As part of the analysis, the Group engaged stakeholders by distributing questionnaires and conducting interviews. This enabled the collection and review of feedback and insights on the Group's impacts and dependencies in relation to sustainability matters associated with water resources.

E5 IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

To identify actual and potential sources of raw materials and consumables, the Group examined its resources, assets, operations and value chain relationships. Stakeholders were involved in the identification process through surveys and interviews, during which the Group's sustainability-related matters, including circular economy practices, were discussed.

Non-material topics

E2 IRO-1 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

A review of the Group's own locations and business model was conducted to identify impacts, risks and opportunities related to pollution across its own operations as well as within the upstream and downstream value chain. Consultations were carried out as part of the due diligence process. The analysis drew on reference sources such as the Encore Nature database, statistical publications issued by Statistics Poland (GUS), and academic literature. It was assumed that the Group's business profile does not significantly deviate from the assumptions outlined in these sources. Areas of activity with potential pollutant emissions were identified, including:

- emissions of volatile organic compounds (VOCs) and substances based on aliphatic alcohols, resulting from the use of cleaning and disinfecting agents in sports and fitness facilities,
- exhaust emissions generated by employee vehicles, particularly in connection with business travel and commuting.

The analysis determined that none of these topics is material from the Group's perspective.

E4 IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

A review of the Group's own locations and business model was conducted to identify impacts, risks, opportunities, and dependencies associated mainly with ecosystem services, biodiversity and ecosystems across its own operations as well as within the upstream and downstream value chain. Consultations were carried out as part of the due diligence process. The analysis used reference databases such as Encore Nature, the Biodiversity Risk Filter, IBAT, and other academic literature. It was assumed that the Group's business profile does not significantly deviate from the assumptions outlined in these sources. The assessment considered land-use impacts arising from the lease of commercial premises, impacts on aquatic ecosystems due to water abstraction, and indirect contributions to climate change through the use of fossil fuels. In addition, potential regulatory changes, such as water retention requirements, were taken into account. The analysis determined that none of these topics is material from the Group's perspective.

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

Disclosures required in relation to impacts, risks and opportunities that the undertaking has identified as material were determined by mapping the impacts, risks and opportunities to topical standards during the double materiality assessment process and applying materiality thresholds.

Disclosure number	Disclosure title	Section in this report / materiality
BP-1	General basis for preparation of sustainability statements	General information
BP-2	Disclosures in relation to specific circumstances	General information
GOV-1	The role of the administrative, management and supervisory bodies	General information
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	General information
GOV-3	Integration of sustainability-related performance in incentive schemes	General information
GOV-4	Statement on due diligence	General information
GOV-5	Risk management and internal controls over sustainability reporting	General information
SBM-1	Strategy, business model and value chain	General information
SBM-2	Interests and views of stakeholders	General information
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	General information
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	General information
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	General information
E1-1	Transition plan for climate change mitigation	Environment
E1 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Environment
E1 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	General information
E1-2	Policies related to climate change mitigation and adaptation	Environment
E1-3	Actions and resources in relation to climate change policies	Environment
E1-4	Targets related to climate change mitigation and adaptation	Environment

E1-5	Energy consumption and mix	Environment
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Environment
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Not applicable
E1-8	Internal carbon pricing	Not applicable
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Exemption under Appendix C of ESRS 1
E3 IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	General information
E3-1	Policies related to water and marine resources	Environment
E3-2	Actions and resources related to water and marine resources	Environment
E3-3	Targets related to water and marine resources	Environment
E3-4	Water consumption	Environment
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Exemption under Appendix C of ESRS 1
E5 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Environment
E5 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	General information
E5-1	Policies related to resource use and circular economy	Environment
E5-2	Actions and resources in relation to resource use and circular economy	Environment
E5-3	Targets related to resource use and circular economy	Environment
E5-4	Resource inflows	Environment
E5-5	Resource inflows	Environment
E5-6	Potential financial effects from resource use and circular economy-related risks and opportunities	Exemption under Appendix C of ESRS 1
S1 SBM-2	Interests and views of stakeholders	General information
S1 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Society
S1-1	Policies related to own workforce	Society
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Society

S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	Society
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Society
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Society
S1-6	Characteristics of the undertaking's employees	Society
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Society
S1-8	Collective bargaining coverage and social dialogue	Not disclosed
S1-9	Diversity metrics	Not disclosed
S1-10	Adequate wages	Not disclosed
S1-11	Social protection	Not disclosed
S1-12	Persons with disabilities	Not disclosed
S1-13	Training and skills development metrics	Society
S1-14	Health and safety metrics	Society
S1-15	Work-life balance metrics	Society
S1-16	Remuneration metrics (pay gap and total remuneration)	Not disclosed
S1-17	Incidents, complaints and severe human rights impacts	Not disclosed
S2 SBM-2	Interests and views of stakeholders	General information
S2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Society
S2-1	Policies related to value chain workers	Society
S2-2	Processes for engaging with value chain workers about impacts	Society
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Society
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	Society
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Society

S3 SBM-2	Interests and views of stakeholders	General information
S3 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Society
S3-1	Policies related to affected communities	Society
S3-2	Processes for engaging with affected communities about impacts	Society
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	Society
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Society
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Society
S4 SBM-2	Interests and views of stakeholders	Society
S4 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Society
S4-1	Policies related to consumers and end-users	Society
S4-2	Processes for engaging with consumers and end-users about impacts	Society
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Society
S4-4	Taking action on material impacts on consumers and end- users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Society
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Society
G1-1	Business conduct policies and corporate culture	Business conduct
G1-2	Management of relationships with suppliers	Business conduct
G1-4	Incidents of corruption or bribery	Not disclosed
G1-5	Political influence and lobbying activities	Not disclosed
G1-6	Payment practices	Not disclosed

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Not material: Information identified as not material in the course of the double materiality assessment

Not applicable: Information not relevant to the Group's activities

Disclosure number	Datapoint	Datapoint title	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material	Page
ESRS 2 GOV-1	21 d	Board gender diversity	x		x		Reported	13
ESRS 2 GOV-1	21 e	Percentage of board members who are independent			x		Reported	13
ESRS 2 GOV-4	30	Statement on due diligence	x				Reported	22
ESRS 2 SBM-1	40 d (i)	Involvement in activities related to fossil fuel activities	x	x	x		Not applicable	
ESRS 2 SBM-1	40 d (ii)	Involvement in activities related to chemical production	x		x		Not applicable	
ESRS 2 SBM-1	40 d (iii)	Involvement in activities related to controversial weapons	x		x		Not applicable	
ESRS 2 SBM-1	40 d (iv)	Involvement in activities related to cultivation and production of tobacco			x		Not applicable	
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				x	Reported	80
ESRS E1-1	16 g	Undertakings excluded from Paris-aligned benchmarks		x	x		Reported	80
ESRS E1-4	34	GHG emission reduction targets	x	x	x		Reported	82
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				Not applicable	
ESRS E1-5	37	Energy consumption and mix	x				Reported	83

ESRS E1-5	40–43	Energy intensity associated with activities in high climate impact sectors	x				Not applicable	
ESRS E1-6	44	Gross Scope 1, 2, 3 and total GHG emissions	x	x	x		Reported	85–88
ESRS E1-6	53–55	Gross GHG emissions intensity	x	x	x		Reported	88
ESRS E1-7	56	GHG removals and carbon credits				x	Not applicable	
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		Exemption under phase-in provisions	
ESRS E1-9	66 a	Disaggregation of monetary amounts by acute and chronic physical risk		x			Exemption under phase-in provisions	
ESRS E1-9	66 c	Location of significant assets at material physical risk		x			Exemption under phase-in provisions	
ESRS E1-9	67 c	Breakdown of the carrying value of real estate assets by energy-efficiency classes		x			Exemption under phase-in provisions	
ESRS E1-9	69	Degree of exposure of the portfolio to climate- related opportunities			x		Exemption under phase-in provisions	
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	x				Not material	
ESRS E3-1	9	Water and marine resources	x				Reported	97
ESRS E3-1	13	Dedicated policy	x				Reported	97
ESRS E3-1	14	Sustainable oceans and seas	x				Not applicable	
ESRS E3-4	28 c	Total water recycled and reused	x				Reported	98

ESRS E3-4	29	Total water consumption in m^3 per net revenue on own operations	x				Reported	91
ESRS 2 SBM-3 E4	16 a (i)	Biodiversity sensitive area	x				Not material	
ESRS 2 SBM-3 E4	16 b	Impact on terrestrial ecosystems	x				Not material	
ESRS 2 SBM-3 E4	16 c	Endangered species	x				Not material	
ESRS E4-2	24 b	Sustainable land / agriculture practices or policies	x				Not material	
ESRS E4-2	24 c	Sustainable oceans / seas practices or policies	x				Not material	
ESRS E4-2	24 d	Policies to address deforestation	x				Not material	
ESRS E5-5	37 d	Non-recycled waste	x				Reported	95
ESRS E5-5	39	Hazardous waste and radioactive waste	x				Not applicable	
ESRS 2 SBM-3 S1	14 f	Risk of incidents of forced labour	x				Reported	97
ESRS 2 SBM-3 S1	14 g	Risk of incidents of child labour	x				Reported	97
ESRS S1-1	20	Human rights policy commitments	x				Reported	99
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions			x		Reported	99
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	x				Reported	99
ESRS S1-1	23	Workplace accident prevention policy or management system	x				Reported	99

ESRS S1-3	32 c	Grievance/complaints handling mechanisms	x				Reported	104
ESRS S1-14	88 b and c	Number of fatalities and number and rate of work-related accidents	x		x		Reported	115
ESRS S1-14	88 e	Number of days lost to injuries, accidents, fatalities or illness	x				Reported	115
ESRS S1-16	97 a	Unadjusted gender pay gap	x		x		Not material	
ESRS S1-16	97 b	Excessive CEO pay ratio	x				Not material	
ESRS S1-17	103 a	Incidents of discrimination	x				Not material	
ESRS S1-17	104 a	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	x		x		Not material	
ESRS 2 SBM-3 S2	11 b	Significant risk of child labour or forced labour in the value chain	x				Reported	97
ESRS S2-1	17	Human rights policy commitments	x				Reported	118
ESRS S2-1	18	Policies related to value chain workers	x				Reported	118
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x		Reported	118
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		Reported	118
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	x				Reported	121
ESRS S3-1	16	Human rights policy commitments	x				Not material	
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	x		x		Not material	

ESRS S3-4	36	Human rights issues and incidents	x				Not material	
ESRS S4-1	16	Policies related to consumers and end-users	x				Reported	128
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x		Reported	128
ESRS S4-4	35	Human rights issues and incidents	x				Reported	132
ESRS G1-1	10 b	United Nations Convention against Corruption	x				Reported	139
ESRS G1-1	10 d	Protection of whistle-blowers	x				Reported	140
ESRS G1-4	24 a	Fines for violation of anti-corruption and anti-bribery laws	x		x		Not material	
ESRS G1-4	24 b	Standards of anti-corruption and anti-bribery	x				Reported	139

Environment

The disclosure of information pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment is a classification tool that helps investors identify which economic activities can be considered environmentally sustainable.

It is commonly referred to as the **EU Taxonomy**.

The purpose of the EU Taxonomy is to support investors in contributing to the goals of the European Green Deal, including the transition to a safe, climate-neutral, climate-resilient, and more resource-efficient circular economy.

Under the EU Taxonomy, the Benefit Systems Group is required to disclose the following:

- the percentage of turnover derived from products or services associated with environmentally sustainable economic activities,
- the percentage of capital expenditure (CapEx) related to assets or processes associated with environmentally sustainable economic activities,
- the percentage of operating expenditure (OpEx) related to assets or processes associated with environmentally sustainable economic activities.

In accordance with the EU Taxonomy, for an economic activity to be considered environmentally sustainable, it must meet all four of the following criteria:

- it contributes substantially to the achievement of at least one environmental objective,
- it does no significant harm to any of the other environmental objectives,
- it complies with minimum safeguards,
- it complies with the applicable technical screening criteria, as set out in Annexes I to IV of Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives; and Annexes I and II of Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives. The six environmental objectives defined under the EU Taxonomy are:
    - climate change mitigation,
    - climate change adaptation,
    - sustainable use and protection of water and marine resources,
    - transition to a circular economy,
    - pollution prevention and control,
    - protection and restoration of biodiversity and ecosystems.

The detailed disclosure requirements for the above criteria are governed by Articles 1, 2, 8, and 10, as well as Annexes I, II, and XII of Commission Delegated Regulation (EU) 2021/2178, OJ L 443 of 10 December 2021, pp. 9–67, which supplements the provisions laid down in Article 8 of the Taxonomy Regulation.

The Benefit Systems Group has prepared its EU Taxonomy report covering all six environmental objectives under the Taxonomy for the second consecutive time.

To meet the reporting obligation concerning the extent to which the activities of the Benefit Systems Group are environmentally sustainable within the meaning of the EU Taxonomy, a Taxonomy alignment assessment process was developed and conducted.

EU Taxonomy alignment assessment

EU Taxonomy alignment assessment process

- Process organisation: the reporting process within the Benefit Systems Group is overseen and coordinated by the ESG Department. Acting on behalf of the Management Board of Benefit Systems S.A., the Head of ESG and Public Affairs is responsible for the process. The Controlling Team within the Finance Department is responsible for allocating financial data to individual Taxonomy-related activities and for the preparation of the final Directors' Report on the operations of the Benefit Systems Group. Representatives of all companies within the Benefit Systems Group are involved in various stages of the reporting process. The Group was supported by an external advisor throughout the process of preparation of the EU Taxonomy report.
- Assessment of compliance with minimum safeguards: the assessment of compliance with minimum safeguards is conducted independently of the assessment of compliance with the Technical Screening Criteria (TSC). This assessment is carried out at the Group level.

- Analysis of the Benefit Systems Group's activities in terms of their inclusion in the EU Taxonomy: based on completed questionnaires and the responses received, the Group determined which of its economic activities fall within the scope of the TSC, that is, which are included in the EU Taxonomy. Taxonomy-eligible activities were identified based on the descriptions of economic activities provided in annexes to the delegated regulations establishing the Technical Screening Criteria. In cases of uncertainty, the Group referred to the NACE classification and guidance or supporting documentation issued by the European Commission and the Platform on Sustainable Finance.
- Assessment of EU Taxonomy alignment: using the criteria set out in the TSC and based on European Commission guidance, the Group assessed whether its economic activities qualify as environmentally sustainable under the EU Taxonomy. As part of this process, the Group compiles supporting documentation demonstrating compliance with the TSC.
- Allocation: at this stage, the Group allocated turnover, capital expenditure (CapEx), and operating expenditure (OpEx) to the relevant economic activities. These allocations formed the basis for the preparation of the Taxonomy reporting tables.
- Presentation of results: in addition to tabular disclosures of the Taxonomy alignment assessment, the Group also provided a detailed description of the assessment process and the economic activities covered by the TSC, in order to facilitate user understanding of the Benefit Systems Group's approach to the EU Taxonomy.

Assessment of compliance with the Technical Screening Criteria (TSC)

The Benefit Systems Group has assessed selected Taxonomy-eligible economic activities for compliance with the Technical Screening Criteria. The assessment covered the criteria for substantial contribution across all environmental objectives. A more detailed description of this process is provided in the sections relating to the respective KPIs.

Assessment of compliance with the Do No Significant Harm (DNSH) criteria

The Do No Significant Harm (DNSH) requirement is intended to ensure that making a substantial contribution to one environmental objective does not come at the expense of the other objectives. As part of the Group's EU Taxonomy alignment assessment, all economic activities that met the substantial contribution criteria were subsequently reviewed for compliance with the DNSH criteria.

Minimum safeguards

The Benefit Systems Group assessed whether its economic activities meet the requirements laid down in Article 18 of Regulation (EU) 2020/852, in order to confirm compliance with the minimum safeguards.

The Group conducted the assessment using a tool based on the methodology proposed by the Platform on Sustainable Finance. The assessment confirmed that the Group meets the requirements of the minimum safeguards. The implementation of minimum safeguards in the relevant areas is detailed in the following sections of this report:

- due diligence processes: section ESRS 2: table GOV-4 + subsection Due diligence and IRO-1,
- respect for human rights: section ESRS 2: table GOV-4 + subsection Due diligence and IRO-1,
- respect for labour rights: section Society, subsection Own workforce, and section Business conduct,
- protection of consumer rights (customers and end-users): section Society, subsection Consumers and end-users,
- Fair competition: section Business conduct.

In areas not explicitly covered in this report:

- anti-corruption: The Benefit Systems Group is guided by the requirements of the OECD Guidelines, including through internal policies such as the Anti-Corruption Policy, Gifts and Hospitality Procedure, and Conflicts of Interest Procedure,
- tax policy: The Benefit Systems Group complies with tax legislation, including its general principles.

Accounting policies

The calculation of the turnover, capital expenditure (CapEx) and operating expenditure (OpEx) indicators was based on the definitions set out in Annex I of Commission Delegated Regulation (EU) 2021/2178. The definition of OpEx differs from the definition of operating expenditure applied in the Group's financial reporting.

To present the proportion of Taxonomy-eligible turnover, CapEx, and OpEx, the Benefit Systems Group used the methodology applied in the preparation of its financial statements, with the exception that, for the purposes of Taxonomy reporting, the definition of OpEx was aligned with the provisions of the EU Taxonomy.

In all other respects, the Group applied the following policies:

- Taxonomy disclosures were prepared in accordance with the principle of avoiding double counting,
- individual business areas were assigned to only one Taxonomy-eligible economic activity, and each portion of revenue, CapEx, and OpEx was recognised only once.

This ensures that the amounts included in the Taxonomy report have been disclosed only once.

No material changes were introduced to the EU Taxonomy reporting process compared to the previous reporting period, apart from the changes in eligibility described below.

For the purposes of Taxonomy disclosures, the Benefit Systems Group uses the same reporting currency as in its financial statements (Polish złoty, PLN).

Additional information

In its 2024 EU Taxonomy report, the Benefit Systems Group discloses – for the third consecutive year – the proportion of Taxonomy-aligned activities that make a substantial contribution to the objectives of climate change mitigation and climate change adaptation. This is the Group's second year of reporting on alignment with the remaining environmental objectives.

The Group is not active in and does not finance or have exposure to the activities referred to in sections 4.26–4.31 of Annexes I and II to Commission Delegated Regulation (EU) 2021/2139, that is activities related to energy generation from nuclear processes and from gaseous fossil fuels.

Performance

Turnover

For the turnover KPI, the denominator represents the total consolidated revenue of the Group for 2024, as disclosed in the consolidated statement of profit or loss, presented in the consolidated financial statements of the Benefit Systems Group under 'Revenue'.

Categories of turnover generated by the Group in 2024 that qualify as Taxonomy-eligible under annexes to the delegated acts on environmental objectives, were identified as a result of the analysis conducted at the Group level.

The numerator includes the portion of the Group's net revenue that was identified as associated with Taxonomy-eligible and Taxonomy-aligned economic activities. No such activity was identified for the current reporting period.

Assessment of compliance with the TSC

The Benefit Systems Group generates revenue primarily from the sale of non-pay employee benefits in the areas of sport and fitness, healthy lifestyles, physical recreation, well-being, culture, and entertainment, as well as tailored cafeteria programmes. The Group's main product, accounting for 81.9% of revenue in the reporting period, is the MultiSport Programme – sport cards sold to B2B customers (employers), allowing cardholders (employees) to access more than six thousand sports, fitness and recreational facilities in Poland and abroad. Another source of revenue for the Group is the operation of own fitness club networks, which accounts for 15.9% of the Group's total revenue.

As no Technical Screening Criteria have been established for these activities, they are not considered Taxonomy-eligible. Nonetheless, the activities of the Group are conducted with consideration for the advancement of sustainability objectives.

Among the Group's turnover, the activity 7.7 CCM Acquisition and ownership of buildings – revenue generated from property rental – was identified as Taxonomy-eligible.

An assessment of compliance with the Technical Screening Criteria was carried out for this activity. The assessment concluded that no revenue from this activity qualifies as Taxonomy-aligned.

Contribution to multiple objectives

Not applicable. No revenue associated with environmentally sustainable activities was identified.

Disaggregation of KPIs

Not applicable.

Contextual information

The numerator of the KPI does not include revenue associated with Taxonomy-aligned activities. No amounts associated with activities pursued for the Group's own internal consumption were reported under Taxonomy-eligible activities.

CapEx

As part of the Taxonomy alignment assessment, the Group reviewed its investment projects carried out in 2024.

For the purposes of calculating the CapEx KPI, the denominator includes additions to intangible assets, property, plant and equipment, and right-of-use assets, acquired, internally generated or resulting from the acquisition of control over other entities acquired by the Group during the reporting period. Some lease remeasurements due to contract modifications were included, amounting to a total of PLN 106,145 thousand. The numerator comprises a portion of capital expenditure as per Annex I to Commission Delegated Regulation (EU) 2021/2178.

Assessment of compliance with the TSC

The following activities conducted within the Group's investment processes were identified as Taxonomy-eligible:

1. 6.5 CCM Transport by motorbikes, passenger cars and light commercial vehicles – leasing of vehicles within the corporate fleet,
2. 7.2 CCM and 3.2 CE Renovation of existing buildings – expenditure related to building refurbishment,
3. 7.3 CCM Installation, maintenance and repair of energy efficiency equipment – expenditure on energy-efficient equipment in fitness clubs,

4. 7.7 CCM Acquisition and ownership of buildings – expenditure related to owned or leased buildings and premises,
5. 8.1 CCM Data processing, hosting and related activities – expenditure on the Group's owned servers.

In this report, reflecting an evolving market practice, a broader scope of capital expenditure was considered eligible under activity 7.7 Acquisition and ownership of buildings, as compared with the previous year. This scope also includes CapEx related to leased properties used for operations. Column N-1 in the table below reflects this change, showing the capital expenditure for this activity in 2023.

An assessment of compliance with the Technical Screening Criteria was carried out for these activities. The assessment concluded that no capital expenditure associated with the identified activities qualifies as Taxonomy-aligned. The absence of Taxonomy-aligned activities was primarily due to challenges in obtaining documentation confirming compliance with the TSC.

Contribution to multiple objectives

Not applicable.

No capital expenditure associated with environmentally sustainable activities was identified.

Disaggregation of KPIs

Not applicable.

Contextual information

The numerator of the KPI does not include capital expenditure associated with Taxonomy-aligned activities. The Group does not have in place any CapEx plan referred to in section 1.1.2.2. of Annex I to Regulation (EU) 2021/2178.

OpEx

As part of the Taxonomy alignment assessment, the Benefit Systems Group analysed its operating expenditure incurred in 2024, as defined under the EU Taxonomy framework. The denominator of the OpEx KPI includes costs related to the day-to-day servicing of property, plant, and equipment (such as maintenance, repairs, inspections, cleaning, and security), as well as costs related to the lease of passenger vehicles.

Assessment of compliance with the TSC

The Group incurred operating expenditure associated with the following activities identified as Taxonomy-eligible:

1. 6.5 CCM Transport by motorbikes, passenger cars and light commercial vehicles – leasing of vehicles within the corporate fleet,
2. 7.2 CCM and 3.2 CE Renovation of existing buildings – expenditure related to building refurbishment and maintenance,
3. 7.7. CCM Acquisition and ownership of buildings – costs related to owned or leased buildings and premises.

In this EU Taxonomy report, reflecting an evolving market practice, a broader scope of operating expenditure was considered eligible under activity 7.7 Acquisition and ownership of buildings, as compared with the previous year. This scope also includes OpEx related to leased properties used for operations. Column N-1 in the table below reflects this change, showing the operating expenditure for this activity in 2023.

An assessment of compliance with the Technical Screening Criteria was carried out for these activities. The assessment concluded that no operating expenditure associated with the identified activities qualifies as Taxonomy-aligned. The absence of Taxonomy-aligned activities was primarily due to challenges in obtaining documentation confirming compliance with the TSC.

Contribution to multiple objectives

Not applicable.

No operating expenditure associated with environmentally sustainable activities was identified.

Disaggregation of KPIs

Not applicable.

Contextual information

No operating expenditure associated with Taxonomy-aligned economic activities was included in the KPI numerator. The denominator includes expenditure related to building renovation, ongoing maintenance and repairs of buildings, short-term lease and maintenance of company vehicles, and other direct costs related to the day-to-day servicing of property, plant, and equipment by the Benefit Systems Group.

Table: Nuclear and fossil gas related activities

	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 ☐

Turnover

Table 1. Proportion of Taxonomy-aligned turnover of Benefit Systems Group in the financial year 2024

Rok obrotowy 2024	Rok			Kryteria dotyczące istotnego wkładu						Kryteria dotyczące zasady DNSH "nie czyń poważnych szkód"									
Działalność gospodarcza (1)	Kod lub kody (2)*	Obrót (wartość bezwzględna) (3)	Udział procentowy obrotu (4)	Łagodzenie zmian klimatu (5)	Adaptacja do zmian klimatu (6)	Zasoby wodne i morskie (7)	Zanieczyszczenie (8)	Gospodarka o obiegu zamkniętym (9)	Bioróżnorodność (10)	Łagodzenie zmian klimatu (11)	Adaptacja do zmian klimatu (12)	Zasoby wodne i morskie (13)	Zanieczyszczenie (14)	Gospodarka o obiegu zamkniętym (15)	Bioróżnorodność (16)	Minimalne gwarancje (17)	Udział działalności zgodnej z systematyką (A.1.) lub kwalifikującej się do systematyki (A.2.) Obrót, rok 2023 (18)	Kategoria Działalność wspomagająca (19)	Kategoria Działalność na rzecz przejścia (20)
	tys. PLN	%	*T; N; N/EL*	*T; N; N/EL*	*T; N; N/EL*	*T; N; N/EL*	*T; N; N/EL*	*T; N; N/EL*	*T/N*	*T/N*	*T/N*	*T/N*	*T/N*	*T/N*	*T/N*	%	*E*	*T*
A. DZIAŁALNOŚC KWALIFIKUJĄCA SIĘ DO SYSTEMATYKI																			
A.1 Rodzaje działalności zrównoważonej środowiskowo (zgodnej z systematyką)																			
Nabywanie i prawo własności budynków	CCM 7.7	0	0,00%	N	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*								0,01%		
Obrót z tytułu działalności zrównoważonej środowiskowo (zgodnej z systematyką) (A.1)		**0**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**								**0,01%**		
W tym wspomagająca		**0**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**									**E**	
W tym na rzecz przejścia		**0**	**0,00%**	**0,00%**															**T**
A.2 Działalność kwalifikująca się do systematyki ale niezrównoważona środowiskowo (działalność niezgodna z systematyką)																			
				EL; N/EL	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*										
Nabywanie i prawo własności budynków	CCM 7.7	5 217	0,15%	*EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*								0,19%		
Obrót z tytułu działalności kwalifikującej się do systematyki ale niezrównoważonej środowiskowo (działalności niezgodnej z systematyką) (A.2)		**5 217**	**0,15%**	**0,15%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**								**0,19%**		
A. Obrót z tytułu działalności kwalifikującej się do systematyki (A.1+A.2)		**5 217**	**0,15%**	**0,15%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**								**0,20%**		
B. DZIAŁALNOŚĆ NIEKWALIFIKUJĄCA SIĘ DO SYSTEMATYKI																			
Obrót z tytułu działalności niekwalifikującej się do systematyki		**3 392 053**	**99,85%**																
OGÓŁEM		**3 397 270**	**100,00%**																

* Kod stanowi skrót odpowiedniego celu, w przypadku którego działalność gospodarcza kwalifikuje się do wniesienia istotnego wkładu w jego realizację, a także numer sekcji poświęconej danej działalności w odpowiednim załączniku dotyczącym celu, tj.
- łagodzenie zmian klimatu: CCM
- gospodarka o obiegu zamkniętym: CE

T - Tak, działalność kwalifikująca się do systematyki i zgodna z systematyką w przypadku odpowiedniego celu środowiskowego.
N - Nie, działalność kwalifikująca się do systematyki, ale niezgodna z systematyką w przypadku odpowiedniego celu środowiskowego.
N/EL - Nie kwalifikuje się, działalność niekwalifikująca się do systematyki w przypadku odpowiedniego celu środowiskowego.
EL - Działalność kwalifikująca się do systematyki w przypadku odpowiedniego celu środowiskowego.

	Część obrotu/całkowity obrót	
	Zgodność z systematyką w podziale na cele	kwalifikowalne się do systematyki w podziale na
CCM	**0,00%**	**0,15%**
CCA	0,00%	0,00%
WTR	0,00%	0,00%
CE	0,00%	0,00%
PPC	0,00%	0,00%
BIO	0,00%	0,00%

Capital expenditure (CapEx)

Table 2. Proportion of Taxonomy-aligned capital expenditure (CapEx) of the Benefit Systems Group in the financial year 2024

Rok obrotowy 2024		Rok		Kryteria dotyczące istotnego wkładu						Kryteria dotyczące zasady DNSH "nie czyń poważnych szkód"									
Działalność gospodarcza (1)	Kod lub kody (2)*	Nakłady inwestycyjne (3)	Odsetek nakładów inwestycyjnych (4)	Łagodzenie zmian klimatu (6)	Adaptacja do zmian klimatu (6)	Zasoby wodne i morskie (7)	Zanieczyszczenie (8)	Gospodarka o obiegu zamkniętym (9)	Bioróżnorodność (10)	Łagodzenie zmian klimatu (11)	Adaptacja do zmian klimatu (12)	Zasoby wodne i morskie (13)	Zanieczyszczenie (14)	Gospodarka o obiegu zamkniętym (15)	Bioróżnorodność (16)	Minimalne gwarancje (17)	Udział działalności zgodnej z systematyką (A.1.) lub kwalifikującej się do systematyki (A.2.) Nakłady inwestycyjne, rok 2023 (18)	Kategoria Działalność wspomagająca (19)	Kategoria Działalność na rzecz przejścia (20)
		tys. PLN	%	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T; N; N/EL	T/N	T/N	T/N	T/N	T/N	T/N	T/N	%	E	T
A. DZIAŁALNOŚĆ KWALIFIKUJĄCA SIĘ DO SYSTEMATYKI																			
A.1 Rodzaje działalności zrównoważonej środowiskowo (zgodnej z systematyką)																			
Montaż, konserwacja i naprawa sprzętu zwiększającego efektywność energetyczną	CCM 7.3	0	0,00%	N	N/EL	N/EL	N/EL	N/EL	N/EL								2,10%	E	
Wydatki operacyjne z tytułu działalności zrównoważonej środowiskowo (zgodnej z systematyką) (A.1)		**0**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**								**2,10%**		
W tym wspomagająca		0	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%								2,10%	**E**	
W tym na rzecz przejścia		0	0,00%	0,0%															**T**
A.2 Działalność kwalifikująca się do systematyki ale niezrównoważona środowiskowo (działalność niezgodna z systematyką)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport motocyklami, samochodami osobowymi i lekkimi pojazdami użytkowymi	CCM 6.5	9 511	1,23%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,94%		
Renowacja istniejących budynków	CCM 7.2 CE 3.2	82 347	10,63%	EL	N/EL	N/EL	N/EL	EL	N/EL								6,08%		
Montaż, konserwacja i naprawa sprzętu zwiększającego efektywność energetyczną	CCM 7.3	29 115	3,76%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,00%		
Nabywanie i prawo własności budynków	CCM 7.7	443 039	57,17%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								63,13%		
Przetwarzanie danych; zarządzanie stronami internetowymi (hosting) i podobna działalność	CCM 8.1	304	0,04%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,01%		
Nakłady inwestycyjne z tytułu działalności kwalifikującej się do systematyki ale niezrównoważonej środowiskowo (działalności niezgodnej z systematyką) (A.2)		**564 316**	**72,82%**	**67,51%**	**0,00%**	**0,00%**	**0,00%**	**5,31%**	**0,00%**								**70,15%**		
A. Nakłady inwestycyjne z tytułu działalności kwalifikującej się do systematyki (A.1+A.2)		**564 316**	**72,82%**	**67,51%**	**0,00%**	**0,00%**	**0,00%**	**5,31%**	**0,00%**								**72,25%**		
B. DZIAŁALNOŚĆ NIEKWALIFIKUJĄCA SIĘ DO SYSTEMATYKI																			
Nakłady inwestycyjne z tytułu działalności niekwalifikującej się do systematyki		**210 583**	**27,18%**																
OGÓŁEM		**774 899**	**100,00%**																

* Kod stanowi skrót odpowiedniego celu, w przypadku którego działalność gospodarcza kwalifikuje się do wniesienia istotnego wkładu w jego realizację, a także numer sekcji poświęconej danej działalności w odpowiednim załączniku dotyczącym celu, tj.
- łagodzenie zmian klimatu: CCM
- gospodarka o obiegu zamkniętym: CE

T - Tak, działalność kwalifikująca się do systematyki i zgodna z systematyką w przypadku odpowiedniego celu środowiskowego.
N - Nie, działalność kwalifikująca się do systematyki, ale niezgodna z systematyką w przypadku odpowiedniego celu środowiskowego.
N/EL - Nie kwalifikuje się, działalność niekwalifikująca się do systematyki w przypadku odpowiedniego celu środowiskowego.
EL - Działalność kwalifikująca się do systematyki w przypadku odpowiedniego celu środowiskowego.

	Część obrotu/całkowity obrót	
	Zgodność z systematyką w podziale na cele	Kwalifikowa nie się do systematyki w podziale na cele
CCM	0,00%	67,51%
CCA	0,00%	0,00%
WTR	0,00%	0,00%
CE	0,00%	5,31%
PPC	0,00%	0,00%
BIO	0,00%	0,00%

Operating expenditure (OpEx)

Table 3. Proportion of Taxonomy-aligned operating expenditure (OpEx) of the Benefit Systems Group in the financial year 2024

Rok obrotowy 2024	Rok			Kryteria dotyczące istotnego wkładu						Kryteria dotyczące zasady DNSH "nie czyń poważnych szkód"								
Działalność gospodarcza (1)	Kod lub kody (2)*	Wydatki operacyjne (3)	Odsetek wydatków operacyjnych (4)	Łagodzenie zmian klimatu (5)	Adaptacja do zmian klimatu (6)	Zasoby wodne i morskie (7)	Zanieczyszczenie (8)	Gospodarka o obiegu zamkniętym (9)	Bioróżnorodność (10)	Łagodzenie zmian klimatu (11)	Adaptacja do zmian klimatu (12)	Zasoby wodne i morskie (13)	Zanieczyszczenie (14)	Gospodarka o obiegu zamkniętym (15)	Bioróżnorodność (16)	Minimalne gwarancje (17)	Udział działalności zgodnej z systematyką (A.1.) lub kwalifikującej się do systematyki (A.2.) Wydatki operacyjne, rok 2023 (18)	Kategoria Działalność wspomagająca (19)	Kategoria Działalność na rzecz przejścia (20)
		tys. PLN	%	*T; N; N/EL*	*T; N; N/EL*	*T; N; N/EL*	*T; N; N/EL*	*T; N; N/EL*	*T; N; N/EL*	*T/N*	*T/N*	*T/N*	*T/N*	*T/N*	*T/N*	*T/N*	%	*E*	*T*
A. DZIAŁALNOŚĆ KWALIFIKUJĄCA SIĘ DO SYSTEMATYKI																			
A.1 Rodzaje działalności zrównoważonej środowiskowo (zgodnej z systematyką)																			
Wydatki operacyjne z tytułu działalności zrównoważonej środowiskowo (zgodnej z systematyką) (A.1)		**0**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**								**0,00%**		
W tym wspomagająca		**0**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**	**0,00%**									**E**	
W tym na rzecz przejścia		**0**	**0,00%**	**0,00%**															**T**
A.2 Działalność kwalifikująca się do systematyki ale niezrównoważona środowiskowo (działalność niezgodna z systematyką)																			
				EL; N/EL	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*	*EL; N/EL*										
Transport motocyklami, samochodami osobowymi i lekkimi pojazdami użytkowymi	CCM 6.5	1 287	2,55%	*EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*								1,46%		
Renowacja istniejących budynków	CCM 7.2 CE 3.2	4 261	8,43%	*EL*	*N/EL*	*N/EL*	*N/EL*	*EL*	*N/EL*								4,52%		
Nabywanie i prawo własności budynków	CCM 7.7	42 591	84,25%	*EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*								70,36%		
Wydatki operacyjne z tytułu działalności kwalifikującej się do systematyki ale niezrównoważonej środowiskowo (działalności niezgodnej z systematyką) (A.2)		**48 139**	**95,23%**	**91,01%**	**0,00%**	**0,00%**	**0,00%**	**4,21%**	**0,00%**								**76,33%**		
A Wydatki operacyjne z tytułu działalności kwalifikującej się do systematyki (A.1+A.2)		**48 139**	**95,23%**	**91,01%**	**0,00%**	**0,00%**	**0,00%**	**4,21%**	**0,00%**								**76,33%**		
B. DZIAŁALNOŚĆ NIEKWALIFIKUJĄCA SIĘ DO SYSTEMATYKI																			
Wydatki operacyjne z tytułu działalności niekwalifikującej się do systematyki		**2 414**	**4,77%**																
OGÓŁEM		**50 553**	**100,00%**																

* Kod stanowi skrót odpowiedniego celu, w przypadku którego działalność gospodarcza kwalifikuje się do wniesienia istotnego wkładu w jego realizację, a także numer sekcji poświęconej danej działalności w odpowiednim załączniku dotyczącym celu, tj.
- łagodzenie zmian klimatu: CCM
- gospodarka o obiegu zamkniętym: CE

T - Tak, działalność kwalifikująca się do systematyki i zgodna z systematyką w przypadku odpowiedniego celu środowiskowego.
N - Nie, działalność kwalifikująca się do systematyki, ale niezgodna z systematyką w przypadku odpowiedniego celu środowiskowego.
N/EL - Nie kwalifikuje się, działalność niekwalifikująca się do systematyki w przypadku odpowiedniego celu środowiskowego.
EL - Działalność kwalifikująca się do systematyki w przypadku odpowiedniego celu środowiskowego.

	Część obrotu/całkowity obrót	
	Zgodność z systematyką w podziale na cele	Kwalifikowanie się do systematyki w podziale na
CCM	0,00%	91,01%
CCA	0,00%	0,00%
WTR	0,00%	0,00%
CE	0,00%	4,21%
PPC	0,00%	0,00%
BIO	0,00%	0,00%

ESRS E1 Climate change

E1-1 Transition plan for climate change mitigation

In 2024, the Group did not implement a transition plan for climate change mitigation. The organisation intends to develop such a plan but has not yet set a date for its adoption– a decision is expected in 2025. The Group is not excluded from the scope of EU Paris-aligned Benchmarks but has not established mitigation targets aligned with the objective of limiting global warming in line with the Paris Agreement.

E1 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

In the second quarter of 2024, the Group conducted an assessment across its entire value chain. Due to limited traceability of raw materials and consumables used in the provision of services, the analysis focused on own operations and downstream value chain in Central and Eastern Europe, the Balkans, and Turkey. No material physical or transition risks were excluded from the assessment; all were considered in accordance with applicable scenarios, as described below. The Group has not yet performed a full climate resilience analysis of its strategy and business model. However, during the double materiality assessment, a climate scenario analysis was conducted, as outlined in the subsection *'General information'* of *'IRO-1 Description of the process to identify and assess material impacts, risks and opportunities'*.

In the 2024 sustainability reporting cycle, the Group has made use of the transitional provision allowing the omission of disclosures on anticipated financial effects, in accordance with the phased-in disclosure requirements.

Physical climate risks were determined based on climate hazards outlined in the high-emission IPCC SSP5-8.5 scenario, as presented in the IPCC report Climate Change 2021: The Physical Science Basis. The Group assessed the potential occurrence of events listed in ESRS AR 11, focusing on regions in Eastern, Central and Southeastern Europe, as well as Turkey. Risks were identified related to potential supply chain disruptions or impediments to service delivery arising from climate hazards such as extreme temperatures and other weather events, and rising sea levels. Furthermore, forecasts of wildfires, landslides, land subsidence and severe weather events indicated a potential for damage to assets owned by the Group or used across the value chain. In connection with these climate-related threats, risks were also identified regarding increased employee absenteeism – both in the form of general workday disruptions and more frequent instances of sick leave.

Climate transition risks and opportunities in the Group's own operations and value chain were identified based on the Net Zero Emissions by 2050 Scenario developed by the International Energy Agency. The analysis involved mapping the Group's activities onto a model consistent with this scenario. Key assumptions included increased awareness and demand for environmentally sustainable services among customers and other business partners, end-users and entities in the financial sector, the introduction of new and planned EU policies and strategic frameworks, and their implications for the Group's own operations. The assessment considered four categories of potential risks and opportunities:

- policy and legal,
- technological,
- market-related,
- reputational.

The Group primarily considers energy-related risks – namely, those associated with energy generation and its transmission to facilities – as material physical risks. All risks were assessed across short-term (up to one year), medium-term (one to five years), and long-term (beyond five years) horizons. These horizons are aligned with the Group's overarching strategic planning framework. The undertaking has not set reduction targets nor initiated structured climate-related measures. Given the Group operates in the service sector, it perceives the only material challenge in adapting its current strategy to lie in its limited influence over property lessors with respect to energy and heat sourcing, their transition to low-emission models, and the related investment costs and reporting obligations. No need has been identified for the adaptation of the Group's products, services, or workforce. The Group has not identified the need to decommission any assets or improve access to financing for the upgrade of owned or leased facilities.

In conducting the climate resilience analysis of its strategy and business model, the Group relied on the following sources:

- Net Zero Emissions by 2050 scenario of the International Energy Agency (selected as the primary scenario due to its alignment with EU legislative objectives),
- TCFD Guidance on Scenario Analysis for Non-Financial Companies,
- IPCC Climate Change 2021: The Physical Science Basis.

(DP_id: E1.SBM-3_01)

Material climate-related impacts identified through the double materiality assessment:

- impact on climate change through greenhouse gas emissions.
- impact on ozone layer depletion due to the use of refrigerants in building air conditioning systems.
- impact on the consumption of natural resources through the use of energy (electricity, heat, and transport fuels) for operational purposes.

Material climate-related risks identified through the double materiality assessment:

Risk	Risk category
Inclusion of commercial buildings in the EU Emissions Trading System (ETS) may increase heating costs for sports and fitness facilities.	Transition
Costs related to the required implementation of low-emission technologies, including those for heating, transport, and energy-efficient equipment.	Transition
Increased electricity costs due to energy shortages resulting from adverse weather conditions (high temperatures, etc.) or legislative developments, such as the introduction of additional charges.	Physical
Increased likelihood of extreme weather events, which may result in asset impairment (for example, damage to sports and fitness facilities), operational disruptions, or other adverse effects.	Physical
Operational disruptions at facilities due to adverse weather events, such as heatwaves necessitating temporary closures and preventing employees from performing their duties.	Physical

Material climate-related opportunity identified through the double materiality assessment:

- Reduced winter heating costs in Europe due to a declining heating degree days index.

E1-2 Policies related to climate change mitigation and adaptation

[(DP_id: E1.MDR-P_01-06DR: E1-2 par. 24)] [(DP_id: E1.MDR-P_07-08DR: E1.MDR-P par. 62)] [(DP_id: E1.MDR-P_07-08DR: E1.MDR-P par. 62)] In 2024, the Group did not have a policy for the management of material impacts, risks and opportunities related to climate change mitigation. The absence of formal policies is attributable to the service-based nature of the Group's operations and its perception of primary impacts and dependencies as being predominantly within the social domain. Nevertheless, climate-related matters remain an area of focus for the organisation, primarily reflected in the monitoring of energy consumption and the implementation of measures aimed at its reduction. The Group plans to adopt a policy for the management of material impacts, risks and opportunities related to climate change mitigation in 2025.

E1-3 Actions and resources in relation to climate change policies

[(DP_id: E1-3_07)] In the absence of an applicable policy in 2024 for the management of material impacts, risks and opportunities related to climate change mitigation, the Group did not allocate resources for the implementation of a potential action plan. [(MDR-A_13) (MDR-A_14) The Group intends to undertake such actions in the medium term, following the adoption of the action plan. However, no decisions have yet been made regarding the specific measures to be implemented. As a result, it is currently not possible to identify the specific resources required for their execution. [(DP_id: E1-3_05)] At present, the undertaking does not allocate resources to the implementation of climate policy-related actions.

E1-4 Targets related to climate change mitigation and adaptation

[(DP_id: E1-4_01)] In 2024, the Group had no targets in place related to climate change mitigation or adaptation. [(DP_id: E1.MDR-T_14)] The undertaking has not defined levels of ambition, does not monitor progress or the effectiveness of actions, and does not have targets in this area. The Group plans to define such targets within a timeline to be determined in 2025.

E1-5 Energy consumption and mix

The Group does not operate in high climate impact sectors.

The undertaking assesses the severity of its impacts and evaluates the effectiveness of its actions by measuring energy consumption, including green energy, as well as by calculating its carbon footprint across all three scopes. This is carried out using approved and recognised methodologies (GHG Protocol) for carbon footprint calculation. Invoices are the primary source of data. Some data has been estimated using the financial method. The calculations are based on data and emission factors from reputable sources, which have not been independently reviewed by external experts.

Table 1. Total energy consumption and mix in 2024

	Unit	**Unit**
Total energy consumption	113,531.55	MWh
From fossil sources	72,851.14	MWh
Share of fossil sources in total energy consumption	88.85	%
From nuclear sources	0	MWh
Total renewable energy consumption	17,803	MWh
Share of renewable sources in total energy consumption	11.15	%
biomass	0	MWh
biofuels	0	MWh
biogas	0	MWh
renewable hydrogen	0	MWh
renewable electricity	6,717.909	MWh
renewable heat	0	MWh
renewable steam	0	MWh
renewable cooling	0	MWh
self-generated energy	0	MWh

E1-6 Gross Scopes 1, 2, 3 and total GHG emissions

The tables below present the results of the carbon footprint assessment across individual categories, with a breakdown into Scope 1, 2 and 3 emissions. Final figures and definitive values are provided in Table 5. The remaining tables serve a supporting function. A detailed description of the methodology is provided further on in this section. The calculations were prepared in accordance with the ESRS and the GHG Protocol, and cover all three scopes. Emission sources and corresponding emission factors, obtained from reputable sources, were taken into account. Where data were unavailable, values were extrapolated. Monetary emission factors were applied instead of physical ones where necessary. The data used for the calculations were sourced, among others, from purchase invoices and accounting records.

Table 1. Scope 1 and 2 carbon footprint: presents direct emissions and indirect emissions from purchased energy. Scope 2 emissions were calculated using both the location-based method (based on national average emission factors) and the market-based method (based on actual sources of purchased energy, including guarantees of origin).

Table 2. Share of Scope 1 emission sources: provides a detailed breakdown of direct emissions from operational activities.

Table 3. Share of Scope 2 emission sources: presents a detailed breakdown of emissions from purchased energy, using both the location-based and market-based approaches.

Table 4. Scope 3 carbon footprint by emissions category: presents indirect value chain emissions, including key categories in accordance with the GHG Protocol.

Table 5. Greenhouse gas (GHG) emissions in 2024 (location-based and market-based): provides a detailed breakdown of Scope 3 emissions by category and includes the organisation's total GHG emissions.

Table 6. Completeness of carbon footprint estimation: summarises the scope of the emissions estimation and identifies emissions that are optional or not included as standard under the GHG Protocol methodology.

Table 1. Scope 1 and 2 carbon footprint

Scope	Carbon footprint (tCO2e)	CO2 [t]	CH4 [t]	N2O [t]	HFC [t]	PFC [t]	SF6 [t]
Scope 1	2,781.7	2,771.727	0.193	0.017	0	0	0

Scope 2 (location-based)	41,661.11	-	-	-	-	-	-
Scope 2 (market-based)	41,415.54	-	-	-	-	-	-

The values in the table are expressed in tonnes of CO2 equivalent (tCO2e) for the total, and in tonnes for individual gases. Global Warming Potential (GWP) factors applied are in accordance with the IPCC Fifth Assessment Report.

The tables below present the share of individual Scope 1 and Scope 2 emission sources after extrapolation:

Table 2. Share of Scope 1 emission sources

Emission source	**Carbon footprint [tCO2e]**
Stationary combustion	2,041.308
Mobile combustion	740.394
Total	2,781.7

Table 3. Share of Scope 2 emission sources

Emission source	Carbon footprint (location-based) [tCO2e]	Carbon footprint (market-based) [tCO2e]
Electric energy consumption	33,738.99	33,493.43
Heat consumption	7,922.11	7,922.11
Total	41,661.11	41,415.54

Table 4. Scope 3 carbon footprint by emissions category

Category	Carbon footprint (tCO2e)	Share of total (%)
Category 1: Purchased goods and services	6,384.18	2.4%
Category 2: Capital goods	30,130.95	11.2%
Category 3: Fuel- and energy-related activities	16,270.7	6.0%
Category 4: Upstream transport and distribution	56.04	0.0%
Category 5: Waste generated in operations	410.97	0.2%
Category 6: Business travel	400.34	0.1%
Category 7: Employee commuting	5,412.89	2.0%
Category 11: Use of sold products	210,479.59	78.0%
Category 12: End-of-life treatment of sold products	223.59	0.1%
Total	269,769.25	100%

The values in the table were extrapolated based on the percentage of activities covered in the calculations.

Table 5. Greenhouse gas (GHG) emissions in 2024

	Unit	Baseline year (2024)
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions	Mg CO2e	2,781.31
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	%	0
Petrol	Mg CO2e	602.17
Diesel	Mg CO2e	138.23
Natural gas	Mg CO2e	2041.30

Scope 2 GHG emissions		
Gross location-based Scope 2 GHG emissions	Mg CO2e	41,661.11
Gross market-based Scope 2 GHG emissions	Mg CO2e	41,415.54
Scope 3 GHG emissions		
Total gross indirect Scope 3 GHG emissions	Mg CO2e	269,545.66
1 Purchased goods and services	Mg CO2e	6,384.18
2 Capital goods	Mg CO2e	30,130.95
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	Mg CO2e	16,270.7
4 Upstream transport and distribution	Mg CO2e	56.04
5 Waste generated in operations	Mg CO2e	410.97
6 Business travel	Mg CO2e	400.34
7 Employee commuting	Mg CO2e	5,412.89
8 Upstream leased assets	Mg CO2e	not applicable
9 Downstream transportation	Mg CO2e	not applicable
10 Processing of sold products	Mg CO2e	not applicable
11 Use of sold products	Mg CO2e	210,479.59
12 End-of-life treatment of sold products	Mg CO2e	223.59
13 Downstream leased assets	Mg CO2e	not applicable
14 Franchises	Mg CO2e	not applicable
15 Investments	Mg CO2e	not applicable

Table 6. Completeness of carbon footprint estimation

Total GHG emissions	Unit	Baseline year (2024)
Total Scope 1+2 (location-based) + Scope 3 GHG emissions	Mg CO2e	313,988.47
Total Scope 1+2 (market-based) + Scope 3 GHG emissions	Mg CO2e	313,742.90

Methodology

[DP_id: E1-6_15] [DP_id: MDR-M_02] [DP_id: MDR-M_04]

The calculation methodology covers Scope 1, 2 and 3 emissions. All calculations were carried out in accordance with the GHG Protocol guidelines, ensuring consistency with internationally recognised standards for greenhouse gas emissions reporting.

The calculations include the following emission scopes:

- **Scope 1** – direct emissions from assets such as offices, fitness clubs, and the vehicle fleet.
- **Scope 2** – indirect emissions from purchased electricity, heat, cooling or steam.
- **Scope 3** – other indirect emissions, including but not limited to the procurement of raw materials, capital goods, waste management, transport, employee commuting, business travel, and the use of sold products.

[DP_id: E1-6_29]

The Benefit Systems Group reports Scope 3 emissions with a breakdown by consolidated entities, non-consolidated entities, and those under operational control. Scope 3 emissions include both direct emissions resulting from the activities of the consolidated group, and indirect emissions associated with the activities of associates, joint ventures, and unconsolidated subsidiaries. Emissions from entities which are not under operational control were included to the extent of their impact across the upstream and downstream value chain.

The analysis covers the accounting period from 1 January to 31 December 2024. The baseline year for calculations is 2024, enabling consistency and comparability of data in future reporting cycles. The calculation boundary covers the entire Group, subject to the exceptions described below.

[DP_id: E1-6_15] The methodology for calculating the Scope 3 carbon footprint for 2024 is based on the application of a standard emissions formula:

$c_f = \Sigma\, f_i,j\ a_i\ g_j$

where:

- f_i,j represents the emission factor for a given activity (a_i) and greenhouse gas (g_j),
- a_i represents the activity (fossil fuel combustion, raw material consumption, etc.),
- g_j represents the global warming potential of the respective greenhouse gas.

Given that most Scope 3 emission factors are expressed in kilogrammes or tonnes of carbon dioxide equivalent (kgCO2e or tCO2e), the formula is simplified as follows:

$c_f = \Sigma\, f_i\ a_i$

In the calculation of CO2e emissions, the Group applies the most recent Global Warming Potential (GWP) values published by the IPCC, based on a 100-year time horizon. These GWP values are applied to Scope 1 and 2 emissions, as well as the majority of Scope 3 emissions. An exception applies to monetary factors, for which values from AR5 were used.

The calculations were based on the operational control approach (irrespective of ownership share), in alignment with ESRS requirements. The ESRS requirements are inconsistent with those of the GHG Protocol due to a different approach to temporal boundaries (it is necessary to account for the emissions of a subsidiary under operational control regardless of the duration of control).

Organisational boundaries and emission scopes

[DP_id: E1-6_26-27]

This report covers the following companies:

- Benefit Systems S.A., including the Fitness Branch,
- Vanity Style Sp. z o.o.,
- Benefit Systems International S.A. and FIT Invest International Sp. z o.o.

Emissions from foreign subsidiaries were estimated through extrapolation based on financial data.

Based on emissions estimates, the following companies were excluded due to immateriality (for associated companies, exclusion was based on an emission intensity factor derived from the Group's own Scope 1 and 2 emissions and Scope 3 Category 11 emissions for the Polish operations, equivalent to PLN 2,473.57m/ 174,759 tCO2e = 70.65 tCO2e/PLNm – despite the inclusion

of Scope 3 Category 11 emissions in this factor, the total estimated emissions of the excluded companies were significantly below 1%):

- Lunching sp. z o.o. – estimated emissions represent less than 1% of the Group's total emissions calculated based on 2023 revenue and using an emission factor for restaurant and hotel services (2,919.14605 tCO2e, or 0.974%). Emissions were thus deemed immaterial. To note, the company was under operational control for less than a full year. The emission factor applied, of 0.000121973263333163 tCO2e/PLN, was sourced from Exiobase 3.8.
- MultiSport Foundation – based on expenditure of PLN 3,789,200, estimated emissions totalled 114.9616 tCO2e, well below 1% of the Group's total emissions. The emission factor for recreational, cultural, and sports services, of 0.0000303392913708389 tCO2e/PLN, was sourced from Exiobase 3.8.
- Get-Fit Katowice II Sp. z o.o. – revenue for 2023 amounted to PLN 3,085,828.80. At a 20% ownership interest, this represents approximately 44 tCO2e, significantly below the 1% threshold.
- Instytut Rozwoju Fitness Sp. z o.o. – revenue for 2023 totalled PLN 26,393,595.05. At a 48% ownership interest, this represents 895.07 tCO2e, well below 1% of total Group emissions.
- Calypso Fitness S.A. – revenue for 2023 amounted to PLN 47,458 thousand. At a 33% ownership interest, this represents 1,106.47 tCO2e, significantly below 1% of Group-wide emissions.
- Wellbee Sp. z o.o. and Wellbee Therapy Sp. z o.o. – these companies were excluded due to their minimal contribution to Group revenue, representing less than 1% of total emissions. Their emissions were further deemed immaterial due to low volumes and the acquisition date of 19 November 2024.

The Group includes all 15 Scope 3 emission categories. However, certain categories have been assessed as immaterial in accordance with the ESRS methodology and are reviewed at least once every three years. Calculations were based on GWP100 values consistent with IPCC AR6, except for monetary emission factors, which were derived from AR5.

Following an operational review, all categories were assessed, and the following were identified as applicable:

- Category 1 – Purchased goods and services,
- Category 2 – Capital goods,
- Category 3 – Fuel- and energy-related activities (not included in Scope 1 or 2),
- Category 4 – Upstream transport and distribution,
- Category 5 – Waste generated in operations,
- Category 6 – Business travel,
- Category 7 – Employee commuting,
- Category 9 – Downstream transport and distribution,
- Category 11 – Use of sold products,
- Category 12 – End-of-life treatment of sold products.

The remaining categories were excluded due to the absence of activities that could result in emissions in those categories (for example, no emissions are generated during the use phase), and are therefore not subject to reporting (Categories 8, 10, 13, and 14). Due to the exclusion of associates, Category 15 was also excluded from the calculations (representing approximately 0.6% of the Group's total emissions). No refrigerant leaks were identified under Scope 1.

Data sources and calculation methodology

The data used to calculate greenhouse gas emissions were sourced from various inputs depending on the emission scope. The primary input data consisted of actual figures, including purchase invoices, accounting records, corporate data management systems, operational data, and employee surveys in the case of transport and travel-related information. A description of the Scope 3 categories included in the calculation, along with the respective calculation methods, is provided below.

- Category 1: Purchased goods and services – emissions were calculated based on the weight of raw materials and auxiliary materials, as well as purchase invoices. For services and purchases where weight data was unavailable, emissions were extrapolated using cost data and corresponding emission factors. Data sources included the accounting records and procurement systems of Benefit Systems S.A. and the Benefit Systems Fitness Branch of Warsaw.
- Category 2: Capital goods – emissions were calculated based on capital expenditure, using the same emission factors as in Category 1. 1. Data were sourced from financial reporting and accounting systems.
- Category 3: Fuel- and energy-related activities – calculations were based on fuel and energy consumption, with emission factors adjusted to reflect Polish conditions based on the national energy mix. Data sources included energy management systems and utility invoices.
- Category 4: Upstream transport and distribution – emissions were estimated based on transport distances and the weight of transported raw materials, using emission factors for various modes of transport. Data were sourced from logistics systems and transport invoices.
- Category 5: Waste generated in operations – calculations were based on the reported waste amount by weight (in accordance with ESRS E5) and assumed disposal methods (30% landfill, 70% recycling or energy recovery through incineration). Data sources included waste management systems and environmental reports.
- Category 6: Business travel – emissions were calculated based on data from the corporate travel management system, which included travel distances and modes of transport.
- Category 7: Employee commuting – data was collected through employee surveys, and emissions were calculated based on declared commuting routes and modes of transport. The percentage of emissions calculated using data obtained from

suppliers or other value chain partners was approximately 8.7% (reflecting the proportion of employees who participated in the survey).
- Category 9: Downstream transport and distribution – the methodology was consistent with that used for Category 4, accounting for transport distances and weight. Data was sourced from logistics systems.
- Category 11: Use of sold products – emissions were estimated based on the average consumption of electricity and heat per facility entry. Data sources included facility management systems and statistics on entries to partner clubs in Poland.
- Category 12: End-of-life treatment of sold products – calculations were based on the volume of sold products with the greatest weight and their likely disposal method, using emission factor databases for various waste processing technologies.

Emission factors and their sources

The data used to calculate greenhouse gas emissions were sourced from various inputs. The primary input data consisted of actual figures, including purchase invoices, accounting records, corporate data management systems, operational data, and employee surveys in the case of transport and travel-related information. A description of the Scope 3 categories included in the calculation, along with the respective calculation methods, is provided below.

[DP_id: E1-6_15] The table below lists the sources of emission factors used in the process for Scope 1, 2 and 3 emissions. Abbreviated document titles are used in the table:

- KOBIZE – 2023 emission factors for electricity, published in December 2024,
- DEFRA – Greenhouse gas reporting: conversion factors, July 2024,
- AIB – European Residual Mixes: Results of the calculation of Residual Mixes for the calendar year 2023, May 2024,
- URE – Heating industry figures for 2023, URE, January 2025,
- EPA – EPA 2025 GHG Emission Factors Hub, January 2025,
- Ecoinvent 3.11, Exiobase 3.8.

All data and emission factors were adjusted to reflect Polish economic and energy market conditions, taking into account exchange rate fluctuations and inflation.

Scope/Category	Data sources	Databases
Scope 1	Extracts from internal systems showing consumption of liquid, solid and gaseous fuels. Refrigerant leaks.	DEFRA 2024
Scope 2	Extracts from internal systems showing electricity and heat consumption. Where invoice data was unavailable, data concerning total facility consumption and floor area was used.	Location-based: KOBIZE (December 2024) Market-based: AIB (May 2024)
Category 1: Purchased goods and services	Extracts from internal systems detailing the weight of purchased raw materials. Extracts from the accounting system covering services and expenditure other than raw materials.	**Goods:** Ecoinvent 3.11 (physical factors), Exiobase 3.8 (monetary factors). **Services:** Exiobase 3.8 (monetary factors by service type).
Category 2: Capital goods	Capital expenditure listings for specific projects, property, plant and equipment, and low-value materials.	Exiobase 3.8 (monetary factors by investment type).
Category 3: Fuel and energy-related activities	Data for Scope 1 and 2 emissions, including energy distributed to other entities.	DEFRA (July 2024), AIB (May 2024), KOBIZE (December 2024), URE
Category 4: Upstream transport and distribution	Data on purchased raw materials, transport distances and transport modes.	Ecoinvent 3.11, DEFRA (July 2024)
Category 5: Waste generated in operations	Estimates of generated waste volumes.	DEFRA (July 2024), Teraz Środowisko statistics
Category 6: Business travel	Extracts from the corporate travel management system.	DEFRA (July 2024)
Category 7: Employee commuting	Employee survey responses.	DEFRA (July 2024)
Category 9: Downstream transport and distribution	Data on transport distances by raw material type.	Ecoinvent 3.11.
Category 11: Use of sold products	Data on electricity, heat and natural gas consumption by company-owned and partner-operated facilities.	DEFRA (July 2024), KOBIZE (December 2024)
Category 12: End-of-life treatment of sold products	National statistical data.	EPA emission factors for PET bottle recycling.

Data extrapolation

Table 6 below presents the emissions calculated during the estimation process. The column ‘Carbon footprint (extrapolated)’ shows emissions that were proportionally scaled where it was impossible to apply emission factors to all collected data (scaling was based on weight or value; for Category 7, it was based on employee participation in the survey). The percentage of activity covered by the calculations refers to the estimated share of emissions determined based on actual data, confirmed by invoices

(for the purchase of fuels, energy, materials), for which it was appropriate to apply emission factors. Given that data from foreign subsidiaries was highly fragmented, a decision was made to extrapolate emissions for the entire Group using activity data from Polish companies. Based on cost of sales, which is directly correlated with emissions from business activities, it was estimated that Polish companies account for 71.1% of Group emissions, with the percentage then used for extrapolation. This approach was applied because foreign subsidiaries operate under the same business model as Polish companies.

In certain individual categories, due to limitations in the availability of emission factors (Categories 1, 2, and 11), extrapolation was also required. The table below presents the carbon footprint before and after extrapolation, as well as the percentage of activity covered by the process, for which emission factors could be applied.

As part of the estimation process, results were divided by the share of Polish data (71.1%). Where it was not possible to apply emission factors to all collected data, results were divided by the product of category-specific completeness (for example, 86.3% for physical data) and the share of Polish data (71.1%), which meant dividing the result by 61.4% for the respective emissions category. For Category 7, the factor was determined as the proportion of employees who responded to the commuting survey relative to the total number of employees.

Table 6. Completeness of carbon footprint estimation

Scope	Category	Carbon footprint [tCO2e]	Carbon footprint (extrapolated) [tCO2e]	Share of Scope 3 [%]	Share of total [%]	Percentage of activities covered in calculations [%]
Scope 1	Direct emissions from own operations	1,977.79	2,781.70	-	0.9%	71.1%
Scope 2	Indirect emissions from purchased energy	29,446.45	41,415.54	-	13.2%	71.1%
Scope 3	Category 1: Purchased goods and services	3,919.89	6,384.18	2.4%	2.0%	Physical data: 61.4%, monetary data: 71.1%, services: 71.1%
Scope 3	Category 2: Capital goods	21,423.10	30,130.95	11.2%	9.6%	Physical data: 71.1%, monetary data: 71.1%
Scope 3	Category 3: Fuel- and energy-related activities	11,568.47	16,270.70	6.0%	5.2%	71.1%
Scope 3	Category 4: Upstream transport and distribution	39.84	56.04	0.0%	0.0%	71.1%
Scope 3	Category 5: Waste generated in operations	292.20	410.97	0.2%	0.1%	71.1%
Scope 3	Category 6: Business travel	284.64	400.34	0.1%	0.1%	71.1%
Scope 3	Category 7: Employee commuting	469.52	5,412.89	2.0%	1.7%	8.7% (number of employees: 8854)
Scope 3	Category 11: Use of sold products	143,336.60	210,479.59	78%	67.0%	68.1%
Scope 3	Category 12: End-of-life treatment of sold products	158.97	223.59	0.1%	0.1%	71.1%
Total		212,917.46	313,966.48	100%	100%	

The values in the table were extrapolated based on the percentage of activities covered in the calculations.

Approach to data extrapolation and reporting

[DP_id: E1-6_18-19] [DP_id: E1-6_21-23] Under the market-based approach to Scope 2 emissions reporting, the Group considers the percentage of energy purchased under contractual instruments such as guarantees of origin. Guarantees of origin accounted for 15.90% of Scope 2 emissions related to activities in Poland. For the Group's total Scope 2 market-based emissions – from both domestic and foreign operations – for which no guarantees of origin are available, the share of certified renewable electricity was 11.15%. This value was derived using the formula 15.90% × 70.1%, as emissions for foreign subsidiaries were estimated through financial extrapolation based on data from Polish operations. The Group has no bundled certificates (electricity purchased together with instruments such as guarantees of origin or renewable energy certificates), and 100% of energy is purchased on the market, with guarantees of origin acquired via the Polish Power Exchange (Towarowa Giełda Energii).

[DP_id: E1-6_25] The Group discloses the extent to which Scope 3 emissions are calculated using data originating from specific activities across the value chain, including upstream (prior to the delivery of the service/product) and downstream (at subsequent stages of the service/product life cycle). During the reporting period, less than 0.01% of Scope 3 emissions were calculated based on primary data obtained from suppliers or other value chain partners. This data related exclusively to cloud computing services.

[DP_id: E1-6_25] Scope 3 emissions in each category were calculated using a cost-based extrapolation approach, whereby actual operational data was supplemented with industry-specific emission factors. For foreign operations, emissions were proportionally estimated using emission factors for Poland, with an assumed 70.1% emissions share based on the Group's cost structure. Primary data obtained from suppliers and other value chain partners accounted for less than 0.01% of total Scope 3 emissions calculations and applied solely to cloud services.

The Group includes all 15 Scope 3 emission categories. However, certain categories have been assessed as immaterial in accordance with the ESRS methodology and are reviewed at least once every three years.

Data comparability and recalculation policy

[DP_id: E1-6_14] This marks the first reporting year in which the Group has aligned its disclosures with the ESRS, necessitating adjustments to the calculation methodology and the GHG emissions consolidation criteria. In previous years, the Benefit Systems Group calculated its carbon footprint in line with the GHG Protocol. However, the Scope 3 carbon footprint was not comprehensively calculated.

As Scope 3 is fully included as of 2024, and due to the methodological changes introduced, the comparability of GHG emissions between 2023 and 2024 is limited. Moreover, the Group's expansion driven by the acquisition of new facilities means that historical data cannot be directly compared with current results. Where material changes occur in the definition of the reporting entity or its value chain, the undertaking must disclose those changes and explain their impact on the year-on-year comparability of GHG emissions.

The Group has adopted a baseline year recalculation policy, under which recalculation is required where projected emission changes exceed 5%. Material changes in emissions that may trigger a recalculation include:

- changes in organisational structure, such as acquisitions, divestitures, or organisational restructuring,
- outsourcing or insourcing of emission-generating activities,
- modifications to the methodology for calculating the carbon footprint, improvements in the accuracy of emission factors, or refinement of activity data,
- improvement in the accuracy of emission factors, particularly in relation to market-based energy footprint calculations,
- identification of significant errors in prior calculations.

Methodological limitations

Despite the use of a robust methodology, certain limitations result from the availability of input data. Emissions from foreign subsidiaries were extrapolated based on the activity data of Polish companies, which was necessary due to incomplete information. For certain Scope 3 categories, particularly services and capital goods, monetary emission factors were applied in place of physical ones.

[DP_id: MDR-M_03] Emissions and emissions intensity data was not subject to independent verification by an external assurance provider.

E1-8 Internal carbon pricing

[(DP_id: E1-8)] As an undertaking operating in the services sector, which is not a high-emission sector, the Group does not apply internal carbon pricing mechanisms.

ESRS E3 Water and marine resources

Material water and marine resources-related impact identified through the double materiality assessment:

- Impact on water availability due to increased water stress.

Material water and marine resources-related risk identified through the double materiality assessment:

- Water use restrictions that may result in water shortages at own or partner-operated facilities, thereby limiting the availability of the Group's services.

No material opportunities related to water and marine resources were identified in the double materiality assessment.

E3-1 Policies related to water and marine resources

The Group had no policies related to water and marine resources in place in 2024. Operating in the services sector, the Group focused on the social aspects of its business and undertook only limited water-saving measures within its own facilities. In 2024, it carried out an assessment of its environmental impacts and dependencies, including those related to water. The timeline for adopting water-related policies is expected to be established in 2025.

E3-2 Actions and resources related to water and marine resources

In 2024, the Group had no action plan in place relating to water and marine resources. Operating in the services sector, the Group focused on the social aspects of its business and undertook only limited water-saving measures within its own facilities. The outcomes of the assessment will inform the development of a strategy incorporating relevant action plans.

E3-3 Targets related to water and marine resources

[(DP_id: E3.MDR-T_14-19DR: E3.MDR-T par. 81 a)]

In 2024, the Group had no water or resources-related targets in place. The Group is currently developing its approach in this area and analysing the implications of its dependencies on water and marine resources. Only upon completion of this process does the Group intend to decide whether to establish targets in 2025. Accordingly, it has not yet defined measurable ambitions or designated a baseline year.

E3-4 Water consumption

[(DP_id: E3-4_02-07)] The double materiality assessment identified water-related impacts associated with water withdrawal for operational and sanitary purposes. No material impacts, risks or opportunities were identified in relation to marine resources. The Group does not store, retain, or recycle water. It is assumed that 100% of the water withdrawn is equal to the amount discharged. For facilities located in Poland, approximately 80% of water withdrawal and discharge data is based on direct measurement from water meters or invoices. The remaining 20% is estimated by interpolation, using reference data from facilities of similar or identical floor area. For foreign facilities, all data has been estimated using a water use intensity ratio derived from Polish operations, amounting to 1.5 m³ per square metre of fitness club floor area. Due to its decentralised business model and the presence of numerous indirect intake points, the Group is currently unable to identify whether any of its water withdrawal occurs in areas of high-water stress, nor can it precisely determine the quality or quantity of water in the catchments supplying its operations.

[DP_id: MDR-M_01] [DP_id: MDR-M_02] [DP_id: MDR-M_03]

Estimated data are not subject to oversight, whereas data obtained from meters or invoices are verified by supervisory authorities in accordance with applicable regulations. At no stage are the presented data additionally verified by other parties.

[DP_id: E3-4_01]

	Value	Unit
Water withdrawals, including:	625,797	m3
Actual data	408,393	m3
Estimated data	217,404	m3
Water discharges, including:	625,797	m3

Actual data	408,393	m3
Estimated data	217,404	m3

[DP_id: E3-4_08] To calculate water intensity, net revenue of PLN 3,397 million was used. This amount was divided by the total volume of water withdrawn, amounting to 625,797 m³, resulting in a water intensity of 184.22 m³ per PLN million of net revenue, or 769 m³ per EUR million when converted at an exchange rate of PLN 4.17/EUR.

E5 Resource use and circular economy

Material impacts identified through the double materiality assessment:

- Impact on the depletion of natural resources due to the extensive use of materials for facility fit-out and equipment,
- Environmental impact resulting from the use, distribution, and sale of hard-to-recycle materials and products, such as promotional items, plastic membership cards, and food and workout supplements packaged in single-use containers, some of which are difficult to recycle,
- Potential impact on the volume of municipal waste released into the environment, due to waste generation and improper sorting by employees and users.

Material opportunity identified through the double materiality assessment:

- Implementing waste management practices that enable selective waste collection and recycling. This may include the use of appropriate recycling bins and the sale of products in recyclable mono-material packaging.

No material risks related to circular economy were identified during the double materiality assessment.

E5-1 Policies related to resource use and circular economy

(MDR-P_07) In 2024, the Group had no policies in place regarding resource use and circular economy. So far, the Benefit Systems Group has focused on social policies and initiatives, and therefore no dedicated circular economy policies have been established. The Group has followed a general principle of prudent resource management, favouring repairs (where feasible and permitted by safety regulations) over the procurement of new items of property, plant and equipment.

E5-2 Actions and resources related to resource use and circular economy

So far, the Benefit Systems Group has focused on social policies and initiatives, and therefore no dedicated circular economy policies have been established. The year 2024 marked the first time the Group conducted an assessment of its impacts related to circular economy. The outcomes of the assessment will inform the development of a strategy incorporating relevant action plans.

At present, the Group is progressively implementing measures to optimise resource use and waste management, thereby supporting the principles of circular economy. Existing initiatives focus on minimising material waste and maximising the reuse of materials. Considering resource inflows, including their utilisation, resource outflows linked to products and services, and waste generation, the Group undertakes the following actions:

- Promoting the reuse of products and resources – the Group has introduced a practice of reselling replaced sports equipment and finishing materials, thereby extending their lifecycle and reducing waste generation,
- Sustainable selection of office materials – in the interest of responsible resource use, the Parent primarily uses recycled printer paper and rechargeable batteries, eliminating the need for single-use AA and AAA batteries,
- Use of recycled materials – particularly in upgraded and newly established fitness clubs, including the use of partially refurbished equipment and machines, which contributes to the reduction of virgin raw material consumption and waste.

E5-3 Targets related to resource use and circular economy

The Group has not established formal, measurable targets in relation to resource use and circular economy, nor has it adopted qualitative or quantitative metrics to assess progress in achieving such targets and implementing related actions. The year 2024 marked the first time a resource use and circular economy assessment was conducted, representing a key milestone in the process of identifying impacts and, at the same time, the reason why targets have not yet been defined. The Group is currently assessing the consequences of the identified impacts and will determine the timing for setting relevant targets in 2025.

E5-4 Resource inflows

The analysis of material impacts, risks and opportunities (IRO), identified a material impact related to resource use, stemming from the fit-out and furnishing of sports and fitness facilities and the consumption of office materials, primarily paper. As the Group does not engage in manufacturing activities, it does not report detailed qualitative or quantitative data in this area.

The Group considers the following to be material resource inflows: paper, equipment, fit-out materials, and fitness machines used in fitness clubs. The Group follows two procurement pathways for sports and fitness equipment:

- the purchase of new equipment,
- the purchase of refurbished equipment from other fitness networks.

As a general rule, the Group fits out fitness club interiors with new materials. However, recycled raw materials may be used in their production – for example, rubber flooring made from processed rubber waste. The Group does not consider critical raw materials or rare earth elements to constitute material resource inflows within its operations.

E5-5 Resource outflows

[(DP_id: E5-5_01-05)] The Group identifies impacts in this area related to the generation of significant volumes of waste that are difficult to recycle. These impacts have been addressed by establishing conditions that enable selective waste collection, thereby mitigating negative environmental impacts and reducing associated costs. At the same time, the Group's operations are service-based rather than manufacturing-oriented, meaning it does not operate production facilities nor utilise materials or products that are key in industrial processes. As such, circular economy principles related to product design for durability, reusability, repairability, disassembly, or recyclability do not apply to the Group's operations. Given the Group's business profile and the non-material-intensive nature of its services, this disclosure is not applicable to its operations.

[DP_id: E5_12-17]

The Group, operating under a decentralised business model, conducts its operations through leased premises. The Group does not have direct access to data on waste generated in the course of its operations, as such waste is managed by the lessor. Accordingly, all data has been estimated based on literature sources (Szpadt, R., & Jędrczak, A. (2006). *Określenie metodyki badań składu sitowego, morfologicznego i chemicznego odpadów komunalnych*. *Kamieniec Wrocławski, Zielona Góra*, 110 pp.) and predefined assumptions. It was assumed that the Group's operations generate waste classified under code 20 03 01 – unsorted (mixed) municipal waste. No other waste types were included in the estimates. A bulk density of 0.103 Mg/m³ was applied, with weekly waste collection assumed per site. For every 1,000 m² of facility space, one 1,100-litre container was assumed, filled to 80% at the time of collection. As the Group does not possess detailed data on waste disposal, this component was estimated based on data published by Statistics Poland (GUS). It was assumed that no waste was generated in Turkey due to the absence of significant operational activities in that country (0 owned facilities). An exception to the methodology described above applies to the Group's central office, where data was sourced directly from the BDO waste database system.

[DP_id: MDR-M_01] [DP_id: MDR-M_02] [DP_id: MDR-M_03] Estimates were derived from recognised sources and were not subject to independent verification by external experts. Actual data is monitored by the Environmental Inspectorate in Poland and its counterparts in other countries.

[DP_id: E5-5_07-11]

Description	**Amount (2024)**	**Unit**
Total amount of waste generated	2,057.71	tonnes
Total amount of waste diverted from disposal	1,257.26	tonnes
Total amount of waste diverted from disposal	61.10	%
Total amount of waste directed to disposal	800.45	tonnes
Total amount of waste directed to disposal	38.90	%

Total amount of waste diverted from disposal	**Amount**	**Total amount of waste directed to disposal**	**Amount**
	tonnes		**tonnes**
Non-hazardous	1,257.26	Non-hazardous	800.45
preparation for reuse	0.00	incineration	16.46

recycling	549.41	landfill	783.99
other recovery (energy recovery)	707.85	other	0

[(DP_id: E5-6_15-16)] The Group does not generate waste classified as hazardous or radioactive. Therefore, such waste has not been included in the table.

Society

Own workforce

S1 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The Benefit Systems Group includes within the scope of its sustainability reporting all individuals within its own workforce who may be materially affected, namely:

- **employees** – all individuals employed under an employment relationship within the Group's companies,
- **associates** – individuals who are not employees but perform tasks or provide services under B2B contracts or civil-law agreements. The applicable policies and internal regulations governing the Group's own workforce are, as far as possible, applied uniformly, taking into account differences arising from the legal form of engagement. Associates are subject to these policies and regulations to the extent permitted by applicable law and the business model – for example, in the context of access to benefits offered by the Group.

The double materiality assessment identified material actual and potential impacts, risks and opportunities related to own workforce.

Identified impacts:

Area	Description of impact	Nature of impact
Secure employment	Impact on employment security, potentially leading to reduced employment stability, resulting from the use of civil-law or B2B contracts to engage associates at sports and fitness facilities.	Actual negative
Training and skills development	Impact on the development of associates through support provided to trainers and instructors at sports and fitness facilities in enhancing the knowledge and competencies necessary for the performance of their roles.	Actual positive
Occupational health and safety	Impact on the safety and health of employees and associates through procedures implemented at sports and fitness facilities.	Actual positive
Occupational health and safety	Potential impact on the health and safety of employees and associates due to the nature of their roles and working conditions, which may increase the likelihood of accidents or other adverse events associated with the performance of duties in sports and fitness facilities.	Potential negative
Occupational health and safety	Potential impact on the safety and health of employees and associates at sports and fitness facilities resulting from the direct or indirect delegation of tasks that may exceed their competencies or fall outside their defined responsibilities.	Potential negative
Work-life balance	Potential impact on the work-life balance of employees and associates at sports and fitness facilities due to frequent scheduling changes, insufficient time for consultation when such changes are introduced, and the incomplete implementation of dedicated communication tools (including the use of social media, which may not be universally accepted).	Potential negative
Work-life balance	Potential impact on the work-life balance of employees and associates at sports and fitness facilities due to the incomplete implementation of dedicated communication tools (including the use of social media, which may not be universally accepted).	Potential negative

Identified workforce-related risks:

Area	Risk description
Other work-related rights	The Group may be exposed to the risk of breaches of employees' and non-employees' right to privacy, particularly in relation to personal data protection and information security. Data breaches may lead to unauthorised access to sensitive information, such as HR data, and may result in legal, financial and reputational consequences.

Identified workforce-related opportunities:

Area	Opportunity description
Training and skills development	Investing in the development of employees and associates, leading to increased operational efficiency and service quality, thereby strengthening the Group's competitiveness.

The impacts, risks and opportunities outlined in this section are closely tied to the specific characteristics of the fitness industry and the operational model of the Benefit Systems Group. In addition to offering employers innovative solutions such as the MultiSport card, as well as the MultiLife and MyBenefit programmes, the Group also operates a network of owned fitness clubs. Responsible fitness club management and a strong focus on occupational safety and health, are integral to the Group's operations and are reflected in the objectives and initiatives described in this section. Currently, the effects of these impacts, risks and opportunities do not require fundamental changes to the business model, but they highlight the need to further strengthen the management of selected topics.

The double materiality assessment did not identify any risks associated with forced labour or child labour within the Group's own operations. The Group complies with applicable labour legislation, including regulations concerning the employment of minors, in all countries where it operates. Furthermore, under the IRO assessment, areas such as social dialogue, diversity, adequate wages, pay gap, and social protection were not considered material. Nevertheless, these areas continue to be monitored and addressed as part of the Group's ongoing commitment to continuous improvement and compliance with applicable standards.

The Group companies have a positive impact on employees and associates through the actions described in section S1-4.

Due to the absence of a formally adopted climate transition plan, the Group does not report information on its impact on own workforce.

S1-1 Policies related to own workforce

The Group's strategic approach to responsible management is outlined in the ESG Strategy for 2024–2026 under the Society pillar, across the following priorities:

- Activity and engagement
  - We activate and engage
- Well-being and education
  - We support well-being
  - We respect diversity
  - We share knowledge

The Group has not implemented formal, uniform, and consistent HR policies, rules, or procedures addressing the management of impacts, risks, and opportunities related to its own workforce across all Group companies. However, a number of workforce-related policies, internal rules, and procedures are in place at the level of individual companies within the Group, and are aligned with the material matters identified.

Key policies, regulations and procedures governing matters related to own workforce

Material impact identified during the double materiality assessment	[S1.MDR-P_01-06] [S1-1_01] Regulations addressing the impact	MDR-P_02 Scope of regulation	[S1.MDR-P_01-06] Key content	Responsibility
Training and skills development	Planning and implementing training activities	Parent, covering employees and associates	Defines the rules for planning and implementing training activities, the training budget, and the organisation of internal and external training sessions.	HR Director/ HR and Administration Director
Occupational health and safety	A set of OHS procedures and regulations	Benefit Systems Group, covering employees and associates	Group companies comply with Labour Code requirements for occupational health and safety – new employees and associates receive onboarding training, and regular refresher training is provided. Available materials include safe-use instructions for office equipment, fire safety guidance, and first aid procedures. Job-specific instructions, accident response procedures, and occupational risk assessments are in place.	Head of HR

			[(DP_id: S1.MDR-P_06)] Safety-related guidelines and training materials are made available via the intranet.	
Privacy	Personal Data Protection Policy	Parent (internal data protection regulations are also in force in other Group companies, in line with applicable legislation)	Establishes the rules for processing personal data in compliance with applicable regulations, particularly the GDPR, including rules ensuring data security.	Head of Legal
Work-life balance	Agreement on the determination of working time schedules Remote Work Rules	Parent	Working time agreements allow employees to choose their start time. Define the principles for performing remote work (either fully or partially).	HR Director/ HR and Administration Director
Secure employment	Work rules, structured process for hiring new employees, and position change procedures.	Parent	Regulations governing workplace organisation and conduct between employer and employee.	HR Director/ HR and Administration Director

Occupational health and safety and personal data protection matters concerning employees and associates are regulated at the level of individual Group companies, with their respective management boards responsible for implementing the relevant policies.

The Parent conducts regular surveys to assess employee opinions and expectations. Alongside applicable legal provisions, these insights form the basis for introducing changes to the rules governing the Company's operations. Works councils operate within Group companies, which are involved in consultations and decision-making regarding working conditions and employee-related matters.

Information about the policies, regulations, and rules in force within Group companies is available via internal intranet systems.

The regulatory framework applicable to suppliers, including requirements related to forced labour and occupational safety, is described in subsection G1-2 of the section *'Business conduct'*.

Accident prevention

The Group has not adopted a uniform, formalised accident prevention policy. However, Group companies have implemented procedures that include, among others, workplace accident analysis, the development of measures to minimise the risk of incidents and their recurrence, and procedures for responding to accidents or terrorist threats. Additionally, the Parent applies workstation-specific instructions and risk assessment sheets that support the identification and mitigation of potential hazards. OHS Officers operating within Group companies are responsible for monitoring compliance with OHS regulations and the effectiveness of related measures. Safety management systems are particularly well developed in the Polish and Czech companies. In other countries, health and safety matters are governed by basic instructions/procedures or outsourced to external service providers.

Human rights

No formal human rights policy has been adopted at the Group level. However, in 2024, the Parent Benefit Systems S.A. commenced work on the implementation of a due diligence policy called the Benefit Systems Group Responsible Business Conduct Policy, which is scheduled for adoption in 2025. Nonetheless, the Group companies observe human and labour rights in their day-to-day operations.

The Group recognises that the UN Guiding Principles on Business and Human Rights directly reference the International Bill of Human Rights (which includes the Universal Declaration of Human Rights and both International Covenants on Human Rights) and the ILO Declaration on Fundamental Principles and Rights at Work, along with its core conventions.

At present, the Group's formal references in its documents include:

- Universal Declaration of Human Rights (UDHR),
- International Labour Organization (ILO) conventions, as explicitly mentioned in the Benefit Systems Group Code of Ethics – BS Way. The Group declares its respect for human rights and labour rights, acting in accordance with the UDHR and the ILO conventions.

In practice, through the implementation of the Code of Ethics, various internal procedures (for instance, anti-bullying procedures, work rules and remuneration policies), and the whistleblowing system, the Group largely adheres to the principles set out in the UN Guiding Principles, the ILO Declaration, and associated conventions.

The work and remuneration rules ensure appropriate working conditions for all employees, in line with fundamental ILO standards, including occupational health and safety, working hours, and fair pay practices. In this respect, the Group aims to provide stable and transparent employment conditions, aligned with best market practices.

The Group strives to make sure that all individuals providing work to the Group are treated with respect and in accordance with their rights to privacy, tolerance, equality, and dignity. The Group ensures a safe and healthy work environment, supports the development of employees' professional competences, and promotes social education. The organisation protects sensitive data and does not engage in child or forced labour under any circumstances.

Benefit Systems S.A. has adopted the Diversity, Equity and Inclusion (DEI) Policy, which outlines and defines the key directions of action in building and supporting a diverse and inclusive organisation. In the DEI Policy, the Company has committed to fostering a culture of diversity and equal treatment, and to cultivating a culture of belonging for all employees, regardless of sexual orientation, gender identity, age or origin. The implementation of the DEI Policy was preceded by an extensive process involving various groups of employees and associates. Regulatory matters were addressed through workshops, research, focus groups, and surveys.

Good practice guidelines for addressing cases of workplace bullying and discrimination are in place to ensure that employees understand the procedures to follow and know whom to contact should any concerning situation arise. These guidelines include, among other things:

- the appropriate reporting channels,
- the required information for submission,
- the procedural steps following the submission, and
- the composition of the team appointed to investigate the allegations.

For nearly a decade, the Parent has delivered training on anti-discrimination policies and practices, which are also included in onboarding programmes. Diversity and anti-discrimination are also addressed in training for management and recruitment teams. In 2024, educational initiatives were undertaken covering neurodiversity, ADHD, and depression.

A Social Committee also operates within the Company, aimed at supporting employees from various at-risk groups who may be experiencing hardship, as well as individuals facing financial or family difficulties. The Group companies clearly state that they do not tolerate any form of discrimination, and that its prevention is an integral part of the Work Rules, Code of Ethics, and other internal documents referenced in this section. Discrimination is prohibited on grounds of race, gender, age, disability, sexual orientation, religion, national origin, marital status, political beliefs, or other personal characteristics.

The Group has implemented a whistleblowing system, where each report initiates an investigative procedure. Where violations are confirmed, appropriate remedial measures are taken, including disciplinary action against those responsible.

Complementary policies and procedures enabling the monitoring of compliance with the Group's commitments are further detailed in the section *'Business conduct (G1)'*.

Policies and procedures on recruitment, promotion and professional development

The Company's recruitment, internship, training, and promotion processes are based on qualifications, competencies, and experience. These principles are clearly defined in internal documents such as Recruitment and Selection Process, Internal Recruitment Good Practices, and Recommendation Campaign – Good Practices. These processes are supported by training and workshops for managers and recruitment teams to reinforce principles of equal treatment and to mitigate unconscious bias during recruitment.

The Company maintains systematic records of recruitment, training, and promotions to ensure a transparent view of development and career opportunities within the organisation. Job postings are made available to employees and associates via the corporate website and the intranet. All recruitment processes are recorded in the electronic system.

Skills development and training programmes

Benefit Systems S.A. has a training planning and implementation process in place, which sets out the rules for budgeting, organising, and evaluating training activities. Training programmes include both Group-wide initiatives and tailored development activities for individual departments. Employees and associates may submit individual requests to participate in training, and each department is able to allocate a separate budget for the development of its team's competencies.

All employees and associates of the Parent are required to participate in mandatory ethics and compliance training, which covers the Code of Ethics, anti-corruption policies and guidelines on avoiding conflicts of interest.

S1-2 Processes for engaging with own workforce and workers' representatives about impacts

The Benefit Systems Group has not implemented uniform procedures for engaging with employees and associates. Each Group entity applies its own approach in this regard, taking into account local needs and available resources.

Process to identify impacts, risks, and opportunities

The Benefit Systems Group engaged its own workforce, an external consultancy, and representatives of various stakeholder groups in the double materiality assessment process. As part of the process:

- Surveys were conducted in all countries in which the Group operates, along with in-depth interviews,
- The results were analysed and presented during a series of workshops attended by employee representatives from various departments across the organisation,
- In one of the workshops, actual and potential negative impacts on human rights were assessed, including impacts affecting employees and associates.

The Group did not identify any individuals within its own workforce who may be particularly vulnerable to impacts or marginalised.

In October 2024, the list of material matters resulting from the assessment was also shared with employee representatives. This provided them with access to information on priority topics and the opportunity to express their views or propose amendments.

This approach enabled the Group to take into account the perspectives of employees and associates in identifying ESG priorities, including those related to its own workforce. The participation of the workforce in future updates of the double materiality assessment is planned for subsequent years.

Types of engagement with own workforce

In the Parent and other Group companies, the views of individuals performing work are taken into account in decision-making processes concerning key employment matters. Responsibility for this area in the Parent lies with the Management Board member responsible for Human Resources. The organisation consults its own workforce on policies, operational activities and procedures relating, among others, to working conditions, employee benefits, and occupational safety. In some companies, the opinions of employees and associates are gathered as early as the preparatory phase of regulations and throughout their implementation or the modification of existing provisions.

In certain Group companies, including Benefit Systems S.A. and VanityStyle sp. z o.o., works councils have been established. In companies without formal consultative structures, open communication and the inclusion of employee feedback in decision-making are maintained. Cooperation with the works council at Benefit Systems S.A. is conducted through various communication channels, such as in-person meetings, email correspondence, and videoconferencing. In cases requiring the works council's formal opinion, the Company requests an official position– for example, with regard to the implementation of internal whistleblower regulations, the selection of a medical services provider, or decisions on granting financial assistance under the MultiUczynek projects. The Parent assesses the effectiveness of employee engagement using the Pulse Check tool, which is designed to evaluate employee sentiment, satisfaction, and engagement. One of the metrics considered is the percentage of employees participating in the survey.

Engagement with own workforce may occur at different stages of the process:

- prior to implementation (preparatory phase),
- during the implementation of changes (implementation phase),
- and after implementation (evaluation and potential adjustment phase).

Examples of own workforce engagement within the Group in 2024:

- Surveys – used across multiple Group companies to gather feedback from employees and associates (including the annual internal survey conducted by the Parent – Pulse Check),
- Meetings – the opportunity to submit comments and ask questions is also available during quarterly town hall meetings and semi-annual evaluation meetings. Feedback is also collected on an ongoing basis during weekly team meetings,
- Zoom on Business meeting series – during which specific business areas are presented and discussed, ranging from product strategy and HR management to financial results, sales, communications, and technology solutions. In 2024, seven such meetings were held, including with the Management Board of the Company. On average, nearly 500 employees attended each meeting,
- Whistleblower procedures – operating continuously,
- Direct conversations and an open-door policy – applicable to both HR departments and management boards, applied across most Group companies with no formal frequency limits,
- General meetings, HR department email communications,
- Webinars and workshops – organised based on current needs.

Irregularities can be reported through dedicated channels, and feedback provided by employees is used by line managers to support decision-making processes.

Resources supporting engagement in decision-making processes:

- The role of the management boards of individual Group companies in approving key procedures, the involvement of HR departments and the ESG department,
-
- Use of internal and external tools (surveys, workshops, whistleblower platforms).

Results of engagement

The information collected through surveys, workshops, or whistleblowing procedures is recorded and analysed by dedicated units, such as the HR department, the management boards of individual Group companies, project teams, or the Ethics Committee (in cases involving suspected violations). Feedback from employees is subsequently used to inform day-to-day operational decisions (for example, shaping employee benefits), as well as strategic matters, such as determining ESG priorities within the double materiality assessment. In practice, this means that once feedback is gathered and analysed – regardless of whether it derives from surveys, workshops, or whistleblowing channels – Group companies are able to make adjustments to their processes. In the Parent, key business decisions are presented and discussed during quarterly town hall meetings or weekly team meetings.

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

General approach

The Benefit Systems Group seeks to ensure that when its activities, or those of its subsidiaries, cause or contribute to material adverse impacts on people in its own workforce, appropriate remedies are provided. The aim is not only to mitigate consequences and provide adequate support to affected employees and associates, but also to implement solutions that prevent the recurrence of similar incidents in the future. Depending on the nature of the negative impact, remediation processes are coordinated by various units, including the HR department, and OHS Officers. The Ethics Committee monitors the remediation processes.

Negative impacts may be identified through several channels, including:

- formally established whistleblowing channels, occupational health and safety reports, submissions to HR, etc.,
- regular employee surveys (such as Pulse Check),
- direct engagement with employees and associates (through workshops, Zoom on Business sessions with the Management Board, consultations with line managers and works councils),
- monitoring patterns and repeated occurrences (for example, analysing root causes of work-related accidents).

Remedial measures are tailored to the type and scale of the issue and may include:

- amending internal procedures and rules,
- introducing organisational changes,
- disciplinary action against those responsible for violations.

In 2024, the Group did not have a uniform, formalised process for evaluating the effectiveness of remedial actions across all companies. However, the existing processes in each company enabled effective responses to reported cases, their analysis, and the implementation of appropriate corrective measures. The effectiveness of such measures is monitored at the operational level by:

- analysing the number and recurrence of concerns raised,
- tracking employee and associate satisfaction via recurring surveys,
- analysing occupational health and safety metrics (for example, reduction in the number of accidents and near misses).

Whistleblowing

Employees and associates within the Group may report irregularities through the following channels:

- by reporting violations of law as defined in the Whistleblower Protection Act (for details, please refer to the section *'Business conduct'*),
- by submitting concerns related to employee matters such as workplace bullying or discrimination. Depending on the Group company, such reports may be submitted to HR departments, works councils, or via dedicated email addresses.

The Parent has implemented a detailed anti-bullying procedure, under which reports must be submitted in writing or electronically and signed with the full name of the reporting person. Upon receipt of a report, an independent review panel is appointed,

composed of an employee representative, a person designated by the employer, and an individual designated by the reporting person. This process ensures impartiality and confidentiality.

Each report initiates an investigation procedure conducted by the appropriate HR units. Depending on the nature of the case, the following actions may be taken:

- appointment of an investigative team —for example, in cases involving allegations of bullying or discrimination,
- interviews with the reporting person, witnesses, and the individual named in the report,
- assessment of the report's validity and formulation of recommendations for further action,
- implementation of remedial actions, including warnings, transfers to other positions, or – in extreme cases – termination of employment.

In most of the Group companies, in accordance with regulatory requirements on whistleblower protection, mechanisms have been implemented to raise awareness among employees and associates regarding the availability of reporting channels for violations of legal provisions listed in Art. 3.1 of the Whistleblower Protection Act, or in accordance with applicable local regulations in foreign subsidiaries. Information on these mechanisms is provided during onboarding training for each new hire. Additional informational materials are distributed via email and internal IT systems.

As part of the double materiality assessment conducted in 2024 for the Parent and selected Group companies, information was obtained regarding the effectiveness of communication on whistleblowing channels. In selected subsidiaries, this matter is also evaluated through employee satisfaction surveys.

When raising concerns or needs, members of own workforce may also use the engagement mechanisms described in the section *'S1-2 Processes for engaging with own workforce and workers' representatives about impacts'*.

Remediation of material negative impacts

The only actual negative impact identified during the double materiality assessment relates to the form of employment of associates in sports and fitness facilities. It was recognised that the employment model may adversely affect the job stability of associates (instructors, trainers, etc.) due to lower levels of legal protection and a reduced sense of security.

Currently, the Group does not have a dedicated solution that directly addresses this impact. However, Group companies maintain transparent communication practices to ensure that the nature and terms of engagement are clearly communicated at the recruitment stage. The limited ability to mitigate this impact stems from the widespread preference among individuals (trainers and instructors) for flexible forms of employment that allow them to provide services to multiple employers.

The mitigation of potential negative impacts is described in the section *'S1-4 Taking action on material impacts on own workforce'.*

Work-related accidents

The Parent has implemented clearly defined procedures for addressing work-related accidents, commuting accidents, near misses, and work-related ill health. All such incidents are subject to formal reporting and analysis in order to provide appropriate support and implement preventive measures.

Accident reporting channels:

- In Benefit Systems S.A., the person affected by a work-related accident (or a witness) is required to immediately notify their line manager. The line manager reports the incident to the OHS unit and submits a written report via email.
- In the Fitness Branch, work-related accidents are reported via the Fitmeet platform. The line manager of the affected individual completes a dedicated form, which is then forwarded to the designated OHS representative.

The root causes of work-related accidents are regularly analysed. Based on these assessments, appropriate preventive measures are identified, particularly with reference to the occupational risk assessment for the relevant position. Remedial actions may include changes to health and safety procedures, additional training, or modifications to work organisation or equipment.

In subsidiaries operating outside Poland, work-related accident procedures are adapted to local legal frameworks. Depending on the country, health and safety responsibilities may lie with an external workplace safety service provider or a designated internal specialist.

Regardless of the model in place, all work-related accidents must be promptly reported to the relevant line manager, who then notifies the HR department. Companies are required to maintain documentation both for the purpose of incident investigation and to support any entitlements (such as medical support or compensation). In some countries, dedicated workplace health and safety committees are established, and incidents are recorded in internal logs or registers. These processes are typically coordinated with HR, in-house legal counsel, or other authorised units.

S1-4 Taking action on material impacts on own workforce

In 2024, the Group companies addressed selected material impacts, risks, and opportunities related to their own workforce. Insights into these impacts, risks, and opportunities were obtained through the double materiality assessment carried out in 2024, which the Group treats as a point of departure for identifying areas requiring action on the part of area owners and the Group companies in subsequent years.

Data on the effectiveness of some actions, particularly those of an ongoing and operational nature, are not monitored. Effectiveness indicators for training, health and safety, and work-life balance are provided in sections S1-13, S1-14, and S1-15.

Training and skills development

In 2024, the Group implemented onboarding programmes, thematic training, and development workshops for new and current employees. Some companies are planning to expand their training offer to include mentoring programmes and the promotion of internal mobility.

Key initiatives:

- Management training – targeted at middle and senior management, aimed at enhancing managerial competencies and improving the quality of task delegation. Effectiveness is monitored through evaluation surveys and the analysis of HR reports concerning incorrect task assignment,
- Champions League mentoring programme – an initiative facilitating the transfer of knowledge through mentoring provided by experienced employees to colleagues with shorter tenure,
- Thematic and competency-based training – employees may participate in courses aimed at developing technical, soft, and language skills,
- Webinars and training on diversity and inclusive leadership – conducted in cooperation with experts, including the Mamy Podobnie foundation, aimed at raising awareness of neurodiversity and inclusive team management,
- Co-financing of undergraduate and postgraduate studies – financial support for formal education. Priority is given to employees who do not manage or supervise others (such as assistants, junior specialists, specialists, and senior specialists),
- Career paths are being gradually implemented within individual teams to support employees in understanding promotion and development opportunities. These paths define the steps, skills, and experience required, and clearly outline expectations for candidates seeking higher-level positions. Individual development plans, developed jointly with the line manager and the HR Department, enable employees to identify specific actions they may undertake to achieve their professional objectives.

All training programmes are implemented on a continuous basis, with regular updates tailored to the evolving needs of the organisation.

Occupational health and safety

Occupational health and safety remains one of the Group's key priorities. Implemented measures focus on minimising the risk of work-related accidents, improving safety standards, and ensuring appropriate working conditions for employees and associates.

Key initiatives:

- Occupational risk monitoring and workstation ergonomics – regular risk assessments and the implementation of preventive measures. Health and Safety Officers conduct regular audits, with findings supporting the adjustment of safety measures to the specific nature of each role,
- Occupational health and safety training – mandatory for all employees and associates, conducted both periodically and as part of the onboarding process,
- Manager training and regular monitoring of task allocation – in sports and fitness facilities, tasks are occasionally delegated that may exceed the core competencies of staff. To address this, the Group plans to expand training programmes tailored to the operational realities of fitness clubs and enhance operational supervision to ensure alignment between assigned tasks and the qualifications of employees and associates.

Occupational health and safety activities are implemented on an ongoing basis, with periodic reviews of the effectiveness of the procedures in place. The effectiveness of these initiatives is monitored through analysis of incident reports and health and safety records. Quantitative data related to health and safety are provided in section S1-14.

Work-life balance

The Group actively promotes work-life balance, recognising it as a critical factor supporting the well-being and engagement of employees and associates.

Key initiatives:

- Class schedule consultation system – implemented in fitness clubs to improve shift predictability and facilitate better planning of personal time. The Group is planning improvements in working time management, including the development of tools to support schedule planning and the introduction of more advanced consultation processes to enhance flexibility and better align shift schedules with the needs of employees,

- Transparent communication with candidates – during the recruitment process, candidates are informed about the flexibility of schedules and the specific nature of shift-based work in fitness clubs.
- Subsidies for childcare (nurseries and kindergartens),
- Remote work opportunities in justified cases,
- Psychological support and well-being programmes,
- Healthy meals and on-site fitness activities.

In 2024, the Group initiated work on an internal well-being strategy to define its priorities regarding the well-being of its own workforce and to monitor the effectiveness of related initiatives. The strategy is expected to be finalised in 2025, and its outcomes will inform subsequent actions supporting work-life balance. Quantitative data on work-life balance are presented in section S1-15.

Secure employment

The cooperation model in parts of the organisation, based on civil-law agreements and B2B contracts, provides flexibility but may be perceived as less stable. In response, the Group ensures transparent communication during the recruitment process so that candidates are fully informed of the terms of the engagement. Plans are in place to analyse the feasibility of introducing additional support mechanisms for individuals engaged under these forms of employment, with the aim of strengthening their sense of job security.

Privacy

Ongoing initiatives:

- Mandatory IT security and personal data protection training for all employees and associates, conducted regularly to increase awareness of risks and implement best practices for privacy protection. The introduction of periodic refresher training for the entire organisation is planned.
- Dedicated persons (such as data protection officers, security officers) oversee the proper operation of the processes.

Challenges and planned initiatives:

In the area of internal communication, a challenge remains the use of informal channels, such as social media groups, by associates at sports and fitness facilities. To address this issue:

- managerial training on effective communication is conducted,
- official communication tools, such as the intranet and the Teams application, are promoted,
- plans are in place to intensify the promotion of dedicated communication tools at sports and fitness facilities in order to strengthen their effective use and limit the reliance on informal communication channels.

Activities related to privacy protection and cybersecurity are carried out on an ongoing basis. The further implementation and promotion of communication tools at sports and fitness facilities is planned for the short- to medium-term horizon.

Process for selecting appropriate actions

Some initiatives aimed at supporting employees are based on feedback obtained through the employee and associate satisfaction survey conducted by Benefit Systems S.A. and the Fitness Branch. The results of the survey are analysed and used to support organisational changes, followed by focus workshops, where employees propose initiatives and suggest modifications. In the Parent, employee feedback is also collected through the annual Pulse Check, which assess employer actions, employee needs, and expectations. The results are anonymous, and the information gathered is used to refine activities. Additionally, matters related to remuneration, benefits, and working conditions are consulted with the Works Council. Regular satisfaction surveys, individual conversations, and key performance indicators, such as turnover, productivity, and benefit uptake, enable the Group to monitor the effectiveness of measures targeting employees and associates.

In 2024, the Group did not identify a need to implement remedial actions in connection with actual material negative impacts on employees or associates, due to the absence of reported incidents and the lack of material consequences requiring redress. The Group does not have any data that would enable it to report additional information for 2024 regarding how it ensures that its practices do not cause or contribute to material negative impacts on its own workforce. In the absence of a formally adopted climate transition plan in effect in 2024, the Group does not report in this statement on measures undertaken to mitigate any adverse impact of such a plan on its own workforce.

Risks related to privacy and data security, consistent with those identified in the double materiality assessment, are integrated into the Group's risk management system.

Resources

To manage material impacts on employees and associates, the Group relies on internal resources and external support. Internal resources include:

- financial resources – budgets allocated for training, professional development programmes, wellness workshops, and initiatives related to occupational health and safety and employee engagement,
- human resources – HR teams responsible for coordinating training and development activities, including the organisation and implementation of initiatives supporting professional growth and employee well-being.
- technological resources – e-learning platforms, systems supporting training processes, and technological infrastructure enabling the execution of HR-related activities.

Additionally, selected HR and training projects are supported by external consultants.

Examples of expenditures related to sustainability initiatives in the workforce area:

Material topic	Main objective	Supporting objective	Budget implemented in 2024	Budget for 2025	CapEx/OpEx
Training and skills development	Maintain the average number of training hours per employee in the Group at no less than 26 hours annually over a three-year period.	Increase by 5% the proportion of surveyed employees who consider the Group an employer that supports their professional and personal development (increase within three years compared to the 2024 baseline).	PLN 3.2 million	PLN 3.7 million	OpEx
Work-life balance	Introduce solutions that support work-life balance.	Increase by 5% the proportion of surveyed employees who consider the Group an employer that supports the work-life balance of its employees (increase within three years compared to the 2024 baseline).	PLN 820,000	PLN 1,120,000	OpEx

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Benefit Systems Group's ESG Strategy for 2024–2026 includes key topics related to own workforce that were identified as strategic prior to the double materiality assessment conducted in accordance with ESRS requirements. The year 2024 has been adopted as the baseline, and the target implementation period extends until the end of 2026. Baseline values for the targets will be derived from data available as at the end of 2024, which will be fully analysed after the publication of the sustainability report. The presentation of results for 2024 and 2025 and their comparison will be possible in the 2025 statement. The supporting targets are expressed in relative terms. The strategy is scheduled to be updated in 2025 following the completion of the first reporting cycle in accordance with the new ESRS standard, and based on the results of the double materiality assessment, gap analysis, and ESRS requirements concerning the measurability of targets.

ESG strategy targets related to material workforce-related topics

Material topic	Material sub-topic	Commitment	Main objective	Supporting objective	Metric
Equal treatment and opportunities for all	Training and skills development	Educate and provide employees with the space for individual professional and personal development	Maintain the average number of training hours per employee in the Group at no less than 26 hours annually over a three-year period.	Increase by 5% the proportion of surveyed employees who consider the Group an employer that supports their professional and personal development (increase within three years compared to the 2024 baseline).	Metric: increase in employee proportion
Working conditions	Work-life balance	Support the maintenance of work-life	Introduce solutions that support work-life balance.	Increase by 5% the proportion of surveyed employees who consider the Group an employer that	Metric: increase in employee proportion

		balance for employees		supports the work-life balance of its employees (increase within three years compared to the 2024 baseline).	

The objective to educate and provide employees with the space for individual professional and personal development is linked to the Training Planning and Implementation Process, Recruitment and Selection Process, and Internal Recruitment Good Practices.

The methodology for developing the ESG strategy is described in detail in the section *'General information'*.

The process for monitoring policies and the effectiveness of actions related to those material topics for which output-oriented targets have not been defined covers areas such as:

To date, no targets have been defined for the following material topics concerning employees and associates: occupational health and safety, secure employment, and the risk of breaches of workforce privacy. These areas are currently managed as part of existing policies and actions. The decision to add dedicated targets will be taken during the 2025 ESG strategy update.

In the area of health and safety, the main indicators used include the number of accidents and near-miss incidents (analysed under post-accident procedures). The privacy area is monitored through the tracking of incidents and personal data breach notifications. No ambition levels have been set for the aforementioned areas.

S1-6 Characteristics of the undertaking's employees

The analysis includes only individuals employed under an employment contract and in an active employment relationship as at 31 December 2024. The reported figures are not converted into full-time equivalents (FTE).

Table 1. Total number of employees by gender

Gender	**Number of employees (headcount)**
Male	898
Female	1,539
Other	0
Not disclosed	0
Total	**2,437**

Table 2. Total number of employees by country

Country	**Number of employees (headcount)**
Poland	1,240
Czech Republic	471
Slovakia	206
Bulgaria	321
Croatia	71
Turkey	128

Table 3. Total number of employees by type of contract, working time, and gender

Category	Gender				Total
	Female	Male	Other	Not disclosed	
Number of employees (headcount)	1,539	898	0	0	2,437
Permanent employees (headcount)	993	586	0	0	1,579
Temporary employees (headcount)	157	116	0	0	273
Non-guaranteed hours employees (headcount)	80	23	0	0	103
Full-time employees (headcount)	1,325	819	0	0	2,144
Part-time employees (headcount)	157	56	0	0	213

Table 4. Total number of employees by contract type and country

Category	Country						Total
	Poland	Czech Republic	Slovakia	Bulgaria	Croatia	Turkey	
Number of employees (headcount)	1,240	471	206	321	71	128	2,437
Permanent employees (headcount)	1,014	462	0	317	70	0	Data on foreign companies to be completed 2 Apr
Temporary employees (headcount)	226	9	0	4	34	0	Data on foreign companies to be completed 2 Apr
Non-guaranteed hours employees (headcount)	0	0	80	23	0	0	103
Full-time employees (headcount)	1,215	313	105	313	70	128	2,144
Part-time employees (headcount)	25	158	21	8	1	0	213

Table 5. Number of employees who left the organisation during the reporting period and employee turnover rate

Category	Value
Number of employees who left the organisation during the reporting year	520
Employee turnover rate in 2024	21.34%

** The turnover rate was calculated as the number of employees who left during the reporting period divided by the number of employees as at 31 December, multiplied by 100%.*

The relatively high turnover rate was due to multiple factors. One is the nature of the fitness sector, which often involves hiring individuals for front desk or trainer roles that typically represent a transitional stage in one's career, particularly among university students or young adults. Additionally, the Group's model of acquiring clubs, which includes taking over existing facilities along with their personnel, may also contribute to increased turnover, as changes in ownership can serve as a trigger for employees to seek new professional opportunities.

This employment model tends to favour higher mobility and staff turnover and includes a larger share of fixed-term employment. Individuals in such positions typically remain with the Group for a shorter duration, often treating the role as a temporary phase in their career or combining it with other professional or academic commitments.

The employee data presented in the tables has been compiled based on internal HR systems. The non-financial statement reports the headcount as at 31 December 2024, whereas the financial statement presents the average headcount for the reporting period. Reference to note 4.1 of the Directors' Report.

The measurement of metrics relies on internal HR reporting systems and has not been subject to validation by an independent external party. This applies to all metrics presented under disclosure S1, meaning the data disclosed is based solely on internal HR sources. Should external validation be implemented in the future, this will be duly disclosed.

S1-7 Characteristics of non-employees in the undertaking's own workforce

[(DP_id: S1-7_05DR: S1-7 par. 56)] [(DP_id: MDR-M_04)] Associates (non-employees) providing work for Group companies include:

- self-employed individuals (B2B):
  - fitness club managers,
  - IT specialists,
  - marketing experts,
  - personal trainers at fitness clubs,
  - lawyers and legal advisors,
- individuals working under civil-law contracts (contract of mandate – *umowa zlecenie*, specific-task contract – *umowa o dzieło*):
  - fitness instructors and trainers delivering group or individual sessions at fitness clubs,
  - reception staff at fitness clubs,
  - cleaning staff and administrative support,
  - lecturers at events (e.g. MultiSport Health Days),
  - content creators (including AV materials, animations, graphics, translations),
- individuals providing outsourced services:
  - call centre and customer service support.

[(DP_id: S1-7_01-03)]

Table 1. Number of non-employees in the Group's own workforce

Category	**Number***
Non-employees (associates) (categories listed above)	6,394
Individuals engaged by agencies	0
Total	6,394

* The analysis covers individuals in an active employment relationship as at 31 December 2024.

[(DP_id: S1-7_06-09)] [(DP_id: MDR-M_02)] The data concerning non-employees in the undertaking's own workforce has been compiled based on internal HR registers and personnel reports prepared by the respective companies within the Group. It includes individuals providing services under self-employment arrangements (B2B) or civil-law contracts (*umowa zlecenie*, *umowa o dzieło*) as at 31 December 2024. The data covers both individuals engaged under long-term contracts and those involved in short-term projects. The reported figures reflect headcount and are not converted into full-time equivalents (FTE).

S1-13 Training and skills development metrics

[(DP_id: S1-13_01DR: S1-14 par. 83a)] [(DP_id: S1-13_03DR: S1-14 par. 83b)]

Table 1. Average number of training hours by gender

2024	
Gender	**Average number of training hours**
Female	35.95
Male	24.75

[MDR-M_02] The training hours data includes both employees and associates. The metric represents the average number of training hours per person within each gender group (women/men), calculated as the total number of training hours delivered during the reporting period divided by the number of individuals in each category as at 31 December 2024.

The analysis includes all training programmes delivered by the Group, encompassing both mandatory operational training and developmental initiatives. These programmes primarily comprised onboarding training conducted across all Group entities, while

other types of training varied depending on each company's operational profile. The metric does not include training financed individually by employees or development programmes conducted outside the formal training registration system.

The average number of training hours was calculated using data extracted from the Group's internal HR systems that track individual participation and assigned training hours. The metric is not expressed in full-time equivalents (FTE), and therefore reflects actual participation regardless of the form of employment or engagement.

Table 2. Number of performance reviews among employees by gender

Gender	Number of employees at December 2024	Number of employees reviewed	%
Female	1,539	737	47.89%
Male	898	440	48.99%
Total	2,437	1,177	48.30%

[MDR-M_02] The Parent operates a semi-annual performance evaluation system for managers overseeing teams and senior managers functioning as independent experts. The system is linked to the Management By Objectives (MBO) bonus framework. The performance review process includes the definition of individual goals, the methods and metrics for their achievement, a review of results from the previous bonus period, and the planning of development actions for the employee. Strategic objectives are cascaded from the Management Board down to managers. Specialists are subject to quarterly and/or semi-annual performance assessments conducted during one-on-one meetings with their line managers, following a methodology developed within each team and adapted to its current operational needs. Additionally, every remuneration review process in the company is based on performance evaluations carried out using a standardised tool provided to managers by the HR department.

S1-14 Health and safety metrics

[(DP_id: S1-14_11DR: S1-14 par. AR 81)] Standards for internal verification carried out by the internal OHS units, as well as potential external certification of the OHS management system, are established at the level of each company. The Group has not implemented external certification. The monitoring of potential hazards and the assessment of any irregularities are conducted by internal OHS units within individual companies. The Group has also implemented occupational risk assessments, which are regularly updated in response to regulatory changes or new circumstances. In office environments, OHS specialists are responsible for occupational safety, including the provision of training and maintenance of records related to work-related accidents.

[(DP_id: MDR-M_02)] Data on accidents and injuries are collected through internal reporting systems and employee submissions. The number of days lost due to injuries includes both medical leave and recovery periods. The analysis covers both employees and non-employees in an active employment relationship as at 31 December 2024.

[(DP_id: S1-14_01-07)]

Table 1. Key health and safety management metrics

Category	2024 data	
Percentage of employees covered by a health and safety management system based on legal requirements and/or recognised standards or guidelines	98.92%	%
Number of fatalities resulting from work-related injuries and work-related ill health	0	Number
Number and rate of recordable work-related injuries among employees		
Number	3	Number
Rate	0	Average per million hours worked

Number of recordable cases of work-related ill health among employees	0	Number
Number of days lost due to work-related injuries, work-related fatalities, work-related ill health, and fatalities from work-related ill health	75	days
Number of recordable cases of work-related ill health among non-employees	N.A.	Number
Number of days lost due to work-related injuries, fatalities, work-related ill health, and fatalities from work-related ill health among non-employees	N.A.	days
Number of own workforce covered by a health and safety management system that has been internally audited and/or audited or certified by an external party	1,427	Number

[(DP_id: MDR-M_02)] The data presented on occupational health and safety management are based on internal reporting systems that track the number of injuries, fatalities, and days lost due to work-related incidents.

During the reporting period, three work-related injuries were reported among employees. The corresponding rate – the average number of incidents per million hours worked – was 0. The low number of incidents reflects an overall positive occupational safety performance. The absence of data on non-employees results from the fact that information on this group is not yet comprehensively integrated into the reporting systems.

The management of occupational health and safety within the Group is decentralised and conducted independently by each Group company. The process is aligned with applicable legal requirements in each country of operation, ensuring compliance with local regulations.

S1-15 Work-life balance metrics

[(DP_id: S1-15_01-02)] [(DP_id: S1-15_04)]

Table 1. Percentage of employees entitled to family-related leave and the percentage of entitled employees that took family-related leave, by gender

Period	**2024***		
Gender	**Female**	**Male**	**Total**
% of employees entitled to family-related leave	100%	100%	100%
% of entitled employees that took family-related leave	21.58%	9.81%	31.39%

* The analysis covers employees in an active employment relationship as at 31 December 2024.

[(DP_id: MDR-M_04)] All employees of the Group are entitled to family-related leave in accordance with applicable labour law, social policy, or internal regulations in force across the Group's subsidiaries and countries of operation. The most common forms of family-related leave include: maternity leave, paternity leave, parental leave, childcare leave, leave to care for a sick child or family member, caregiver leave, special leave (due to marriage, childbirth, or the death of a family member, etc.), and other types of leave related to important family events. The Group's family leave policy is tailored to local legal requirements, ensuring that each employee has access to appropriate entitlements in line with applicable legislation.

S2 Workers in the value chain

S2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

VALUE CHAIN WORKER – the scope of workers in the value chain include all workers in the undertaking's upstream and downstream value chain who are or can be materially impacted by the undertaking. This includes impacts that are connected to the Group's own operations, and value chain, including through its products or services, as well as through its business relationships. The term includes all workers who are not included in the scope of own workforce, as described in subsection S1.

The Group's most significant impacts on value chain workers relate to individuals employed at partner fitness facilities. This category includes, among others, trainers, instructors, facility managers, administrative staff, and reception personnel engaged on employment contracts, civil-law contracts, or as sole traders.

Other groups of value chain workers affected by the Group's activities include:

- employees of suppliers supporting the provision of Group services, such as well-being services,
- logistics and distribution workers employed by entities within the upstream value chain,
- manual workers such as cleaning personnel, warehouse operatives, and construction workers.

All the categories above fall within the scope of this disclosure.

Potential negative impacts on value chain workers stem from the specific characteristics of the fitness industry in which the Group's partners operate, an industry that is exposed to risks related to occupational health and safety, accidents, and working conditions, including employment form and working time arrangements.

These impacts are linked to the Group's strategy and business model, which relies heavily on collaboration with partners and suppliers delivering sports and well-being services. As the Group continues to evolve its strategy and business model in response to these material impacts, it may share best practices towards suppliers and partners and share best practices, as further discussed in subsections S2-1 and S2-4.

The following potential negative impacts on value chain workers have been identified:

Impact
▪ Potential indirect negative impact on working conditions of workers in the value chain, particularly in sports and fitness facilities, due to the absence of monitoring of working conditions
▪ Potential indirect negative impact on the health of workers in the value chain due to the nature of their roles and working conditions, which may increase the likelihood of accidents or other adverse events associated with the performance of duties.

The Group has not identified any material topics directly related to positive impacts on value chain workers. Group companies do not operate in regions where there is a significant risk of child labour or forced labour among value chain workers. Given the nature of its operations, the Group does not identify negative impacts on value chain workers in the context of the transition to greener and climate-neutral operations. The Group does not currently possess data concerning negative impacts on value chain workers nor has it developed an understanding of how workers with particular characteristics, those working in particular contexts, or those undertaking particular activities may be at greater risk of harm.

S2-1 Policies related to value chain workers

In 2024, the Benefit Systems Group did not have dedicated policies in place specifically addressing value chain workers. Selected matters concerning this group are incorporated into general documents in force at the Parent, including the Benefit Systems Group Code of Ethics – BS_WAY.

Two ESG Strategy commitments of the Group relate to supplier requirements:

- We integrate ESG criteria into procurement processes: Evaluation of key suppliers of materials and services based on defined ethical, social, and environmental criteria.
- We co-create responsible management standards among partners: Definition of ESG principles for partners tailored to their specific characteristics and an assessment of the percentage of partners operating in alignment with these principles.

As ESG practices continue to evolve within the Parent and other Group companies, the organisation has identified the need to formalise procedures related to the value chain. Accordingly, the Group plans to develop a Supplier Code of Conduct in the coming years, which will also cover value chain workers. Responsibility for the implementation of the Code will rest with the relevant business owners, in cooperation with the Compliance Officer and the Head of ESG and Public Affairs. The Supplier Code of Conduct will structure and expand on the provisions of the Group Code of Ethics, which expects partners and suppliers to act with honesty, integrity, and ethical conduct, as well as to comply with rules governing fair competition.

In 2024, the Group did not identify any instances of non-compliance with international standards[1] concerning value chain workers.

The Group intends to formally regulate its general approach to cooperation with value chain workers, measures to ensure the effective management of impacts on human rights, and the prohibition of forced labour and child labour through a due diligence policy called the Benefit Systems Group Responsible Business Conduct Policy, scheduled for adoption in 2025.

S2-2 Processes for engaging with value chain workers about impacts

The Group incorporates the perspectives of value chain workers primarily through indirect engagement, including dialogue and cooperation with owners, managers, and supervisors responsible for the operation of sports and fitness facilities. Direct engagement with value chain workers is not conducted comprehensively and is limited to specific groups, such as front-desk personnel at partner clubs.

In 2024, as part of the Group's management of sustainability-related impacts, risks, and opportunities, a stakeholder survey was conducted with the participation of supplier and partner representatives. Through a dedicated questionnaire, respondents provided input regarding, among other matters, the working conditions of their employees in the context of cooperation with Group companies. Responsibility for engaging supplier and partner representatives in the dialogue, carried out as part of the double materiality assessment, rests with the relevant business owners in charge of supplier and partner relations, in coordination with the ESG department.

Additionally, the Parent of the Group annually commissions an independent third-party survey, enabling representatives of partner sports and fitness facilities to share their views on cooperation with Benefit Systems S.A. and its designated representatives (account managers). The results are analysed and translated into concrete actions, such as the reactivation of the sponsorship programme for MultiSport Partners and the development of a dedicated training programme.

The survey confirmed that overall satisfaction with cooperation with Benefit Systems S.A. remained high at 87%.

- Overall satisfaction with cooperation:
  - 2024: 87%
  - 2023: 84%

The Group also conducts annual Net Promoter Score (NPS) surveys among partner clubs to assess their willingness to recommend cooperation with Benefit Systems S.A.

In 2024, the overall NPS score was 42% (2023: 44%).

Respondents assessed their likelihood to recommend Benefit Systems S.A. Based on factors such as professional, helpful, and seamless cooperation; responsiveness and quality of communication with their account manager; and the timeliness and regularity of payments.

It is also standard practice for the Parent to hold regular meetings with representatives of sports and fitness facilities. Several thousand such meetings are held annually. Operational responsibility for these engagements rests with the management team and Business Partner Support Specialists, who oversee cooperation with partner clubs. These meetings serve to introduce new features, enhance existing solutions, share experiences from ongoing collaboration, and strengthen relationships with Benefit Systems S.A. partners.

The Group does not currently conduct a comprehensive assessment of the effectiveness of its engagement with value chain workers. In 2024, Group companies did not undertake steps to gain insight into the perspectives of workers that may be particularly vulnerable to impacts or marginalised.

S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns

Companies within the Benefit Systems Group provide reporting channels for legal violations and whistleblower protection mechanisms in accordance with applicable whistleblower protection regulations. Detailed information regarding reporting procedures and the scope of protection applicable within individual Group companies is provided in the section 'Business conduct'.

For matters not covered by whistleblower protection regulations, value chain workers may raise concerns via dedicated helplines, contact forms, or email addresses published on the websites of individual Group companies.

The Benefit Systems Group Code of Ethics BS_Way stipulates that external stakeholders may contact the Compliance Officer of Benefit Systems S.A. directly.

[1] UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

The Parent plans to progressively implement the Code of Ethics in its foreign subsidiaries in 2025. The document will include guidance on ethical business conduct and detailed information on how external stakeholders, including value chain workers, may report breaches of law or ethical standards.

Currently, the Benefit Systems Group companies have not implemented mechanisms for systematically assessing whether value chain workers are aware of available reporting channels or whether they trust them to raise concerns or needs.

Although the Benefit Systems Group is not the direct employer of individuals working at partner facilities or for suppliers, it promotes collaboration with partners and suppliers that meet defined standards. This is achieved through the establishment of MultiSport partner quality criteria, declarations of compliance with business ethics principles, contractual provisions, and the option to report breaches of law or ethical standards as defined in the Code of Ethics. The Parent expects all partners and suppliers to be familiar with, and adhere to, the ethical standards set out in the Code of Ethics.

S2-4 Taking action on material impacts on value chain workers

The Benefit Systems Group addresses its material impacts primarily through requirements concerning labour standards applicable to partners and suppliers, as outlined in subsection G1-2 in the section *'Business conduct'*, which covers the CSR questionnaire, contractual clauses, and documents scheduled for finalisation: a due diligence policy called the Benefit Systems Group Responsible Business Conduct Policy, and a supplier code of conduct. The Group has not adopted dedicated action plans specifically targeting identified potential impacts, nor does it currently implement mitigation measures. This is due to the Group not having direct control over working conditions within partner facilities, which limits its operational capacity to act in this area. Nevertheless, all positive initiatives undertaken by Benefit Systems S.A. in its relations with partners and suppliers, particularly those focused on the exchange of best practices, may be regarded as indirect mitigation measures. These activities are described in the section *'Business conduct'* and form part of the ESG Strategy commitment of raising awareness and educating partners on sustainability.

Form Factory companies in the Czech Republic and Slovakia plan to develop and implement actions related to value chain worker impacts by 2027. At this stage, no further actions are reportable in this respect, and no similar plans are currently in place in other Group companies.

The Group does not monitor compliance with occupational health and safety requirements or workplace standards at partner facilities directly, nor does it condition cooperation on the fulfilment of such criteria. The responsibility for meeting legal safety obligations and ensuring high service quality rests with the partners, as explicitly stated in contractual provisions. These contracts clearly stipulate that partners bear responsibility for compliance with safety regulations and for employing qualified personnel.

A supporting mechanism for assessing these aspects includes user feedback from MultiSport cardholders, which partners can access through the dedicated Partner Zone IT platform within the Benefit Club programme. These insights are made available to partners for their own review and continuous improvement. However, Benefit Systems does not use this feedback for formal partner monitoring or evaluation purposes. The partner relations team maintains regular contact with partners, focusing on educational engagement and relationship building. No audits or inspections of facilities are conducted. All user-reported issues concerning service quality, cleanliness, equipment functionality, or other matters (for example, hidden fees, limited access to services) are reviewed individually as part of the complaints handling process. Each case is examined with due care, involving direct communication with the respective facility and a thorough assessment of the matter raised.

In 2024, the Group did not receive any notifications concerning negative impacts on value chain workers, including any human rights violations or incidents within the upstream or downstream value chain. Accordingly, no remedial actions were necessary.

S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Group has adopted ESG Strategy 2024–2026 targets related to value chain workers. However, these targets do not meet the measurability criteria required under ESRS. The absence of ESRS-compliant targets stems from the fact that the current ESG Strategy was developed prior to the introduction of the new reporting standards and focuses on high-level initiatives rather than metrics aligned with ESRS and gap analysis. The methodology used to develop the ESG Strategy is described in the subsection *'SBM-1 Strategy, business model and value chain'* of the *'General information'* section. The Strategy is scheduled to be updated in 2025, following the completion of the first reporting cycle under the new ESRS framework. Due to the absence of dedicated policies and actions concerning material topics, effectiveness is not currently being assessed.

S3 Affected communities (entity-specific disclosure)

This entity-specific disclosure covers all communities on which the organisation may have a material impact. These are:

- children, youth, seniors, and persons with disabilities – primarily supported through the activities of the MultiSport Foundation. Additional support is also provided by initiatives such as the *Junior Positive Energy Academy* (VanityStyle) targeting schools,

the *Dobry MultiUczynek* social contribution programme (BSSA), *Summer Game* project (BSSA), and the Aktivní Česko Foundation (co-founded by MultiSport Benefit SRO), which promotes a healthy lifestyle,
- residents living in the vicinity of the Group's sports facilities,
- individuals interested in physical activity, who are not customers of the Group but benefit from activities organised by the Group.

The Group has not identified any material negative impacts on these communities, nor material risks or opportunities arising from such interactions.

Actions resulting in positive impacts for local communities are described in the subsection *'Actions related to positive impacts'*.

The double materiality assessment confirmed the Group's positive contribution to local communities through the organisation of sports programmes and events that enhance access to physical activity and foster social integration, particularly among children and youth. These impacts are primarily managed through the MultiSport Foundation, established by the Group's Parent. Recognising the importance of engaging in social initiatives, the Group has implemented activities that, while outside its core business model, represent a natural extension of its stakeholder value-creation strategy.

Policies related to affected communities

The Benefit Systems Group has not adopted policies specifically addressing affected communities. The double materiality assessment did not identify any material negative impacts on this stakeholder group. As such, the Group does not currently plan to introduce a formal policy in this area.

Engagement with affected communities and mechanisms for raising concerns

Community perspectives influence decisions and actions related to the sports programmes and events implemented by the MultiSport Foundation that enhance access to physical activity and foster social integration, particularly among children and youth. When designing each programme, the Foundation considers the needs of:

- beneficiaries – such as children, seniors, persons with disabilities, and their proxies, PE teachers, and trainers,
- their representatives – such as municipalities, schools, and the National Institute for Senior Economy (KIGS),
- proxies – including professional athletes with or without disabilities.

When developing its programmes, the Foundation gathers input through in-person and online meetings, telephone conversations, and surveys. This feedback forms the basis for each programme framework. In addition, during programme delivery, Foundation coordinators remain in regular contact with beneficiaries, their representatives, and proxies to respond to suggestions and comments. The frequency of such engagement depends on the programme and ranges from several times per week to monthly interactions.

Each programme concludes with an evaluation, including participant surveys. The findings from these evaluations are used to implement improvements and ensure closer alignment with community needs. Since its establishment in 2021, the Foundation has observed mostly short-term effects – for example, improved physical fitness following a year of participation. Anticipated long-term impacts, such as fostering lifelong exercise habits or contributing to the creation of a healthier society, are expected to become measurable over the medium to long term.

Members of the Management Board of the MultiSport Foundation are responsible for overseeing the entirety of its programmes, including ensuring that beneficiaries, their representatives, and proxies are able to influence programme development and that their needs are addressed. Operational responsibility lies with the coordinators of individual programmes.

The Benefit Systems Group enables members of local communities or their representatives to report suspected breaches of law or ethics in relation to the activities of Group companies, as described in the section *'Business conduct'*.

At the MultiSport Foundation, such concerns may be submitted via a contact form available on the Foundation's website or directly to the relevant programme coordinators. In 2024, the Group did not receive any formal complaints or grievances concerning the Foundation's activities. Reports submitted primarily consisted of improvement suggestions, to which the organisation responded constructively and in good faith.

The Group does not verify the extent to which affected communities are aware of the available channels for raising concerns or expressing needs.

Actions related to positive impacts

Actions contributing to a positive impact on local communities at the Benefit Systems Group are primarily implemented through programmes managed by the MultiSport Foundation and delivered using its internal resources. In 2024, these included:

- MultiSport classes with corrective and compensatory gymnastics elements – a programme for preschool-aged children and primary school students (grades one to six) supporting the prevention of postural defects and promoting physical activity. The initiative is delivered in regions with limited access to modern sports infrastructure. The Foundation trained PE teachers, provided educational materials and sports equipment. In 2024, the programme's reach doubled.
- *Senior in Good Shape* – a programme offering seniors activities that support physical and mental well-being. It was developed in cooperation with the National Institute for Senior Economy and based on research and surveys targeted at seniors. The project received funding from the Ministry of Sport and Tourism.
- *MultiSport Active Schools* – a programme promoting physical activity among adolescents (aged 12–19), delivered through modern sports classes held at fitness clubs and sports events. Currently implemented in the provinces of Warsaw, Łódź and Katowice, with plans for national expansion.
- *Brimming with Sports* – a programme promoting physical activity among persons with disabilities, fostering inclusion and supporting development through engagement with paralympians and athletes with disabilities. The Foundation organises educational sessions in schools and has disseminated the children's book 'How the Best Play' along with accompanying teaching materials.

Examples of other actions to advance positive impacts include:

- *Junior Positive Energy Academy* – a project organised by VanityStyle Sp. z o.o. in cooperation with SWPS University, aimed at educating children about physical, mental and social health. The programme comprises three modules: Healthy Body, Healthy Mind, and Skills Development.

In its first edition (2023/2024 school year), 7,800 children from 364 schools participated. The evaluation report, prepared by SWPS and TUSer, confirmed the programme's effectiveness in shaping healthy habits among pupils.

In the second edition (2024/2025), 596 classes with 11,300 pupils have already registered.

- Aktivní Česko Foundation – a Czech foundation co-founded by MultiSport Benefit SRO, promoting healthy lifestyles, physical activity and well-being.
- *Dobry MultiUczynek* volunteer programme – an initiative of Benefit Systems S.A., implemented in collaboration with Benefit Systems International S.A. and the Volunteer Centre Association. In 2024, two editions of the programme were conducted, during which volunteers completed 24 community projects.
- *Summer Game* project – organised by Benefit Systems S.A., the initiative involves participants earning points for completing various tasks, such as online knowledge quizzes and workouts at fitness centres. Points may be exchanged for rewards or donated to charity. As a result, Benefit Systems donates funds to three public benefit organisations selected within the *Summer Game* initiative.

Each programme implemented by the MultiSport Foundation is subject to evaluation as outlined in the disclosure '*S3-2 Processes for engaging with affected communities about impacts'.*

As part of its strategic commitments, the Group:

- promotes physical activity and a healthy lifestyle among diverse social groups,
- provides education and awareness-raising initiatives,
- allocated PLN 4,254,600 in operating expenditure (OpEx) in 2024 for actions targeting the stakeholders listed in this section, with the 2025 budget planned to increase to PLN 6,082,266.

Targets related to positive impacts

The Benefit Systems Group's goals for advancing its positive impacts on local communities are set out in the Articles of Association of the MultiSport Foundation. These goals apply to all social groups and are designed as long-term commitments.

Commitments and objectives related to local communities are also included in the Group's ESG Strategy: **Commitment**	**Main objective**
We promote physical activity and healthy lifestyles across various social groups.	At least 40,000 hours of free sports activities for children, young people, and seniors to be delivered between 2024 and 2026 by the MultiSport Foundation and foreign subsidiaries.
	At least 50,000 beneficiaries per year of free programmes and events engaging diverse social groups.
	At least 20 annual initiatives (programmes, campaigns, actions) designed to engage various social groups.
We educate users, customers, and the wider community.	At least 100,000 thousand direct beneficiaries annually of the Group's external educational activities.

Baseline values and progress towards the MultiSport Foundation's objectives in 2024

Objective	2023 baseline	2024 progress
Free sports classes for children, youth and seniors under MultiSport Foundation activities (number of hours) *(main objective encompassing other Foundation activities)*	6,000 hours	36,500 hours
Organisation of events and educational meetings in schools, institutions, NGOs (number of beneficiaries)	30,000 people	95,800 people
Events for diverse social groups (number of events)	8 events	23 events
Implementation of *Active MultiSport Schools* (number of hours)	2,273 hours	8,000 hours
Implementation of Senior in Good Shape (sports classes for seniors in fitness clubs and outdoors)	200 people	58,500 people
Implementation of MultiSport classes incorporating corrective and compensatory exercise component	2,218 hours	5,000 hours
Training for teachers on the physical and mental well-being of children and youth	500 people	1,000 people

Progress is monitored and reported by programme coordinators to the Foundation's Management Board. For externally funded or co-funded programmes, the Foundation maintains detailed records on the achievement of targets, which are submitted to grant providers. Progress is monitored monthly, with summary reviews conducted on a semi-annual and annual basis. Baseline values for measuring progress are based on the previous year's data.

In addition to quantitative and measurable targets – such as the number of children participating in free sports classes or improved fitness levels following a year in a physical activity programme – the Foundation also pursues long-term objectives that can only be assessed over time, such as fostering a lifelong habit of physical activity.

The Foundation does not directly engage local communities in monitoring performance against its targets. However, transparency is supported indirectly through the annual publication of its activity and financial reports on the Foundation's website. Additionally, key data on programme implementation are shared on a regular basis via the Foundation's social media profiles.

S4 Consumers and end-users

S4.SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

To ensure consistency and transparency in classification, the following outlines the allocation of customer groups to the categories defined in the ESRS for the purpose of this report. These groups are subject to material impacts from the Group:

- **End-users (B2B2C)** – employees of B2B customers, namely current and potential end-users who access services provided by Group companies under service agreements, and who have access to the products offered by them.
- **End-users (B2C)** – natural persons who independently purchase the Group's products or services, such as gym passes, as well as individuals exposed to the Group's marketing content.

According to the ESRS, both groups fall under category (iii) – users who depend on accurate and accessible product- or service- related information to avoid potentially damaging use of a product or service.

In addition, certain parts of this section refer to **B2B customers** (hereinafter referred to as "customers"), who are employers entering into agreements for the provision of employee benefits for their staff. While not classified as consumers or end-users under the ESRS, their role as intermediaries in the delivery of benefits and their influence over decisions regarding the use of the Group's services justify their inclusion in the contextual analysis of the Group's impacts. Based on the double materiality assessment conducted in accordance with ESRS 2 IRO-1, the Group did not identify any consumer or end-user groups particularly vulnerable to elevated risks of negative impact related to the products and services offered.

According to the Group's data, the end-users materially affected by the Group are primarily women and men aged 15–44, with higher education, residing in cities with populations exceeding 100,000. The Group provides both business customers and end-users with solutions in the areas of healthy lifestyles, well-being, and employee benefits. This business structure generates material impacts, risks and opportunities in the following thematic areas:

- Occupational health and safety – the operation of sports and fitness facilities is associated with the risk of accidents and injuries, even where the highest OHS standards are maintained,
- Privacy protection and cybersecurity – end-user interaction with websites and applications, as well as contract execution, entails responsibility for personal data processing,
- Impact of external factors – the business model is sensitive to demographic shifts, public health trends, and potential crises such as pandemics.

The strategic priorities, described in the *'General information'* section, focus on the development of current services, products, and the fitness club offering, thereby enhancing the positive impact on the health and well-being of end-users.

Identifying material impacts, risks and opportunities allows the Group to optimise its business model by:

- improving the standards of products and services offered,
- responding to evolving social needs related to health, lifestyle and demographics,
- minimising risks – the Group continuously enhances safety systems, data protection policies and compliance procedures to prevent privacy breaches and other threats associated with operational activities and the external environment.

The double materiality assessment has identified four potential negative impacts on end-users. These are:

Impact	**Nature of impact**
Potential impact on the safety and health of users of both proprietary and partner-operated sports and fitness facilities due to inadequate management of safety procedures or inadequate maintenance of air conditioning systems, which may lead to health risks, serious injuries, or accidents.	The impact may be systemic and widespread, as it relates to safety management standards across a broad network of sports and fitness facilities.
Potential impact on users' health due to misleading or incomplete information in content related to physical and mental health, created by individuals lacking appropriate qualifications. Inadequate training and outdated knowledge may affect the quality of health and fitness services, with implications for user well-being.	The impact may be incidental, associated with isolated cases of content being created by inadequately trained individuals.
Potential impact on the right to privacy of users resulting from breaches of personal data privacy and security.	The impact may be systemic – data protection issues are typically broad in scope, and cyber threats and data breaches (for example due to hacking) are prevalent across multiple sectors.

The Group has identified one major positive impact on end-users:

Impact
Impact on physical and mental health through increased physical activity, improved fitness and enhanced well-being enabled by the Group's products and service.

The actions undertaken by the Group companies in relation to this impact, which result in positive outcomes, are described in subsection S4-4.

These actions are conducted primarily in Poland, but also on the international markets in which the Group operates. The stakeholders affected by this positive impact include the two end-user groups presented at the beginning of the section.

Material risks arising from the impacts and dependencies related to the end-users of the Group, identified through the double materiality assessment, include:

Risk
Risk of breaches of end-users' right to privacy, particularly in relation to personal data protection. Data breaches may lead to unauthorised access to sensitive information and may result in severe legal, financial and reputational consequences for the Group.
Risks associated with potential restrictions on the operation of sports and fitness facilities during a future pandemic. These include the consequences of complying with stringent sanitary requirements, maintaining social distancing, or suspending operations. Such disruptions could lead to reduced service availability, a decline in end-user numbers, and increased operating costs associated with the implementation of necessary health and safety measures. Additionally, there is a risk of revenue loss due to suspended operations, as well as potential challenges in returning to business as usual following the lifting of restrictions.

Risk associated with an ageing population and demographic shifts, which may affect demand for its services (MultiSport). This risk is associated with the need for a flexible response to evolving user expectations, which may require adjustments to the Group's product and communication strategies.

S4-1 Policies related to consumers and end-users

The Group does not currently maintain a single, unified, and comprehensive policy governing customers and end-users. These matters are managed and regulated through a number of internal policies, procedures and regulations.

Internal regulations in place at the Parent, including the Code of Ethics and the Diversity, Equity and Inclusion (DEI) Policy, extend their commitments to end-users.

Material impact identified during the double materiality assessment	Policies	Scope	Key content	Responsible executive within the Group
Health and safety	Set of instructions, policies and procedures	Applies to end-users of fitness clubs	Define the principles for the safe use of fitness facilities	Managing Director (Fitness Branch), Director of Investment Execution and Maintenance
Access to products and services	Policies applicable to key product lines, including MultiSport card, MultiLife programme, MyBenefit cafeteria, FitProfit and FitSport programmes, QlturaProfit vouchers, and VanityStyle Zone	Applies to all users of the Group's services and platforms	Define the rights and obligations of individuals using the Group's offering	Directors of the respective product lines: MultiSport, MultiLife, MyBenefit
Privacy	Privacy Policy	Applies to all users of the Group's services and platforms	Specifies the principles governing the processing and protection of users' personal data in accordance with the GDPR and other applicable legislation. The document outlines the categories of data collected, purposes of processing, data subject rights, and data security measures	Head of Legal
Privacy	Cookie Policy	All users of the Group's online services	Regulates the use of cookies on the Group's websites, specifying their types, functions, and the options available to users for managing cookie settings	Head of Legal

In the area of the material topic of access to (high-quality) information, there is no formal policy in place. However, relevant provisions are included in the contracts concluded with experts. Further details are provided in subsection S4-4.

In the Fitness Branch, minor protection standards are in place to ensure a safe environment for children, eliminate the risk of harm, and promote respect for and the protection of their rights. These standards also define the responsibilities of staff, guardians, and users of the fitness clubs. The implementation and oversight of these standards are the responsibility of club management, and personnel undergo regular training in child protection policies and the identification of signs of harm.

The above-mentioned policies are available on corporate websites, with the website address also indicated in the agreement signed with the customer. Users may also access the internal regulations via the product-related applications.

Human rights

The Group does not currently have a dedicated human rights policy. However, actions related to human rights protection are implemented under existing internal regulations and compliance processes. In 2024, no incidents of human rights violations were reported within the Group's own operations or its value chain, in accordance with applicable ethical standards and the international regulations referenced in the ESRS.

The Diversity, Equity and Inclusion (DEI) Policy was adopted by the Management Board of the Parent in 2023.

Process for considering the interests of end-users

The Group considers the interests of consumers and end-users by designing policies, procedures, and regulations that ensure high-quality service and safeguard the transparency and safety of the business relationship. Documents such as product regulations, privacy policies, and customer service standards are developed to provide users with optimal conditions for using the services offered.

S4-2 Processes for engaging with consumers and end-users about impacts

The Parent and its subsidiaries actively engage with customers and end-users through recurring surveys on their experiences and opinions (satisfaction surveys, Net Promoter Score (NPS) surveys, exit interviews, etc.), incorporating their perspectives into decision-making processes. As part of the double materiality assessment, customers were also engaged in dialogue, indirectly expressing their views on the Group's impact on B2B2C users – this dialogue addressed topics such as safety, privacy, inappropriate treatment, and the risk of accidents.

The communication mechanisms described below are designed not only to collect feedback but also to support the identification and monitoring of material impacts on users. In particular, these mechanisms enable to:

- promptly identify risks arising from the inadequate implementation of safety standards in sports and fitness facilities, enabling the adoption of remedial actions to minimise the risk of accidents or injuries,
- monitor the quality of information provided,
- respond to alerts concerning personal data breaches, which is essential in managing the risk of privacy violations affecting users.

Group companies responsible for the products offered by the Group engage in both direct and indirect communication with customers and end-users. Communication is conducted through various channels, including:

Type	**Frequency**	**Channels**	**Most senior position responsible for communication with customers or end-users**
Communication channels (serving as the primary platforms for collecting feedback and user input)	Ongoing	Customer Service Office/helpline	Head of Customer Relations
		Email communication	Director of Sales and Customer Service
		Contact forms on corporate websites	Depending on the source and nature of the communication Head of Relations Director, Product Line Directors, Director of Investor Relations, Director of Partner Relations, Head of Legal, Sales Director
		Social media platforms (Facebook, Instagram, TikTok, etc.)	Head of Communications, Marketing Director
Surveys and research	Annual NPS survey and MultiSport Index (user survey)	Regular customer satisfaction surveys, Net Promoter Score (NPS), which assesses the likelihood of recommending cooperation with the company, and online surveys collecting structured data on user preferences, satisfaction, and potential areas for improvement	Head of Analytics
		End-user satisfaction surveys. Conducted with individuals who have provided prior consent	Head of Analytics

The type and frequency of engagement with customers and end-users are adapted to the specific operational context of each Group company, ranging from daily interactions to periodic large-scale satisfaction surveys.

The effectiveness of interactions with customers and end-users is assessed based on:

- results of satisfaction surveys and NPS assessments,
- analysis of key performance indicators (KPIs), including the volume of enquiries and responses over a given period, average response time, and customer retention rates,
- user and customer feedback provided via online platforms and social media.

No groups have been identified as being particularly vulnerable to impacts or marginalised.

S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

The Group companies have implemented consumer and end-user concern reporting channels adapted to their operational contexts. These processes support remedial actions in areas such as health and safety in sports and fitness facilities, data privacy, and the quality of health-related content. End-users may raise concerns – regardless of their nature – through various available communication channels. In cases involving potential violations of law or ethical standards, users may contact the Compliance Officer directly via a dedicated email inbox used for reporting suspected legal or ethical violations. Issues submitted through this channel are duly addressed and investigated. Matters relating to personal data may be reported directly to the Data Protection Officer.

Depending on the Group company, the following communication channels are used:

- contact with a designated customer representative,
- helpline,
- dedicated email addresses, including those of the compliance function and the Data Protection Officer,
- traditional mail,
- chat functionality on the website.

The availability of these channels is supported by IT systems and complaints handling procedures. Customer service staff are appropriately trained. To ensure ease of access, the Group's corporate website includes a dedicated 'Help and support' section (link), which provides information on available reporting channels, including email addresses, helpline numbers, and contact forms. Reported and resolved issues are tracked and monitored through a suite of processes and tools that support effective case management and enable evaluation of channel performance. These include, depending on the company:

- dedicated report management platform,
- monitoring of key performance indicators, including time to response and time to resolution,
- satisfaction surveys conducted upon case closure,
- service process audits and reviews,
- periodic assessments of front-line staff performance based on user interaction analysis, KPI outcomes, and user feedback.

Once a report is received, the responsible employee analyses the issue and provides a response in line with applicable procedures. Where necessary, the case is referred to the appropriate department. Business customer service also encompasses aspects of cooperation, billing, contract negotiation, and service implementation.

The mechanisms that provide for or support remedial and corrective measures in response to negative impacts are defined in contracts, internal rules, and procedures (detailed in subsection S4-1), and are described in the Group's operational practices (subsection S4-4). End-users may submit concerns through the available communication channels, and cases are handled in accordance with established procedures (S4-3). In exceptional circumstances, compensatory measures may be applied.

To evaluate whether end-users are aware of the concern-raising mechanisms and whether they trust them to express their concerns or needs, the Group companies apply the following measures:

- surveys,
- analysis of submissions and service quality,
- feedback from first-line staff,
- usability testing and customer journey mapping,
- analysis of communication and visibility of available reporting channels.

The Group does not currently operate a unified, dedicated policy for the protection of end-users submitting reports of irregularities.

S4-4 Taking action on material impacts on consumers and end-users

In 2024, the Group companies addressed selected material impacts, risks, and opportunities related to customers and end-users. Insights into these impacts, risks, and opportunities were obtained through the double materiality assessment, which the Group treats as a point of departure for identifying areas requiring action. Based on the outcomes of this analysis, the Group has scheduled initiatives for 2025 and subsequent years to mitigate risks and pursue opportunities, incorporating short-, medium- and long-term actions.

A description of how the Group ensures that processes to remedy material negative impacts are accessible and effective is provided in subsection S4-3.

Occupational health and safety

The Group has implemented a range of initiatives aimed at minimising the risk of accidents and ensuring high health and safety standards in sports and fitness facilities. Key actions include:

- Monitoring and safety audits in sports and fitness facilities: the Group conducts regular HVAC system audits and inspects the technical condition of sports equipment in clubs to ensure compliance with hygiene requirements. Daily site inspections by staff cover ventilation, fire protection systems and fitness equipment. The introduction of a fault reporting system enables users to promptly report issues for resolution.
- Air conditioning system monitoring: a team of experienced technicians performs air conditioning audits, with the objective of eliminating system malfunction risks by the end of 2025.
- Water quality and sanitation: regular testing of water samples in clubs ensures sanitary safety for users.
- Building systems and evacuation safety: facilities are equipped with thermostatic fixtures, ventilation systems, emergency lighting, and devices that prevent electric shock. Projects are designed with safe evacuation in mind, and all clubs are fitted with firefighting equipment and alarm systems.

These actions are ongoing and are subject to periodic reviews to assess the effectiveness of the procedures implemented.

Access to (quality) information

The Group undertakes a number of initiatives to minimise the likelihood of providing inaccurate information (for example, to end-users during workshops, training sessions, and events) or engaging experts who lack appropriate qualifications. Key actions include:

- Expert knowledge: experts (trainers, psychologists, dieticians) are required to provide services professionally, in accordance with legal requirements and the current state of knowledge. Content is created exclusively by individuals holding relevant qualifications, confirmed by academic or professional credentials. Experts are vetted through a multi-step process involving internal subject-matter reviews, CV and certification checks, references, and publicly available information.
- Training and upskilling: content creators and training facilitators are regularly updated on the latest research and industry standards.
- Safety of well-being service users and customer information: event participants are required to disclose any health contraindications to trainers. Customer and end-user documentation clearly states that training, health or dietary guidance does not constitute medical advice.
- Evaluations and feedback: the Company regularly collects user feedback, evaluating both the facilitator and the substantive value of sessions. Improvements are introduced based on results monitored by Benefit Systems S.A.
- Educational projects: the Group implements educational initiatives targeting both users and customers.

These actions are ongoing for expert engagement requirements and carried out regularly for training, user evaluations and project implementation. Effectiveness is measured through user ratings and the number of participants in educational programmes.

Access to products and services

The Benefit Systems Group undertakes measures to ensure broad access to services that promote physical and mental health, responding to changing demographic trends and consumer preferences. These actions include:

- Expanding the offering that supports healthy lifestyles, well-being and physical activity: MultiSport cardholders have access to a broad network of professional sports and fitness facilities, enabling regular physical activity. In addition, the Group organises challenges and campaigns encouraging physical engagement,
- Expanding the offering for older age groups: introduction of the MultiSport Senior card and dedicated health programmes tailored to individuals aged 60+,
- Dedicated well-being solutions: the MultiLife programme provides access to mental health specialists, mindfulness programmes, nutritional guidance and physical activity, as well as workshops and expert-led sessions,
- Support for B2B customers in employee well-being strategy development: provision of tools such as the Wellbeing Score and advisory support in designing well-being programmes tailored to organisational needs,
- Flexible employee benefits systems: the cafeteria platform allows users to customise their benefits, including sport classes, health packages and educational programmes.

These ongoing actions help the Group to increase the number of beneficiaries and to strengthen its positive impact on users' health by addressing their diverse needs and expectations. This, in turn, supports the delivery of long-term strategic objectives related to health promotion and well-being, while also advancing the Group's business goals.

Privacy

Personal data protection and user data confidentiality are the Group's strategic priorities. The Group undertakes a range of initiatives aimed at minimising the risk of personal data breaches and associated risks. Key actions include:

- Security systems: investments in technologies such as encryption, data loss prevention (DLP) systems, and multi-factor authentication (MFA),
- Security monitoring: regular external audits of IT systems, incident analysis, and the implementation of procedures ensuring alignment with evolving legal requirements,
- Education: programmes aimed at increasing awareness among employees and partners regarding data protection and incident response.

Privacy-related measures are carried out on an ongoing basis – including short-term implementation of safeguards, as well as medium- and long-term strategies focused on enhancing data protection procedures. Effectiveness is monitored through IT security audits, incident analyses, and the results of training sessions and awareness surveys.

The types of resources allocated by the Group to current and planned sustainability-related initiatives include financial, human and technological resources. Resources related to actions concerning material topics related to end-users are planned and budgeted for within the operational costs of multiple departments. Due to the need to protect commercially sensitive information, the Group does not disclose detailed data regarding these resources.

S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The ESG Strategy for 2024–2026 includes key topics related to end-users that were identified as strategic prior to the double materiality assessment conducted in accordance with ESRS requirements. The year 2024 has been adopted as the baseline, and the target implementation period extends until the end of 2026. Baseline values for the targets will be derived from data available as at the end of 2024, which will be fully analysed after the publication of the sustainability statement. The presentation of results for 2024 and 2025 and their comparison will be possible in the 2025 statement. The supporting targets are expressed in relative terms. The strategy is scheduled to be updated in 2025 following the completion of the first reporting cycle in accordance with the new ESRS standard, and based on the results of the double materiality assessment, gap analysis and ESRS requirements concerning the measurability of targets.

Material topic	Organisational coverage	Commitment	Main objective and supporting objectives	Supporting objective	Metrics
Access to (quality) information	Benefit Systems Group	Education of users, customers, and the wider community	At least 100 thousand direct beneficiaries annually of the Group's external educational activities.	At least 7-10 educational projects per year targeting users, customers and other external stakeholder groups.	Metric: number of projects and number of beneficiaries
Privacy	Benefit Systems Group	Ensuring the protection of user and customer data	Provision of security training, including guidance on personal data protection, for all BS Group employees.		Metric: percentage of workforce trained
			Ensuring a high level of information security regarding customers, users, and partners. No incidents involving theft of confidential information.	Supporting objective: No substantiated claims from customers concerning the processing of confidential information.	Metric: number of substantiated claims from customers

Access to products and services	Poland segment	Promoting physical activity and healthy lifestyles across various social groups	At least 50 thousand beneficiaries per year of free programmes and events engaging diverse social groups.		Metric: number of beneficiaries
			At least 20 annual initiatives (programmes, campaigns, actions) designed to engage various social groups.		Metric: number of initiatives
	Poland segment	Fostering well-being and wellness of employees, users, and customers	Increase by 5% the proportion of surveyed users who believe the Group's products support well-being (increase within three years compared to the 2024 baseline).		Metric: increase in user proportion
			Increase by 5% the proportion of surveyed B2B customers who believe the Group's products support well-being (increase within three years compared to the 2024 baseline).		Metric: increase in user proportion
	Poland segment	Promoting mental well-being of employees, users, and customers	Increase by 5% the proportion of surveyed MultiLife users who believe the programme supports their mental well-being (increase within three years compared to the 2024 baseline).		Metric: increase in user proportion

The targets related to privacy are consistent with the provisions of the Personal Data Protection Policy and the Privacy Policy.

The process of defining targets under the current ESG strategy was informed by an analysis of data collected through satisfaction surveys, Net Promoter Score (NPS) questionnaires, interviews, meetings, workshops, as well as market research and industry reports. Priority was given to matters of greatest relevance to customers and users, such as data protection, mental and physical well-being, and education. The engagement of end-users in the process of setting the targets is ensured through various forms of dialogue and collaboration. These include the organisation of workshops and focus groups, as well as ongoing communication with a designated account manager, enabling regular collection of feedback and suggestions. The outcomes of these interactions are systematically analysed and inform the prioritisation and strategic development pathways, thereby ensuring that the established targets remain aligned with stakeholders' actual expectations.

For a detailed description of the methodology applied to develop the strategy, see the '*General information'* section.

Currently, with respect to end-users, no specific targets have been set for selected material areas, such as expert competence, health and safety (including aspects related to air conditioning safety), or risks associated with demographic shifts. These areas are managed within the framework of existing policies and operational activities. A decision whether to establish dedicated targets for these areas will be made during the update of the ESG strategy following the end of the first reporting year. No ambition levels have been set for the aforementioned areas.

The process for monitoring policies and the effectiveness of actions related to those material topics for which output-oriented targets have not been defined covers areas such as:

- Health and safety – relevant metrics include the number of accidents and near-misses, and are subject to systematic review to implement preventive measures and improve safety standards.
- Expert competence – governed by applicable formal requirements and actions described in the relevant section, including the verification of qualifications and the provision of training.
- Review of end-user requests and complaints – monitoring of feedback and suggestions submitted by users to identify areas for improvement, including those related to health and safety and staff competence.
- Satisfaction surveys among customers and users – analysis of the Net Promoter Score (NPS) and trends in customer opinions, enabling an assessment of service quality and trust levels, also in terms of the ability to keep pace with demographic changes.

Business conduct

ESRS G1 Business conduct

As part of the double materiality assessment, a positive impact was identified in the following area:

- Impact on corporate culture through the implementation and adherence to the Code of Ethics and good practices within the Poland segment, which positively affects both internal and external stakeholders.

In view of this impact, the Group discloses information relating to business conduct policies, corporate culture, and the management of its relationships with suppliers.

G1-1 Business conduct policies and corporate culture

The Benefit Systems Group is guided by the principles of honesty, integrity, and ethical conduct. The Group's strategic approach to ethical and responsible management is outlined in the ESG Strategy for 2024–2026 under the Business pillar. The organisation has committed to:

- strategically manage the ESG area across the Group, e.g. through the effective governance of ethics,
- ensuring the protection of user and customer data,
- integrating ESG criteria into procurement processes.

The Group's mission is to promote an active lifestyle, based on the belief that increased physical activity leads to greater energy, better health, enhanced well-being, and ultimately – an improved overall quality of life. Benefit Systems S.A., as a member of the global B Corporation Movement, is committed to maintaining a balance between the pursuit of its business objectives and social engagement. The Company's approach to ethical and responsible business practices is articulated in several key documents, including the Benefit Systems Group Code of Ethics – BS_WAY (the "Code of Ethics").

Business conduct and corporate culture at the Benefit Systems Group are further addressed by a set of documents that complement the Code of Ethics. Responsibility for their adoption and implementation lies with the Management Board of the respective Group company.

Selected documents relating to responsible and ethical business conduct:

Document name	**Companies that have implemented the document**
Compliance Policy	Benefit Systems S.A.
Diversity, Equity and Inclusion (DEI) Policy	Benefit Systems S.A.
Good Practice Guidelines for Addressing Cases of Workplace Bullying and Discrimination	Benefit Systems S.A.
Procedure for Anonymous Reporting of Suspected Violations of Law, Internal Regulations and Ethical Standards	Benefit Systems S.A.
Personal Data Protection Policy	Benefit Systems S.A.
Privacy Policy	Benefit Systems S.A.
Diversity Policy with respect to Members of the Supervisory Board	Benefit Systems S.A.
Diversity Policy with respect to Members of the Management Board	Benefit Systems S.A.

Code of Ethics	Benefit Systems S.A., Benefit Systems International S.A. and Fit Invest International Sp. z o.o. Vanity Style sp. z o.o. and Form Factory s.r.o have adopted their own codes of ethics, whose provisions ensure consistency in the ethical approach across the Group. At foreign entities of the Benefit Systems Group, the implementation of the Code of Ethics and other compliance-related documents has been scheduled for 2025.
Internal Whistleblowing Procedure for Reporting Violations of Law within the Scope Set Out in the Whistleblower Protection Act	Implemented at the following entities in accordance with the provisions of the Polish Whistleblower Protection Act: Benefit Systems S.A., Benefit Systems International S.A., and VanityStyle Sp. z o.o. Reporting procedures have also been implemented in accordance with local regulations transposing Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law in the following countries: Czech Republic, Slovakia, Bulgaria, and Croatia: MultiSport Benefit s.r.o. (CZ), Form Factory s.r.o. (CZ), Benefit Systems d.o.o. (HR), Benefit Systems Slovakia s.r.o. (SK), Benefit Systems Bulgaria OOD (BG), Next Level Fitness OOD (BG)
Compliance Policy	Form Factory s.r.o. (CZ)

Benefit Systems Group Code of Ethics

The Benefit Systems Group Code of Ethics – BS_WAY outlines the ethical standards, values, and principles of conduct embraced by the organisation. Its provisions define the areas of significance to the Group, including respect for human rights, anti-corruption efforts, the prevention of conflicts of interest, confidentiality and data protection, social engagement, and responsible environmental stewardship. The Code of Ethics promotes conduct aligned with the organisation's core values of respect, responsibility, and cooperation.

The Code of Ethics is made available to all stakeholders via the website at: benefitsystems.pl. Every employee and associate of Benefit Systems S.A. is required to familiarise themselves with the Code of Ethics and adhere to its principles. The same rule applies to employees and associates of other Group companies where the Code of Ethics has been implemented.

Compliance Policy

The Compliance Policy is a fundamental framework governing Benefit Systems S.A.'s activities in the area of compliance risk management, which include identifying, assessing, mitigating, and monitoring risks, shaping the Company's image as an ethical business, and assigning roles and responsibilities within this area.

Anti-Corruption Policy

Benefit Systems S.A. and selected companies of its Group have formally adopted anti-corruption regulations in line with the United Nations Convention against Corruption. The Anti-Corruption Policy comprehensively defines the understanding of corruption at the Parent Benefit Systems S.A., and clearly states the organisation's zero-tolerance approach to any form of corrupt practices. It also describes the potential consequences for both the organisation and individuals should they engage in corrupt activities. The anti-corruption provisions apply to all employees and associates. Business partners are likewise expected to be familiar with the Policy and to adhere to its provisions. Benefit Systems S.A. assumes that corruption risk exposure is particularly relevant for Management Board members and middle management staff in the areas of customer relations, partner relations for MultiSport, MyBenefit, and MultiLife products, as well as procurement.

Diversity, Equity and Inclusion (DEI) Policy at Benefit Systems S.A.

The DEI Policy emphasises the value of diversity as a source of inspiration for both the Parent and the entire Group. It is grounded in the values set out in the Code of Ethics and is implemented in accordance with the ESG Strategy for 2024–2026.

Good Practice Guidelines for Addressing Cases of Workplace Bullying and Discrimination at Benefit Systems S.A.

The procedure is described in greater detail in the 'Own workforce' section of this statement.

Privacy Policy and Personal Data Protection Policy

Benefit Systems S.A. has in place internal policies and procedures governing data protection, as well as public documents addressed to external stakeholders.

The key internal document is the Personal Data Protection Policy, which governs data processing in compliance with the rights of data subjects.

An essential element of this framework is also the Privacy Policy, through which the Company communicates with individuals whose data it processes, such as customers and users of its products. In pursuit of the objectives of transparency and broad accessibility of information, the Privacy Policy is published on the Company's websites.

The data protection framework in place comprehensively governs the handling of data, including special categories of data, without providing for any exceptions. In accordance with its principles, any data subject may submit a request to the Company seeking to exercise their rights. Additionally, the Company facilitates the exercise of data protection rights by end-users providing them with dedicated communication channels. Users also have the option to contact the Company's appointed Data Protection Officer with regard to matters relating to the processing of their personal data.

Availability and awareness of policies and procedures

The Group makes a number of its regulations related to business ethics, diversity, and the remuneration of management and supervisory bodies publicly available via its corporate website, in accordance with the applicable legal obligations and the Best Practice for WSE Listed Companies (the "Best Practice"). The anti-corruption provisions are accessible to employees and associates of Benefit Systems S.A. and other Group companies through the corporate intranet. Corporate culture is actively fostered through internal communication channels, including team-bonding and development initiatives, such as workshops and meetings.

Information on expected business conduct is systematically communicated to all new employees of Benefit Systems S.A. and VanityStyle Sp. z o.o. during their onboarding training. Furthermore, once a year, employees' knowledge is refreshed and updated through e-learning modules covering the Code of Ethics, the Anti-Corruption Policy, the Gifts and Hospitality Procedure, and the Conflicts of Interest Procedure.

Implementation of policies

In the case of subsidiaries, the selected codes, policies, and procedures are implemented progressively and proportionately, guided by the principle of materiality, with priority given to entities of strategic importance to the Group's business.

At Benefit Systems S.A., a Works Council is in place, representing employees' interests before the Management Board and serving as a consultative body for various topics and planned changes undertaken by the Company.

Protected whistleblower reports

A number of company of the Benefit Systems Group are subject to national regulations transposing Directive (EU) 2019/1937 on the protection of whistleblowers, or other equivalent legal frameworks safeguarding individuals who report violations. These companies have adopted the legally prescribed scope of protections for whistleblowers, along with procedures for swift, independent, and impartial investigation of business conduct-related breaches. The internal whistleblowing procedures for reporting violations of law within the scope set out in the whistleblower protection regulations were developed in 2024, consulted with the Works Council and approved by the Management Board. At foreign subsidiaries, such procedures have been implemented in accordance with the requirements of local whistleblower protection laws.

Entities subject to whistleblower protection obligations within the Group include:

- companies registered in Poland:
  - Benefit Systems S.A.
  - VanityStyle Sp. z o.o.
  - Benefit Systems International S.A.
  - FIT Invest International S.A.
- foreign companies:
  - Multisport Benefit s.r.o. (CZ),
  - Form Factory s.r.o. (CZ),
  - Benefit Systems d. o. o. HR
  - Benefit Systems s.r.o. (SK),
  - Benefit Systems OOD (BG),
  - Next Level Fitness ODD (BG)

Work-related whistleblower reports may concern violations of law in the areas specified in Art. 3.1 of the Polish Whistleblower Protection Act.

Reporting channels available at the Parent:

1. Whistleblower reporting platform – external system enabling the submission of reports either in writing or verbally – available at benefitsystemspl.whistlelink.com.
2. Written submissions – reports may be submitted to the designated correspondence address (marked "Confidential"):
    a. Compliance Officer, Benefit Systems S.A. Plac Europejski 2, 00-844 Warsaw, Poland
    b. Ethics Committee, Benefit Systems S.A., Plac Europejski 2, 00-844 Warsaw, Poland
    c. Management Board Member, Benefit Systems S.A., Plac Europejski 2, 00-844 Warsaw, Poland.
3. In-person submissions – reports may also be submitted by arranging a meeting with designated members of the Ethics Committee.

All reports are treated with strict confidentiality. The procedure explicitly prohibits any retaliatory measures against whistleblowers, including intimidation or threats. Whistleblower protection is granted provided that:

- the reporting person had reasonable grounds to believe that the information disclosed was true at the time of reporting,
- the report concerns violations of law within the scope defined in the Whistleblower Protection Act.

Other procedures for reporting breaches

Since 2017, the Parent has additionally operated the Procedure for Anonymous Reporting of Suspected Violations of Law, Internal Regulations and Ethical Standards, as updated in 2024.

Reporting channels for internal stakeholders include:

- Anonymous reporting platform – an external system that allows reports to be submitted anonymously in electronic form, either in writing or verbally, via a dedicated online platform: benefitsystems2.whistlelink.com,
- Written submissions – anonymous reports may be sent by post to the designated correspondence address, marked "Confidential".

In addition to internal stakeholders, the Benefit Systems Group enables its partners, customers, suppliers, and other external stakeholders to report suspected breaches. External parties may report violations of applicable laws, ethical standards, or internal regulations in connection with the Group's activities, including, among other things:

- unethical business practices,
- corruption,
- breaches of environmental protection standards,
- other actions violating human rights or infringing upon the interests of end-users.

The designated point of contact for external stakeholders is the Compliance Officer at Benefit Systems S.A.

The implemented procedures are designed to facilitate the identification, reporting, and investigation of violations. A key element of this system is the promotion of employee awareness through regular ethics-focused training. Whistleblower reports and internal anonymous submissions are received by the Ethics Committee, which ensures impartiality, independence, and the protection of the reporting person's identity. All submissions are reviewed with strict confidentiality and objectivity. Information related to reports is periodically communicated to the Management Board and the Audit Committee, with due regard to the need to maintain its confidentiality.

G1-2 – Management of relationships with suppliers

Among its suppliers, within the meaning of the European Sustainability Reporting Standards (ESRS), the Group identifies two distinct categories, each governed by different principles of business cooperation.

The first category includes partners that provide products and services for customers and end-users. This group comprises:

- owners and managers of sports facilities accessible through the **MultiSport** card,
- partners delivering a wide range of benefits under the **MyBenefit** cafeteria programme across sectors such as tourism, retail, food services, culture, recreation, and sports,
- partners supporting the **MultiLife** programme, including dieticians, financial advisors, and language instructors. The offering also includes services related to physical health (preventive medical screenings, doctors, fitness trainers) and mental health.

The second category consists of suppliers of utilities (natural resources), materials, products (including sports facility equipment), and upstream services that are essential for day-to-day operations of the business.

Each of these groups is subject to tailored cooperation principles reflecting the specific nature of their role in the Group's operations and how they contribute to the achievement of its strategic objectives.

Criteria for selecting suppliers and partners

In selecting suppliers, Benefit Systems S.A. applies the following criteria and rules:

- Respect for the principle of a level playing field: the supplier selection process follows the good practice of ensuring equal opportunities in competing for contracts,
- Strengthening collaboration: the Company fosters effective cooperation and long-term relationships with existing suppliers, while maintaining the flexibility to engage new suppliers in line with its evolving needs,
- Focus on support for smaller, local enterprises: in line with the B Corporation Movement standards, the Parent prioritises the selection of product and service suppliers that are small, local enterprises and family-run businesses, thereby supporting local communities,
- Objective evaluation: supplier selection includes an impartial assessment of price and quality, accompanied by a review of the ethical standards upheld by the supplier,
- Mutual fairness and win–win collaboration: for Benefit Systems S.A. it is important to ensure that both the customer and supplier are satisfied with the terms of business, fostering relationships built on mutual fairness.

The Code of Ethics affirms the Group's commitment to the principles of honesty, integrity, and ethical conduct – and the Group expects the same standards of behaviour from its partners and suppliers. The Group exercises due diligence in the negotiation and execution of contracts. However, as of now, a uniform, formalised approach applicable across all Group companies, one that would systematically address supplier and partner relationships with regard to supply chain risks and sustainability impacts, has not yet been implemented. In the opinion of the Parent Benefit Systems S.A., the current quality of relationships with suppliers and partners meets the expectations of both sides. At the same time, the Company plans to develop and adopt dedicated supplier standards in the coming years.

The Parent Benefit Systems S.A. incorporates environmental and social criteria into supplier evaluations through a dedicated CSR Questionnaire, which constitutes an integral part of the Procurement Procedure. The questionnaire includes questions related to business ethics, anti-corruption measures, human rights, labour rights, as well as occupational health and safety. The ESG Department's evaluation of the supplier, based on the responses provided, carries a consistent weight in supplier selection decisions.

For partners who are not assessed via the CSR Questionnaire, the standard Business Ethics Principles schedule is included in contracts, outlining the ethical standards upheld by the Benefit Systems Group and articulating the Group's expectation that its partners conduct business in alignment with these principles.

The Business Ethics Principles reference the following policies and procedures:

- Benefit Systems Group Code of Ethics – BS_WAY,
- Anti-Corruption Policy,
- Gifts and Hospitality Procedure, and Conflicts of Interest Procedure.

Furthermore, since 2022, the procurement process has included screening of potential trade partners against sanctions lists.

Policies to prevent late payments

At the Parent level, payment terms are governed by the Procurement Procedure. In 2024, the Benefit Systems Group did not have in place a uniform, formal procedure to prevent late payments, particularly to small and medium-sized enterprises. Nonetheless, the established practice across Group companies is to settle payments within contractually agreed timelines. Adherence to timely payments is considered a key element of fostering long-term, stable business relationships.

AUTHORISATION FOR ISSUE

This consolidated Directors' Report on the operations of the Benefit Systems Group, including mandatory disclosures required in a director's report of a parent, for the 12 months ended 31 December 2024 (including the comparative data) was authorised for issue by the Management Board of the Parent on 7 April 2025.

Date	Full name	Position	Signature
7 April 2025	Marcin Fojudzki	Member of the Management Board	
7 April 2025	Adam Kędzierski	Member of the Management Board	
7 April 2025	Emilia Rogalewicz	Member of the Management Board	
7 April 2025	Marek Trepko	Member of the Management Board	