



**Non-Financial Statement of Mostostal Warszawa
Group**
for the period
from 1 January to 31 December 2018

1. LETTER OF THE MANAGEMENT BOARD

GRI 102-14

Dear Shareholders,

Past year brought a number of challenges that significantly influenced changes in the construction sector. The EU funds launched in the past years have impacted the number of public procurement sector tenders, especially in infrastructure. The growth trend was also kept throughout the real estate market, strengthening further demand for construction services also in the general building.

During 2018, Mostostal Warszawa Capital Group achieved sales revenues of PLN 1 bln and had a gross loss of PLN 36,7 mio. and a net loss of PLN 46,3 mio. We observed and reacted to the challenges facing construction sector, among others related to, increase in building materials and subcontractors services prices, as well as a labour costs. The portfolio of orders allowed us to respond to the current difficulties within the industry, among others by deepening diversification - both in terms of activity in specific markets segments (we have contracts in all areas: energy, infrastructure, general construction, environment protection), in terms selection of contractors (we have public and private contracts for domestic and foreign investors), and in organizational sense, as a capital group, which includes companies conducting multilateral activities, including both general contracting and typically production and designer activities.

Intensive and effective offerings deepened the diversification of our portfolio of orders and resulted in the number of new contracts with new clients, and also enabled us to maintain cooperation with existing ones. In 2018, we have signed and executed numerous contracts in each of our business segments: energy, industrial, infrastructure, environmental and general construction. We noticed a significant increase in the number of contracts, especially in the energy construction sector, where we started work on the expansion of the PERN base in Gdansk, and also have signed a contract for the construction of a reserve heat source at Stalowa Wola and heat insulation for no. 10 plant Łagisza Power Plant. The contract for the construction of power units No. 5 and 6 in the Opole Power Plant is decreasing in our order portfolio, due to the final phase of its implementation. However, in the field of energy construction, many options are created by regulations obliging the energy sector to carry out modernization over the next few years on facilities that do not meet emission standards.

Last year, we have signed new contracts in the industrial construction segment, including the expansion of the Autoliv factory in Jelcz-Laskowice. We have also begun construction work on the ETAC production plant, and we have concluded the Center for Research, Development and Quality at Mondelēz International RD&Q.

In our orders portfolio, we increased the share of infrastructure projects. We have signed a number of contracts with the General Directorate for National Roads and Motorways, including: Nisko Południe-Podgórze along the S17 road, Ełk Południe-Wysokie along the S61, Kielce-Brzeziny/Morawica within DK73. We also implemented the Strzyżów bypass – the investment of the Road Administration of Podkarpackie Voivodship. We have developed a portfolio of orders for new contracts in the field of general construction, signed contracts and implemented residential facilities (Warsaw's Wola and Wilanów districts and Szczecin), cultural (eg. a multimedia library in Piotrków Trybunalski), sports (among others, we have built the AquaPark in Tychy) and school (we have completed several contracts for the University of Science and Technology in Krakow, and we have signed a contract for the construction of a primary school in Warsaw). We were active in the implementation of contracts in the field of health (we started the extension of the West Pomeranian Specialist Hospital). We also joined the extension of Focus Mall shopping center in Zielona Góra.

Our goal for 2019 is to increase the portfolio of orders and improve our financial results. We want to achieve our goal through consistent development in all business areas. Particular attention will be paid to the effectiveness

and quality of offers, in order to build a safely portfolio of orders, as well as discipline in the implementation of current contracts.

Miguel Angel Heras Llorente
President of the Management Board of Mostostal Warszawa

2. YEAR 2018 IN NUMBERS AND ACTIONS

GRI 102-7

BASIC ECONOMIC VALUES:

	2018	2017
sales revenue [thousands of PLN]	1,013,332	1,099,630
gross profit or loss [thousands of PLN]	-36,747	26,921
equity [thousands of PLN]	89,655	138,566
assets [thousands of PLN]	1,047,261	991,635
number of employees [thousands of PLN]	1,481	1,552

KEY NON-FINANCIAL PERFORMANCE INDICATORS RELATED TO THE OPERATIONS OF MOSTOSTAL WARSZAWA GROUP IN 2017:

	2018	2017
value of public and private law liabilities paid [thousands of PLN]	154,740	152,591
number of public clients	29	20
number of private clients	58	49
number of investments completed	50	41

MATERIAL EVENTS IN 2018:

JANUARY

- ☒ Mostostal Warszawa entered into a contract for the revitalization of the real property located at ul. Tuwima 46 in Łódź. The project involves reconstruction, development, extension and change of the intended use of the complex of historic buildings. The gross value of the contract is nearly PLN 29 million.
- ☒ AMK Kraków S.A. signed a new contract with IMN Gliwice, under which a pilot plant for the production of gypsum from process gases will be constructed. The value of the contract amounts to PLN 7.852 million.
- ☒ Mostostal Warszawa officially inaugurated the construction of the new headquarters of the Faculty of Information Technology, Electronics and Telecommunications at the campus of the AGH University in Krakow. The foundation stone for the construction of a new educational and scientific building was laid in the presence of Bishop Tadeusz Pieronek, Deputy Prime Minister and Minister for Education and Higher Education, Jarosław Gowin and Professor Tadeusz Słomka, Rector of the AGH University of Science and Technology. The gross value of the contract is nearly PLN 17 million.
- ☒ Mostostal Warszawa entered into the contract for the construction of two oil tanks at PERN base in Gdańsk. The contract with a net value of nearly PLN 142.95 million will be implemented together with Mostostal Płock, specializing in the industrial construction segment. Thanks to the expansion, the base in Gdansk will increase the storage capacity by 200,000 cubic meters.
- ☒ Thanks to the expansion, the base in Gdansk will increase the storage capacity by 200,000 cubic meters. The project value amounts to nearly PLN 33 million.
- ☒ Mostostal Kielce is a member of the business club named 'CLUB 100' operating at VIVE HANDBALL Kielce Sports Club.

FEBRUARY

- ☒ Mostostal Warszawa has signed a new contract with Mondelēz International RD&Q. Under the project, Mostostal will carry out comprehensive development of the Research, Development and Quality Center at Bielany Wrocławskie. The value of the contract amounts to PLN 12.350 million.
- ☒ AMK Kraków signed a new contract with ZGH Bolesław, under which the Zinc-Coal Refuse Recovery Facility will be extended on the "turnkey" basis. The value of the contract amounts to PLN 33 million.

- ☒ Mostostal Płock, in a consortium with Profil RCG, signed a contract with ADK Investments for the construction of five storage tanks for fuels with a capacity of 3,100 m³ each. The net value of the contract is PLN 53,42 million.

MARCH

- ☒ At Szczecin Industrial Park, Mostostal Warszawa manufactures prefabricated segments to be used for construction of a bridge in Denmark in the area of the Roskilde Fjord. The first transport from the port set off with a load of more than 1,300 tons.
- ☒ A decade after the extension of the Focus Mall in Piotrków Trybunalski, Mostostal Warszawa signed a contract the company owned by NEPI Rockcastle for the extension and reconstruction of the Focus Mall shopping center in Zielona Góra. The target area of the Center will reach 117 thousand sqm. The net value of the contract is nearly PLN 200 million.
- ☒ Mostostal Warszawa filed with the Patent Office of the Republic of Poland a patent for the construction of a multi-awarded composite bridge in Białowa. The patent obtained is a symbolic culmination of the Com-bridge project and evidence of the company's leading role among general contractors in the field of research and development.
- ☒ During the March workshop on the occasion of the Young Engineer's Day, participants of the Builder for the Young Engineers program (B4YE) once again had the opportunity to meet Mostostal Warszawa experts. The third edition of the event was entitled "The road to a career. The road to successes. The road to satisfaction in the engineering profession".
- ☒ Mostostal Warszawa signed a contract for the construction of a apartment building Kraków at ul. Katowicka with an underground garage, commercial premises on the ground floor and the accompanying technical infrastructure. It is another stage of the housing estate Mieszkaj w Mieście built by the Company in Bronowice, a district of Kraków.
- ☒ Mostostal Warszawa won a tender by NATO and together with Mostostal Płock will built and modernise a fuel and grease warehouse in Powidz. The gross contract value is over PLN 33 million.
- ☒ Mostostal Kielce participated in and staged a stand at the international fair MIDEST 2018 in Paris.
- ☒ Mostostal Kielce provided financial support for the organization of an artistic and educational spectacle for children from the Provincial Specialist Children's Hospital in Krakow.

APRIL

- ☒ The Company was recognised by the Responsible Business Forum for another year in a row. The report "Responsible Business in Poland. Good Practices" lists six fields of activity of Mostostal Warszawa. The company's projects have been mentioned in the areas of: "work practices", "environment", "fair operating practices" as well as "social involvement and local community development".
- ☒ Mostostal Warszawa has published the CSR Report for the first time. The report has been prepared in accordance with the international standard for non-financial data reporting - Global Reporting Initiative, CORE application level, GRI Standards.
- ☒ Mostostal Warszawa built the Water Park in Tychy. It is another strategic project implemented for the City by Mostostal Warszawa. Thanks to two cogeneration systems fed with biogas from the Tychy wastewater treatment plant, the facility is practically self-sufficient in energy terms.
- ☒ Mostostal signed a contract with PKN Orlen for comprehensive performance of works, including all deliveries, within the framework of construction of four tanks with a capacity of 9,600 m³ each. The net value of the contract is PLN 59,99 million.
- ☒ Mostostal Kielce obtained the ACQPA certificate confirming specialist certification of employees performing anti-corrosion coatings. With this certification, employees can perform full painting systems compatible with the standards of and approved by the ACQPA organization, as necessary for anti-corrosion systems provided on the French market.

MAY

- ☒ On 14-20 May, the Safety Week was held – the largest initiative to improve health and safety at Polish construction sites. The title of the edition was: "Safety pays off. To All".
- ☒ There was the first cut of the spade for the construction of Strzyżów bypass. It will be the largest financial project implemented under the Regional Operational Program of Podkarpackie Province in the years 2014-

2020. The construction of the bypass will cost PLN 106 million, of which PLN 90 million will be the EU funds. The contractor of the bypass is the consortium composed of Mostostal Warszawa and Mostostal Kielce.

- ☒ During the Night of Museums near the Grand Theatre, the history of construction of unique lighting masts was presented. In 1964, Warsaw Enterprise of Steel Structures and Industrial Equipment "MOSTOSTAL", under the supervision of the assembly manager Stanisław Piotrowski, erected 20-meter tall lighting masts, each bearing 10-arm reflectors.
- ☒ Mostostal Warszawa was honoured by the editors of "Polityka" by White Leaf of CSR. The prize is awarded to companies that declare the implementation of all the most important management categories recommended by the ISO 26000 standard and constantly enhance their activities for the effective management of the company's environmental impact.
- ☒ Mostostal Kielce provided financial support for the organization of the 15th Science and Technology Conference "Construction Appraisers' Skills" in Kielce.

JUNE

- ☒ Mostostal Warszawa, as a member of the Consortium, signed a contract for the construction of a sports and entertainment hall in Puławy. The contract worth nearly PLN 87 million obliges the Contractor to build the facility within 22 months. According to the project schedule, the hall should be completed by the end of April 2020.
- ☒ Mostostal Warszawa was honoured with the Crystal Brussels Sprout Award for the implementation of European research and development projects. Mostostal Warszawa received the Crystal Brussels Sprout Award for the second time. Earlier, in 2013, the Company was awarded for outstanding achievements in the promotion and implementation of the European Union research programs.
- ☒ Two projects implemented by Mostostal Warszawa: Water Park in Tychy and Św. Wawrzyńca Apartments in Krakow were honoured with 1st class prizes in the prestigious "Construction of the Year" Competition.

JULY

- ☒ A representative of Mostostal Warszawa gave a lecture at the "Young Safe at Work" seminar. The subject of the lecture was "Shaping the attitude of young engineers – Good Practices, Health and Safety Standards". The purpose of the seminar was to exchange good practices and build a platform for cooperation between enterprises in the field of employing young employees just starting their careers.
- ☒ Mostostal Warszawa and AGH University of Science and Technology in Krakow entered into a contract for the construction of a scientific and laboratory facility. The building will house specialist installations for the Faculty of Oil and Gas Drilling Department and the Faculty of Electrical Engineering, Automatics, Computer Science and Biomedical Engineering. The net value of the Contract exceeds PLN 22.5 million.
- ☒ Mostostal Warszawa and the General Directorate for National Roads and Motorways as well as other members of the Consortium entered into the contract for design and construction of a 23 km section of the S61 Road – Ełk Południe-Wysokie. The gross contract value exceeds PLN 685 million.
- ☒ Mostostal Warszawa and the General Directorate for National Roads and Motorways as well as members of the Consortium entered into the contract for design and construction of the first stage of the bypass road for Morawica and Wola Morawicka along the National Road No. 73. The gross contract value exceeds PLN 78 million.
- ☒ Mostostal Kielce obtained the FSV certificate qualifying the company to perform anti-corrosion works in accordance with the standards required on the Austrian market.

AUGUST

- ☒ Mostostal Warszawa and the Independent Public Complex of Health Care Facilities in Gryfice entered into the Contract for the hospital building development. The gross contract value exceeds PLN 30 million.
- ☒ Mostostal Warszawa will expand Autoliv Poland's plant responsible for design and manufacture of airbag modules. The expanded plant is located in Jelcz-Laskowice. The gross contract value is over PLN 53 million.
- ☒ Mostostal Warszawa entered into the contract for the construction of a standby heat source for Elektrociepłownia Stalowa Wola SA's CHP Plant. The gross value of the contract is PLN 55 million.
- ☒ Mostostal Kielce joined the Business Center Club as a "Partner of the BCC Lodge in Świętokrzyskie Region".

SEPTEMBER

- ☒ Mostostal Warszawa and Tauron Wytwarzanie entered into the contract for construction of the Power Block 10 at Łagisza Power Plant in Będzin as well as the adaptation of the heat output system. The facility will allow the use of steam from the turbine flow system of the power plant for production of heat. The gross contract value exceeds PLN 66 million.
- ☒ Mostostal Warszawa began the extension of Autoliv's production plant in Jelcz-Laskowice. On 12 September, the foundation stone laying ceremony was held.
- ☒ Mostostal Warszawa and Ordona 1 Sp. z o.o. signed the contract for construction of a complex of three multi-family residential buildings in the Borough of Wola, Warsaw. The gross value of the contract is PLN 73.39 million.
- ☒ Mostostal Warszawa, as the consortium leader, entered into the contract with the Municipal Water and Wastewater Company in Zduńska Wola for construction of the recreation and sports centre RELAKS in Zduńska Wola. The gross contract value exceeds PLN 39 million.
- ☒ Warsaw University of Technology held a meeting regarding the establishment of the Polish branch of buildingSMART. Mostostal Warszawa is one of the entities that initiated creation of the branch that will officially launch its operations at the beginning of 2019.
- ☒ Mostostal Płock and ADK Investments signed an annex to the contract for the expansion of the fuel base with five tanks with the capacity of $V=3100\text{ m}^3$ each. The annex concerns the extension of the scope of the contract, and thus, its net value has increased up to PLN 59.67 million.
- ☒ Mostostal Kielce provided financial support for the organization of the 4th Radio Music Festival for the Crown of Kielce.

OCTOBER

- ☒ A representative of Mostostal Warszawa appeared during the Second Conference "How to effectively create research and development strategies in Polish industry". During the conference, experts and practitioners presented the stories of projects successfully implemented under the EU Framework Programs.
- ☒ A ceremonial inauguration of the expansion of the hospital in Gryfice was held. Those present at the ceremony put a time capsule into the building's wall containing, among others, the foundation deed.
- ☒ The foundation deed was officially signed and the time capsule was buried, thus marking the launch of the construction of RELAX Recreation and Sports Center in Zduńska Wola. The ceremony was accompanied by a conference dedicated to long planned ceremony.

NOVEMBER

- ☒ Mostostal Warszawa and Borough of Wilanów of the Capital City of Warsaw signed a contract for construction of a primary school. The gross contract value is over PLN 59 million.
- ☒ The consortium of Mostostal Warszawa and ACCIONA Construcción and the General Directorate for National Roads and Motorways entered into the contract for the design and construction of 11.5 km of the S19 expressway from the "Nisko Południe" junction to "Podgórze" junction. The gross contract value exceeds PLN 272 million.
- ☒ Mostostal Warszawa and Acciona Nieruchomości Wilanów signed a contract for the construction of a five-storey multi-family residential building and the accompanying infrastructure. The gross contract value exceeds PLN 51.5 million.
- ☒ Mostostal Warszawa, as a socially responsible company, supports safety on Polish roads. The company initiated #Po_Drodze campaign. The company supplied the cars used by the OHS department with complete equipment used to provide first aid to the injured in accidents.
- ☒ Another award for a project implemented by Mostostal Warszawa. The Water Park in Tychy was awarded the Silesian Great Construction Award 2018.
- ☒ Mostostal Kielce, as a member of the Consortium, signed the contract for the modernization of Gdański Bridge in Warsaw.
- ☒ Mostostal Kielce provided financial support to the Children's Fantasy Foundation.

DECEMBER

- ☒ In the Main Hall of the Grand Theatre, an exhibition entitled "History of lighting masts from the Theatre Square" was held, presenting the constructions made in 1964 by Mostostal Warszawa.

- ☒ Mostostal Kielce and the National Fund for Environmental Protection and Water Management entered into the Agreement to co-finance the project entitled “Improvement of energy efficiency of Mostostal Kielce SA by energy renovation and lighting modernization”.
- ☒ Mostostal Kielce purchased a modern 8-TURBINE HORIBLASTER 3.0-0.5/8R/15 AUTOMATIC CLEANING MACHINE for high quality automatic steel cleaning, equipped with the most advanced SupremeBlaster sintered carbide turbines, characterized by low dust emission thanks to UltraWeb technology.

3. ABOUT MOSTOSTAL WARSZAWA GROUP

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3.1. CORE AREAS OF OPERATIONS

GRI 102-1 | GRI 102-2 | GRI 102-3 | GRI 102-4 | GRI 102-5 | GRI 102-6

Mostostal Warszawa Group consists of companies which carry out broad-based design and construction operations in all the market segments, from housing construction to dedicated structures for the heavy industry.

The following companies constitute the core of the Group: Mostostal Warszawa, AMK Kraków SA, Mostostal Kielce SA and Mostostal Płock SA, with extensive experience in the fuel and gas sector, power industry and environment protection; they follow the same strategy for the development of production, trade and marketing offer.

Other consolidated companies of the Group include also Mieleckie Przedsiębiorstwo Budowlane SA and Mostostal Power Development Sp. z o.o. – a special purpose vehicle of Mostostal Warszawa established for the construction of power blocks No. 5 and 6 at the Power Plant in Opole.

Mostostal Warszawa is the parent company of the Group. The non-financial statement of the Group covers the period of 12 months i.e. from 1 January to 31 December 2018.

Mostostal Warszawa S.A. is a joint stock company listed on the Warsaw Stock Exchange, incorporated under the laws of Poland, registered with the District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register, under the number 0000008820. The registered office of Mostostal Warszawa is located in Warsaw, at ul. Konstruktorska 12a. The Company's core business is specialised construction work covered by the Polish Business Classification (PKD) in section 4120Z. The duration of the operation of the Parent Company and companies within the Group is undefined.

Mostostal Warszawa S.A. is one of the largest construction companies in Poland. Acting as a general contractor, the company implements projects in all major sectors of the construction market. The Company has operated in the Polish market for over seventy years, which resulted in the construction of all types of objects in general, industrial, ecological, energy, infrastructure and road construction. Over the years of its activity, the Company has gained vast experience in manufacturing steel structures and process systems for the petrochemical and chemical industries. The Company's operation combines long-established Polish engineering solutions and state-of-the-art technologies. The chief shareholder of the Company is Acciona Construcción SA, a Spanish company of the Acciona concern, which operates in over 30 countries worldwide, in the infrastructure, renewable energy, clean technology and water management sectors.

Mostostal Kielce S.A. specialises in the construction and assembly of steelwork, especially in the construction sector and under industrial projects. The Company manufactures EXC1 to EXC4 steelwork as per PN-EN 1090 and PN-EN ISO 9001 standards and NATO standards defined in AQAP 2110. For its operations, Mostostal Kielce SA uses the potential of its own production shops with a capacity of 1000 tons of structures a month. The Company's

strategy provides for parallel operations in bridge construction and industrial projects. At present, it mostly carries out contracts for the delivery and installation of steel work to build new energy units in the country and abroad as well as emission control systems for providers of modern environmental protection technologies. It manufactures and assembles dozens of steel bridges and viaducts each year. The Company's registered office is located in Kielce, at ul. Ks. Ściegiennego 280. The Company has belonged to the Mostostal Warszawa Group since 1998 r. Spółka należy do Grupy Kapitałowej Mostostal Warszawa. The Company's registered office is located in Kielce, at ul. Ks. Piotra Ściegiennego 280.

Mostostal Płock S.A. is one of the most experienced Polish companies operating in the mechanical sector. The Company has a history of over 50 years and has belonged to Mostostal Warszawa Group since 1998. The chief competence of Mostostal Płock is focused on the oil & gas field in the broad sense, but the company operates dynamically in the chemical, power and food industries as well. The company's key products and services include: the manufacture and installation of storage tanks, pre-fabrication and installation of industrial systems, pre-fabrication and installation of pipelines, pre-fabrication and installation of steel work and pre-fabrication and installation of equipment and tanks. Mostostal Płock has its own equipment base to provide heavy lifting services and a company lab with PCA certification. The Company hold all types of certificates and licences, including certified ISO 9001, 14000 and 18000 systems. The Company's registered office is located in Płock, at ul. Targowa 12.

AMK Kraków provides specialised engineering services, from concept to startup, bases on top quality standards. The Company's solutions are used both for the production purposes and environmental protection; they can be employed in metallurgy, power engineering and other industries; they also comply with the IPPC directive. Implementing modern technologies, the Company closely cooperates with well-established research entities such the Polish Academy of Sciences (PAN), University of Science and Technology (AGH) or Institute of Non-Ferrous Metals (IMN) in Gliwice. AMK Kraków ensures the preparation of all project stages, from design works, to lab testing, to equipment delivery, to system startup. The Company's registered office is located in Kraków, at ul. Jana Pawła II 41.

Mostostal Power Development Sp. z o.o. – a special purpose vehicle of Mostostal Warszawa established for the construction of energy units no. 5 and 6 in the Opole Power Plant. The Company's registered office is located in Kielce, at ul. Konstruktorska 12a.

Mieleckie Przedsiębiorstwo Budowlane S.A. - pursuant to its statute, the Company's core business includes construction, general construction services and property rental. In 2018, the actual business consisted in the rental of own property. At present, the Company does not conduct business operations. The Company's registered office is located in Mielec, at ul. Przemysłowa 10.

GRI 102-45

name	Share in voting rights
Mostostal Warszawa	Parent Company
Mostostal Kielce S.A.	100.00%
Mostostal Power Development Sp. z o.o.	100.00%
Mieleckie Przedsiębiorstwo Budowlane S.A.	97.14%
AMK Kraków S.A.	60.00%
Mostostal Płock S.A.	53.10%

GRI 102-6

In 2018, the companies of Mostostal Warszawa Group carried out their activities, primarily on the domestic market (Poland) and on foreign markets, mainly in France, Germany, Austria, Sweden, Norway, and Ukraine.

3.2. MISSION, VISION AND STRATEGY

GRI 102-16

Mostostal Warszawa Group's development strategy assumes product diversification through activity in new segments as well as achieving higher sales revenue and acquiring contracts with profitability ensuring a satisfactory financial result.

The ultimate parent of the Group is Mostostal Warszawa, acting as the central management entity and integrating the Group.

The optimal use of its own potential, consisting in diversification of the Group's operations, allows to eliminate potential threats in individual market sectors.

The Code of Conduct is a set of values and guidelines to be followed companies of the Group.

The Code of Conduct applies to the entire operations of the Group, which are based on the observance of values such as honesty, integrity, reliability, transparency and safety. It is the starting point for any and all regulations in the Group. Every employee of the Group is responsible for following the rules of the Code. Superiors are responsible for communicating rules of conduct to their subordinates, providing them with support for the implementation of the Code, setting a good example and supervising the compliance with the rules of conduct. The Code of Conduct Committee is appointed and entitled to carry out independent reviews of how the Code is implemented and followed. Mostostal Warszawa Group encourages all its suppliers, customers as well as enterprises and partners to adopt action models adequate to those included in the Code of Conduct of Mostostal Warszawa Group.

The Management Board and executives of companies of Mostostal Warszawa Group are committed to the development of products and services which meet the requirements of both the economy and society with a growing care for the sustainable development. In this context, what comes into prominence are: clean technologies for energy generation, biofuels, infrastructure design and construction based on environmental parameters and innovations as well as energy efficiency criteria in buildings, water treatment using state-of-the-art technology as well as the sustainable and effective development of the transportation system. The objective of Mostostal Warszawa Group is that all the people and entities the Code applies to should observe the following rules of conduct in all their relations:

3.3. ORGANISATIONAL STRUCTURE

GRI 102-18 | GRI 102-45 | GRI 405-1

The composition of supervisory bodies and staff categorised per gender, age and other diversity indicators.

Table of employment per age categories:

Number of employees (as at 31/12/2018)	Mostostal Warszawa	591		11.5% y/y	
	Mostostal Warszawa Group	1482		4.57% y/y	
		women		men	
Number of employees	Mostostal Warszawa	231	14.9% y/y	360	9.42% y/y
	Mostostal Warszawa Group	327	4.8% y/y	1241	6.93% y/y
		Administrative staff			
Age		>30	30-50	50<	
Top management staff	Mostostal Warszawa	0	0% y/y	3	40% y/y
	Mostostal Warszawa Group	0	0% y/y	15	6.25% y/y
Middle management staff	Mostostal Warszawa	0	0% y/y	32	28% y/y
	Mostostal Warszawa Group	0	0% y/y	47	11.9% y/y
Specialists	Mostostal Warszawa	33	22.22% y/y	106	0% y/y
	Mostostal Warszawa Group	41	7.89% y/y	137	4.2% y/y
		Engineering and technical staff			

Top management staff	Mostostal Warszawa	0	0% y/y	43	138.89% y/y	6	14.29% y/y
	Mostostal Warszawa Group	0	0% y/y	58	87.1% y/y	7	30% y/y
Middle management staff	Mostostal Warszawa	35	66.67% y/y	121	9.09% y/y	9	43.75% y/y
	Mostostal Warszawa Group	46	35.29% y/y	160	12.57% y/y	33	36.54% y/y
Other employees	Mostostal Warszawa	102	17.24% y/y	65	25% y/y	14	26.32% y/y
	Mostostal Warszawa Group	230	11.88% y/y	386	3.26% y/y	262	6.43% y/y

DIVERSITY POLICY OF MOSTOSTAL WARSZAWA GROUP

Mostostal Warszawa Group promotes gender diversity as well as professional and personal development among all of its employees, ensuring equal opportunities through its strategy.

The policy is implemented based on:

- ☒ Code of Conduct
- ☒ Diversity Policy
- ☒ Anti-Mobbing Policy

In pursuing the Diversity Policy, Mostostal Warszawa Group ensures such work conditions which prevent sexual harassment or discrimination on the grounds of gender, promotes respect for equal opportunities for women and men and also prevents any signs of direct or indirect discriminations.

The management of the diversity area in the Group is influenced by various risks, which shape the policy for managing them as well as actions aimed at minimizing their effects.

- ☒ Non-adjustment of the competences and qualifications of employees to the Group's needs – this risk recognized as significant primarily in relation to the managerial staff of the Group companies. In order to minimize the risk, the Group relies on the candidates' qualifications to perform specific functions as the criterion for selecting the members of individual bodies and its key management personnel.
- ☒ Direct and indirect discrimination – to prevent this risk, it is possible to report violations of the Code of Conduct, including those related to discrimination, for example, directly to the Member of the Management Board.

The policy was adopted in 2017; its elements had already been included in the Code of Conduct.

MOSTOSTAL WARSZAWA GROUP

The Supervisory Board of **Mostostal Warszawa** had the following members:

- ☒ Francisco Adalberto Claudio Vazquez - Chair
- ☒ Jose Manuel Terceiro Mateos - Vice-Chair
- ☒ Javier Lapastora Turpín
- ☒ Ernest Podgórski
- ☒ Neil R. Balfour
- ☒ Javier Serrada Quiza (since 24 April 2018)

THE AUDIT COMMITTEE, which operates within the Supervisory Board of **Mostostal Warszawa**, composed of:

- ☒ Javier Lapastora Turpín, Chair
- ☒ Jose Manuel Terceiro Mateos
- ☒ Ernest Podgórski

Members of the Management Board of **Mostostal Warszawa** was composed of:

- ☑ Miguel Angel Heras Llorente, President of the Management Board (since 09 May 2018)
- ☑ Jorge Calabuig Ferre, Vice-President of the Management Board (Member of the Management Board until 09 May 2018)
- ☑ Jacek Szymanek, Member of the Management Board,
- ☑ Alvaro Javier De Rojas Rodríguez, Member of the Management Board,
- ☑ Radosław Gronet, Member of the Management Board (since 21 March 2018)
- ☑ *Andrzej Goławski, President of the Management Board (until 19 April 2018)*

The Management Board of **Mostostal Kielce** had the following members:

- ☑ Krzysztof Rusiecki - President of the Management Board
- ☑ Jarosław Jagielski - Member of the Management Board

The Supervisory Board of **Mostostal Kielce** had the following members:

- ☑ Jorge Calabuig Ferre, Chair of the Supervisory Board (since 20 June 2018)
- ☑ Barbara Gronkiewicz - Member of the Supervisory Board
- ☑ Jacek Szymanek - Member of the Supervisory Board
- ☑ Alvaro Javier de Rojas Rodriguez - Member of the Supervisory Board
- ☑ *Andrzej Goławski, Chair of the Supervisory Board (until 19 April 2018)*
- ☑ *Jorge Calabuig Ferre, Member of the Supervisory Board (until 20 June 2018)*

The Management Board of **Mostostal Płock** had the following members:

- ☑ Maciej Barycki - President of the Management Board
- ☑ Robert Kowalski, Member of the Management Board (since 09 October 2018)
- ☑ *Paweł Rakowski, Member of the Management Board (until 27 September 2018)*

The Supervisory Board of **Mostostal Płock** had the following members:

- ☑ Jorge Calabuig Ferre, Chair of the Supervisory Board (since 20 June 2018, formerly Member of the Supervisory Board)
- ☑ Alvaro Javier de Rojas Rodriguez, Deputy Chair of the Supervisory Board (from 20 June 2018)
- ☑ Barbara Gronkiewicz, Member of the Supervisory Board (since 20 June 2018)
- ☑ Jacek Szymanek, Member of the Supervisory Board (since 20 June 2018)
- ☑ Piotr Sabat, Member of the Supervisory Board
- ☑ Hanna Strykowska, Member of the Supervisory Board
- ☑ *Andrzej Goławski, Chair of the Supervisory Board (until 20 April 2018)*

The **AUDIT COMMITTEE**, acting within the Supervisory Board of **Mostostal Płock**, with the following members:

- ☑ Hanna Strykowska - Chair of the Audit Committee
- ☑ Alvaro Javier de Rojas Rodriguez - Member of the Audit Committee
- ☑ Piotr Sabat - Member of the Audit Committee

The Management Board of **AMK Kraków S.A.** had the following members:

- ☑ Aleksander Balcer – President of the Management Board (since 22 January 2018, formerly Member of the Management Board)
- ☑ Piotr Sabiniok, Member of the Management Board (since 01 April 2018)
- ☑ *Wiesław Jutrzenka Trzebiatowski, President of the Management Board (until 22 January 2018)*

The Supervisory Board of **AMK Kraków S.A.** had the following members:

- ☑ Jorge Calabuig Ferre, Chair of the Supervisory Board (since 16 May 2018)
- ☑ Alvaro Javier de Rojas Rodriguez - Member of the Supervisory Board
- ☑ Zbigniew Nurkowski, Member of the Supervisory Board
- ☑ Barbara Gronkiewicz, Member of the Supervisory Board
- ☑ Wiesław Jutrzenka Trzebiatowski, Member of the Supervisory Board (from 20 January 2018)
- ☑ *Andrzej Goławski, Chair of the Supervisory Board (until 19 April 2018)*

☒ *Joanna Jutrzenka Trzebiatowska, Member of the Supervisory Board (until 20 March 2018)*

The Management Board of **MPD Sp. z o.o.** had the following members:

- ☒ Paweł Żbikowski, President of the Management Board
- ☒ Alvaro Javier De Rojas Rodríguez, Member of the Management Board,
- ☒ Jorge Calabuig Ferre, Member of the Management Board
- ☒ Radosław Gronet, Member of the Management Board (until 25 June 2018)

The Supervisory Board of **MPD Sp. z o.o.** had the following members:

- ☒ Andrzej Goławski, Chair of the Supervisory Board (until 19/04/2018)
- ☒ Barbara Gronkiewicz, Member of the Supervisory Board
- ☒ Jacek Szymanek - Member of the Supervisory Board
- ☒ Radosław Gronet, Member of the Management Board (since 25 June 2018)

The Management Board of **Mieleckie Przedsiębiorstwo Budowlane S.A.** had the following members:

- ☒ Barbara Gronkiewicz - President of the Management Board
- ☒ Grzegorz Bartnik - Member of the Management Board

The Supervisory Board of **Mieleckie Przedsiębiorstwo Budowlane S.A.** had the following members:

- ☒ Marcin Kondraszuk - Chair of the Supervisory Board
- ☒ Roberto Jimenez - Member of the Supervisory Board
- ☒ Jorge Calabuig Ferre, Member of the Supervisory Board

ROLE OF THE SUPERVISORY AND MANAGEMENT BOARDS

The Supervisory Board supervises the Company's operations on a permanent basis. The responsibilities of the Supervisory Board include:

- ☒ appointing and dismissing members of the Management Board, including setting the terms and conditions of contracts of Management Board members with the company, determining the amount and manner of bonus payments to the members of the Management Board,
- ☒ assessment of the Management Board's reports on the Company's operations and assessment of the Company's financial statements,
- ☒ evaluation of the Management Board's proposals regarding the distribution of profit or covering of loss,
- ☒ choice of an auditor for the Company at the motion of the Company's Management Board,
- ☒ approval of the purchase, transfer or encumbrance of the Company's real estate or interest in real estate,
- ☒ consideration of motions and approval of establishing of commercial companies,
- ☒ granting consents to members of the Management Board to become involved in competitive activities.

The **Management Board** manages the Company's assets and affairs. Its responsibilities include:

- ☒ management of all the Company's affairs not otherwise reserved by laws of the statute for the General Meeting or Supervisory Board
- ☒ definition of the Company's strategy and goals, their implementation and execution
- ☒ decisions within reasonable economic risk; i.e. having considered all information, analyses and opinions
- ☒ when determining the Company's interest, it takes into account the interests of its shareholders, creditors, employees, contractors as well as local communities as justified in the long run
- ☒ the Management Board represents the Company in judicial and extrajudicial legal activities of the Company
- ☒ granting and withdrawal of proxies and other powers of attorney
- ☒ lodging of motions with the Supervisory Board and General Meeting, including motions for distribution of profit or coverage of loss of the Company
- ☒ defines and implements policies and principles of cooperation with other market participants

GRI 102-10

In the reporting period no material changes concerning the size, structure, ownership form or supply chain were recorded.

STRUCTURE OF MOSTOSTAL WARSZAWA GROUP



3.4. ACCIONA – STRATEGIC INVESTOR

Acciona SA, a major international construction company operating for over 80 years, has been the strategic partner Mostostal Warszawa Group since 1999. Acciona Construcción SA, a company in the Acciona Group, is the strategic investor of Mostostal Warszawa.

Acciona is a Spanish concern with an international range of operations, listed on the Madrid stock exchange:

- ☑ over 37,000 employees
- ☑ operations in over 65 countries on 5 continents: Europe, the two Americas, Asia, Africa and Australia
- ☑ revenue exceeding EUR 7 billion
- ☑ several hundred million euro investments in innovation

Acciona belongs to the top global leaders promoting and implementing the policy of harmonious and sustainable development, a philosophy whose prime principles include the focus on future generations and care for the environment. The Company is involved in multiple projects related to clean energy as well as procurement and use of renewable-source energy; it also undertakes activities to prevent the degradation of the environment on a continuous basis.

Acciona's flagship projects are as follows:

- ☑ "NEVADA SOLAR ONE" SOLAR THERMAL/CSP PLANT (76 km solar collector systems in Nevada, USA)
- ☑ TATANKA Wind Farm (produces 180 MW of clean energy, avoiding emissions of 550,000 tons of CO₂ a year)
- ☑ SISHEN PHOTOVOLTAIC PLANT (photovoltaic plant in South Africa, avoiding emissions of 208,000 tons of CO₂ a year)

3.5. OUR CSR-RELATED CHALLENGES

WE WORK TO IMPROVE THE QUALITY OF LIFE, IN PARTICULAR AS RELATED TO OUR IMMEDIATE SURROUNDINGS

The companies of Mostostal Warszawa Group form partnerships with entities and instrumentalities. Their goal is to improve the social and economic system in which the companies operate. The Group has competence and experience which could help implement the sustainability UN Sustainable Development Goals, especially as

regards the building of stable infrastructure, promotion of sustainable industrialisation and support of innovation.

- ☑ We start working on every project with inclusion of the sustainable construction concept in our analysis
- ☑ Designing an object or carrying out R&D project, we always strive to achieve the highest material efficiency possible
- ☑ We are willing to share the results of our research on energy efficiency as well as advanced, cleaner bio-fuel technologies developed as a result of our R&D project
- ☑ We develop our R&D operations on a regular basis

WE FIND CORPORATE GOVERNANCE TO BE CRUCIAL FOR THE FURTHER GROWTH OF OUR BUSINESS

The executives of companies of Mostostal Warszawa Group form a group of people experienced in risk management with regard to sustainable development, ethics, human rights and impact on the climate change.

- ☑ We follow honest practices
- ☑ We prevent corruption and bribery
- ☑ We have implemented the Code of Conduct, including but not limited to: Anti-Corruption Policy, Employee Policies, Social Policies, Environmental Policies, Human Rights Policy and Diversity Policy
- ☑ Our risk management processes also cover non-financial risks such as: human rights, climate change, corruption prevention or environmental aspects

RESPONSIBLE DESIGN AND CONSTRUCTION RUN IN THE DNA OF OUR GROUP

Mostostal Warszawa Group uses its best potential in designing new solutions. They start to inspire others and set a good example, providing other entities with the opportunity to run sustainable business.

- ☑ The companies of Mostostal Warszawa Group provide their clients with full documentation of each object constructed, thus enabling them to recover as much material as possible once their use has terminated
- ☑ We intend to promote sustainable public procurement practices, in compliance with domestic policies and priorities
- ☑ Mostostal Warszawa Group propagates energy-efficient solutions among its clients, to reduce energy consumption for commercial or residential purposes

PEOPLE ARE OUR GREATEST CAPITAL

Mostostal Warszawa Group creates a safe workplace. All employees are given opportunities for professional development and effective management of their careers; diversity at work is also supported.

- ☑ Our prime values include the health and safety of our employees; hence, we undertake a number of activities related to medical prevention and safety at work and elsewhere
- ☑ The companies of Mostostal Warszawa Group are multigenerational. More experienced employees provide support for the younger ones, while young employees share their fresh look with the more experienced specialist staff
- ☑ Recruitment to executive positions is based on internal promotions
- ☑ Following our diversity policy, we entrust women with many crucial jobs
- ☑ Mostostal Warszawa Group counters violence and harassment at work

SUSTAINABLE DEVELOPMENT STRATEGY OF MOSTOSTAL WARSZAWA

The Strategy refers to the UN Sustainable Development Goals¹, specifically to:

- ▣ Goal 8: Promote stable, sustainable and inclusive economic growth, aimed at full and productive employment and decent work for all
- ▣ Goal 9: Build resilient infrastructure, promote sustainable industrialisation and foster innovation
- ▣ Goal 12: Ensure sustainable consumption and production patterns
- ▣ Goal 16: Promote peaceful and inclusive societies, provide access to justice for all and build effective, accountable institutions at all levels

INNOVATION

Innovation is one of the key values of Mostostal Warszawa Group. Mostostal Warszawa was the first enterprise in the entire construction industry in Poland, which over ten years ago established its own Research and Development Department with a vision to develop its innovative technologies to strengthen its competitive advantage. The main areas of the Group's focus are: use of new construction materials, energy efficiency and sustainable construction as well as information and communication technologies to support production processes. Further, Mostostal Warszawa fosters scientific research and enhances the technological level of the industrial sector in construction companies (Mostostal Warszawa is a founder of the building SMART Poland foundation, whose aim is to lay the groundwork for an organisation gathering construction market entities and integrating BIM ² technology activities on the domestic and international level), which for instance brings about a substantial increase in the R&D sector employees and thus fulfils the tasks set by the UN by 2030.

¹ The Sustainable Development Goals are an effect of a three-year transparent development process, involving all the interested parties and allowing for the voice of the grassroots. They arose from an unprecedented agreement of 193 UN member states concerning sustainable development priorities. The Goals are backed by the civil society, business, MP's and other parties all over the world. The UN member states decided to commence the development process for the Sustainable Development Goals at the United Nations Conference on Sustainable Development (Rio+20) held in Rio de Janeiro, in June 2012 (<http://www.unic.un.org.pl/strony-2011-2015/zrownowazony-rozwoj-i-cele-zrownowazonego-rozwoju/2860>)

² en. Building Information Modeling – stands for a construction project that can be created in a virtual world, starting with the concept up to commissioning.

4. WE ENSURE HIGH QUALITY PERFORMANCE

4.1. BUSINESS MODEL

UoR Mostostal Warszawa Group consists of companies which carry out broad-based design and construction operations in all the market segments, from housing construction to dedicated structures for the heavy industry. The following companies constitute the core of the Group: Mostostal Warszawa, AMK Kraków SA, Mostostal Kielce SA and Mostostal Płock SA, with extensive experience in the fuel and gas sector, power industry and environment protection; they follow the same strategy for the development of production, trade and marketing offer. Other consolidated companies of the Group include also Mieleckie Przedsiębiorstwo Budowlane SA and Mostostal Power Development Sp. z o.o. – a special purpose vehicle of Mostostal Warszawa established for the construction of power blocks No. 5 and 6 at the Power Plant in Opole.

The Group Companies cooperate with two types of clients: public and private ones.

Mostostal Warszawa Group uses the quality management system for: “Design, general contractorship and general construction of structures for civil engineering and specialised works: construction, repairs, modernisation and servicing of road and rail infrastructure, energy and industrial objects; diagnostics i technical inspection; manufacture, delivery, installation and servicing of metal works, equipment and transport services and object management”.

The management system applies to: Mostostal Warszawa; Mostostal Płock; AMK Kraków; Mostostal Kielce and locations where the said companies operate.

The supply chain varies vastly across the Group and involves different suppliers; the cooperation with suppliers is governed by the Code of Conduct and purchase procedures. Some contracts are carried out by Group companies jointly, as their offers are comprehensive and complementary. Such an approach guarantees good cooperation and desired results.

4.2. HIGH MANAGEMENT AND HS STANDARDS

GRI 102-12 | GRI 102-16

THE CODE OF CONDUCT OF MOSTOSTAL WARSZAWA GROUP

The Code of Conduct applies to the entire operations of Mostostal Warszawa Group, which are based on the observance of values such as honesty, integrity, reliability, transparency and safety. It is the starting point for any and all regulations in the Group.

The objective of Mostostal Warszawa Group is that all the people and entities the Code applies to should observe the following rules of conduct in all their relations:

- ☑ make an active contribution to the ecological balance and propagate low-carbon economy
- ☑ contribute to social and economic development through innovation, technology development as well as effective use of resources, while maintaining responsibility and integrity
- ☑ ensure good working conditions and observance of employee rights
- ☑ observe applicable laws
- ☑ respect human rights and civil liberties as guaranteed in the Universal Declaration of Human Rights adopted by the United Nations
- ☑ involve in the environmental protection and cooperation for growth and prosperity of community
- ☑ promote integrity, reliability, truthfulness in internal relations and towards external partner, meet obligations of fair competition and transparency
- ☑ innovations which help develop new technologies to improve social and environmental conditions
- ☑ report cases of breaches of applicable laws or ethics

Every employee of Mostostal Warszawa Group is responsible for following the rules of the Code.

The Group invites all its suppliers, clients and the companies and entities it cooperates with to adopt practices matching those included in its Code of Conduct.

RISKS OF OPERATIONS

GRI 102-15

The Group's major risks and threats include:

- ▣ in the financial aspect: price risk, foreign currency risk, credit risk and loss of liquidity risk
- ▣ in the employee aspect: risk of higher employment costs, risks of accidents at work, potential mobbing, absenteeism at work
- ▣ in the organisation aspect: risk of late completion of subcontractors, risk of low quality of subcontractors' work, equipment/machinery failure risks
- ▣ in the intellectual aspect: risks of changes required to the scope of work and/or technology in contracts
- ▣ in the social aspect: the risk of failure to obtain or delays in obtaining administrative approvals/decisions, the risk of long-term procedures for resolving public tenders, the risk of choosing an unreliable social or business partner, financial and tax risk
- ▣ in the environmental aspect: the risk of adverse environmental, weather, ground conditions, natural disasters, occurrence of environmental failure, prolongation of investment processes, non-compliance with the law and imposition of penalties, dissatisfaction of the local community due to nuisance of the operations conducted

Mostostal Warszawa Group manages the risks in a systematic manner in relation to each project. At the bid preparation stage, a risk report is drawn, covering issues related to the fulfilment of legal requirements, financing and technical performance of the undertaking, including environmental risks. At all project stages, the risks are monitored, and in the case of a change in the level of risk, actions are taken to reduce the risk to an acceptable level. Once a project has been completed, a summary assessment is carried out to see if the risk management was effective or additional activities need to be implemented during another project. The Company treats lessons learned from experience as foundations for further improvement.

INTEGRATED POLICY OF MOSTOSTAL WARSZAWA GROUP

The Group is committed to enhance continuously its production and services processes in the construction and industrial project areas, with a view to meeting its client's needs as best as possible, while bearing in mind the need to mitigate environmental threats and preventing accidents at work.

Our operations oriented as define above focuses on:

- ▣ monitoring and observing laws and other regulations concerning the organisation's operations as well as the client's requirements and internal arrangements
- ▣ enhancing the Company's organisational structure, to enable the Company to enter new, strategic market segments with own means
- ▣ evaluating the project risk, identifying possible emergencies, evaluating the occupational risk related to a job and taking necessary preventive measures
- ▣ cooperating with clients and all the parties involves and performing the task in the best possible manner, while caring for the environment and employees' safety
- ▣ identifying threats arising from the impact of our production and service processes on the product quality, natural environment and work environment

INTEGRATED EH&S MANAGEMENT SYSTEM

Mostostal Warszawa Group has established and maintains a documented integrated EH&S Management System consistent with the requirements of PN-EN ISO 14001, PN-N- 18001: 2004 and OHSAS 18001:2007; the System is part of the Quality Management System. The System is in place in Mostostal Warszawa SA and in subsidiaries.

Mostostal Warszawa Group has always conducted its operations bearing in mind its impact on the environment. The approach is confirmed with the accredited certificate according to ISO 14001:1998. We keep up our good practices in environmental management, as proven by the ISO 14001:2015 certificate valid until 2021.

The scope of the System covers the design, general contractorship and general construction of structures, including civil engineering/specialised works, construction, installation and servicing of metalwork, equipment and transport services and object management.

The System is improved on a continuous basis to ensure its effectiveness, to protect people and the natural environment and to create an HS culture between the employer and employees and environmentally conscious approach in everyday work.

The EH&S Management emphasises an active involvement of all employees in actions contributing to industrial health and safety as well as environmental protection; it also emphasises visible leadership by executive. It is due to the fact that proper management is the most effective method to ensure an adequate level of health, safety and environmental protection, which is essential as regards legal requirements, social expectations and the possibility for the companies of Mostostal Warszawa Group to obtain positive economic results.

The Management Board allocates necessary human and financial resources for the purposes of the Policy, goals and tasks. It is committed to enhance continuously the Company's production and services processes in the construction and industrial project areas, with a view to meeting our client's needs as best as possible, while bearing in mind the need to mitigate environmental threats and preventing accidents at work.

UOR ANTI-CORRUPTION POLICY

Mostostal Warszawa Group is against influencing the will of people from outside the Group in order to obtain any profit through the use of unethical practices.

We do not accept any other people or entities conducting such practices towards our employees.

The employees of Mostostal Warszawa Group have to act in compliance with the applicable law and may not accept or tolerate financial benefits whatsoever for Mostostal Warszawa Group or for its employees from third parties or vice versa.

The employees of Mostostal Warszawa Group may not accept, offer or make, directly or indirectly, any payments in cash, payments in kind or any other benefits to people who work for any public or private entity, political party or candidate for a state office, with the intent to get or keep illegal benefits.

Gifts, invitations and other courtesies for public officials may only be given in compliance with generally applicable laws.

The following communications channels are used to report any breaches:

- ☒ contact by phone
- ☒ contact by email
- ☒ contact to a correspondence address

If an employee believes that there has been a violation of any of the policies, he/she is obliged to notify the same via the Ethics Channel or through his/her supervisor. No breaches were recorded in 2018.

Mostostal Warszawa Group, implementing the anti-corruption policy, takes measures to reduce the risk of corruption and bribery.

The Group identified a potential risk of corruption. In Mostostal Warszawa Group, the risk is managed by implementing the rules of conduct set out in the Code and supervisors' oversight of the employees' actions. There are procedures in place guaranteeing a transparent process for selecting new suppliers of goods and services.

COMMUNICATION AND TRAINING DEVOTED TO THE ANTI-CORRUPTION POLICIES AND PROCEDURES

GRI 205-2

The anti-corruption policy and procedure in place have been communicated to all the members of management bodies in Mostostal Warszawa Group.

The anti-corruption policy and procedure in place have been communicated to all the employees of Mostostal Warszawa Group. They are obliged to comply strictly with the above and report any irregularities immediately.

In 2018, no anti-corruption training was provided for all employees of the Group.

No breaches concerning the above were reported in 2018.

UOR POLICY EMPLOYED BY MOSTOSTAL WARSZAWA GROUP WITH REGARDS TO THE RESPECT FOR HUMAN RIGHTS:

Assuming that ethics and business operations are closely related to each other, Mostostal Warszawa Group is committed to running its business and professional operations in line with applicable laws and observance of high ethical standards e.g. pursuant to: the Universal Declaration of Human Rights, the International Labour Organisation Tripartite Declaration and the United Nations Global Compact initiative

The Policies which govern human rights issues are as follows:

- ☒ Code of Conduct
- ☒ Diversity Policy
- ☒ Anti-Mobbing Policy
- ☒ Internal procedures
- ☒ Corporate Collective Labour Agreement

Both in the Code of Conduct and Anti-Mobbing Policy, Mostostal Warszawa Group presents communication channels to report any irregularities. No reports concerning irregularities in the respect for human rights were recorded in 2018.

In pursuing the policy governing respect for human rights, Mostostal Warszawa Group does not allow any form of forced labour. The Group does not use forced labour of prisoners. All forms of discrimination and persecution are forbidden. The principles of the Code of Conduct apply and the employees know their rights. The Group does not employ children and is not involved in human trafficking. The balance between work and private life is promoted, taking into account employees' needs and life situations, in terms of employment flexibility and working time.

As regards the area of pursuing the policy of respect for human rights, in the reporting period, the following risks were identified which were considered significant:

- ☒ Cooperation with suppliers violating human rights. In order to limit the occurrence of this risk, Mostostal Warszawa Group disseminates and promotes ethical principles in the supply chain. The Company encourages suppliers to apply the principles set out in the Code of Conduct.
- ☒ Non-compliance with the law and applicable social norms. We prevent the risk of non-compliance with applicable laws and social norms both in terms of working time and working conditions. In terms of working time, we manage the risk through employment increase, training in working time management and regulations in this area, monitoring and accounting for working hours to eliminate the occurrence of overtime. In terms of working conditions, we introduce process improvements, automate work, improve work ergonomics, thus reducing the workload of employees and upgrading the workstations.

UOR POLICY EMPLOYED BY MOSTOSTAL WARSZAWA GROUP WITH REGARDS TO SOCIAL ISSUES:

The Policy covers:

- ☒ the Company's social involvement
- ☒ relations with clients
- ☒ relations with suppliers, contractors and partners

- ☒ relations with investors and the stock market

The policy principles are included in the Code of Conduct and internal procedures.

The condition for conducting each of Mostostal Warszawa Group's social activities is to meet the condition of financial and economic stability of the Group. The Group conducts its activities responsibly and transparently. These measures are taken in response to the requests of organizations turning to the Group and a grassroots initiative of employees.

Risks in the field of social policy have been identified and the procedures for managing them have been described. Risks that were considered significant in the reporting period:

- ☒ Failure to obtain or delay in obtaining administrative approvals/decisions. To prevent this risk, the Group collects the documentation in advance, identifies legal requirements and supports its activities with qualified specialists.
- ☒ Long-term procedures for resolving public tenders. It is a challenge for the entire industry. The Group minimizes this risk by communicating with the bidders regarding the required documents and preparing the documentation in accordance with the guidelines provided.
- ☒ Choosing an unreliable social partner. To prevent this risk, the social partners' credibility is checked by verifying information on websites and checking other available information.
- ☒ Choosing an unreliable business partner. The Group verifies the reliability of business partners through databases, history of cooperation, other partners' opinions, use of internal procedures for selecting suppliers, and entering into cooperation contracts.
- ☒ Financial and tax risk. The Group identifies legal requirements and exercises due diligence to the tax qualification of social activities implemented.

4.3. COOPERATION WITH SUPPLIERS

GRI 102-9

The strategy of the companies of Mostostal Warszawa Group requires cooperation with many suppliers. The performance of complex projects requires a smooth-functioning supply chain. Companies have purchase procedures in place, whose objective is to define rules for purchases from a service or goods provider.

To be qualified for cooperation, a supplier needs to be verified.

New suppliers are checked for the systems in place:

- ☒ quality management
- ☒ environmental management
- ☒ health and safety management

When re-selected, the supplier is assessed for:

- ☒ the price
- ☒ historical cooperation (suppliers with comments such as "irregularities", "veto", "contentious" undergo detailed verification)
- ☒ technical capabilities
- ☒ financial and economic standing (based on the annual balance sheet, profit and loss account and financial statements)
- ☒ availability of employees and staff needed
- ☒ references
- ☒ how EH&S requirements are met

The companies of Mostostal Warszawa Group strive to use such companies which have their facilities in the project location region, which largely reduces costs. For suppliers of machinery and equipment, the technical parameters of the product are taken into account. Therefore, it is sometimes necessary to purchase equipment from a foreign supplier.

The supply chain is simplified as far as possible, i.e. machinery and equipment deliveries are sent directly from the manufacturer to the site, with the transport obligations transferred onto the supplier.

CONTACTS WITH SUPPLIERS

The Group Companies use traditional channels for communication with suppliers:

- ☒ contact by phone
- ☒ contact by e-mail
- ☒ instant messenger (Skype)
- ☒ online forms
- ☒ direct (personal) contact with the supplier's representative at the contracting entity's registered office or at the project location or at the supplier's works
- ☒ traditional mail/courier company (e.g. for delivering technical documentation, original documents i.e. Acceptance Reports, invoices)

Mostostal Warszawa Group enables potential suppliers to be entered into the database via the website.

PRIORITIES IN CONTACTS WITH SUPPLIERS ARE AS FOLLOWS:

- ☒ obtain quick information from the supplier, especially regarding offers
- ☒ maintain partnership relations with suppliers, which makes the supplier more flexible towards the contracting entity
- ☒ obtain the best possible offers as regards both the price and quality

SELECTION OF SUPPLIERS

For proper selection of subcontractors, the Group companies use internal procedures and binding legal regulations.

The objective of the procedures in place is to define the rules of conduct for purchasing products, including devices, materials, equipment and production, installation and design services.

The priority is to ensure an adequate quality of the goods or services purchased, allowing for limitations concerning the time, costs and resources.

Purchases are made from qualified suppliers who undergo assessment and meet quality, environmental, health and safety requirements covered in the procedures.

GRI 204-1

COOPERATION WITH LOCAL SUPPLIERS

Polish companies account for the majority (>90%) of Mostostal Warszawa Group's suppliers.

Risk factors in the area of cooperation with suppliers include:

- ☒ an unstable market in terms of procurement of and prices offered by suppliers,
- ☒ the problem of acquiring a supplier for the entire period of the project and maintaining the price throughout the project duration

In order to limit the risk, the Group maintains constant contact with current suppliers and continuously searches for new ones.

4.4. RELATIONS WITH CLIENTS

Customer relations are governed by internal procedures and legal regulations.

The priorities include the investor's satisfaction with the project as well as the partnership relations with the investor. Each of the Group companies strives to improve technical solutions for a given project.

Both at the bid preparation stage and the project implementation stage, the companies of Mostostal Warszawa Group offer their support for the development of optimisation and the selection of the best construction solutions (value engineering). Thus we build the client's trust.

At every project stage, the Investor controls and participates in the construction process, which is carried out in compliance with the investor's procedures and internal rules. The technical solutions proposed by the design team are presented to the Investor and then obtain the investor's approval. The project implementation process starts with project meeting report. Such meetings are held on a weekly basis till the end of the project. Notes are made following every meeting. The Investor can access the documents at every stage of the project process. The project launch is carried out together with the Investor's services responsible for its future operation. Training workshops and courses are conducted. The entire project process is recapped in the Final Acceptance Report written together with the Investor. Once the Project is put into operation, the Investor fills in the Client satisfaction survey.

Risks include the possibility of higher costs or a longer project process for unusual technical solutions suggested by the Investor. To prevent this risk, the Group collects the documentation in advance, identifies legal requirements and supports its activities with qualified specialists.

GUARANTEE SERVICE

Its objective is to ensure efficient servicing, including guarantee service.

Efficient guarantee service in the guarantee period through:

- ☑ constant and close contacts with the client
- ☑ constant monitoring of systems under the guarantee
- ☑ rapid implementation of any complaint reports accepted
- ☑ fast decisions and choice of a method to remove a fault or failure
- ☑ minimised costs of own guarantee repairs

A major risk are faults or failures which generate high remedy costs. To minimise the risk, contracts with suppliers and contractors include clauses to protect the company's interest; we also take an active part in servicing activities together with those entities, performing direct supervision and settlements of their works.

5. WE CARE FOR OUR EMPLOYEES

5.1. WORKPLACE IN NUMBERS

GRI 102-8

UOR POLICIES EMPLOYED BY MOSTOSTAL WARSZAWA SA GROUP WITH REGARD TO EMPLOYEE ISSUES:

- ☑ Code of Conduct
- ☑ Diversity Policy
- ☑ Anti-Mobbing Policy
- ☑ Procedures: training, recruitment
- ☑ Corporate Collective Labour Agreement
- ☑ Work Regulations

The policy applied by Mostostal Warszawa Group affects its approach to employment, development and education of employees as well as health and safety at work.

The management of the staff area at Mostostal Warszawa Group is determined by various risks. To a different extent, individual risks influenced the development of the policy of managing these risks and taking measures aimed at minimizing their effects.

- ☑ Absences at work. The Group conducts activities to mitigate the effects of these risks, and also takes preventive measures aimed at limiting their scale and proliferation beyond the acceptable level. The Group aims to minimize the significance of risks, including by monitoring absence and determining their causes.
- ☑ Lack of employees in the labour market. The Group manages the risk, among others, by offering competitive employment conditions and promoting the reliable employer.
- ☑ Staff turnover rate. To minimize the risk at the Group, various measures are taken to improve conditions, with the use of financial instruments.
- ☑ Mobbing – this risk did not occur in the reporting period; however, bearing in mind the Group's size and diversity, it is classified as significant and requires taking preventive actions. Risk management is based on the option to report possible violations of the principles of the Mobbing Prevention Policy e.g. to a Member of the Management Board. Bearing in mind that employee mobbing can occur at various employment levels and manifest itself in various forms, all employees of the Group are involved in identifying the phenomenon and taking anti-mobbing activities.
- ☑ Accidents at work. For this reason, the Group attaches great importance to the protection of health and safety at the workplace. To prevent the occurrence of the risk, the Company conducts trainings in the field of health and safety as well as takes measures to prevent accidents at work. The Group operates in accordance with the law and has its internal guidelines, work regulations, instructions, and procedures. It is important to identify hazards and carry out occupational risk assessments. The Group also conducts preventive activities in the form of corrective actions for reported near accidents.

Table for the total number of employees per gender and type of employment (employment contract, fixed-period contract):

Number of employees (as at 31/12/2018)	Mostostal Warszawa	591		11.5% y/y	
	Mostostal Warszawa Group	1482		4.57% y/y	
		women		men	
Number of employees	Mostostal Warszawa	231	14.93% y/y	360	9.42% y/y
	Mostostal Warszawa Group	327	4.8% y/y	1155	22.06% y/y
Indefinite-period employment	Mostostal Warszawa	136	3.82% y/y	210	6.6% y/y
	Mostostal Warszawa Group	208	0.97% y/y	857	8.34% y/y
other contracts (probationary period, fixed-period, including vocational placement and replacement contracts)	Mostostal Warszawa	95	35.71% y/y	150	13.64% y/y
	Mostostal Warszawa Group	119	12.26% y/y	298	33.78% y/y

Table for the total number of employees per type of employment (full-time or part-time) and per gender:

		women		men	
full-time	Mostostal Warszawa	212	12.17% y/y	346	8.46% y/y
	Mostostal Warszawa Group	295	1.72% y/y	1133	7.2% y/y
part-time	Mostostal Warszawa	19	58.33% y/y	14	40% y/y
	Mostostal Warszawa Group	32	45.45% y/y	22	10% y/y

Table showing the employment of women and men in employee groups:

		women		men	
		Administrative staff			
Top management staff	Mostostal Warszawa	1	0% y/y	7	40% y/y
	Mostostal Warszawa Group	5	0% y/y	18	20% y/y
Middle management staff	Mostostal Warszawa	16	23.08% y/y	19	26.67% y/y
	Mostostal Warszawa Group	26	8.33% y/y	28	16.67% y/y
Specialists	Mostostal Warszawa	100	9.01% y/y	64	45.45% y/y
	Mostostal Warszawa Group	142	12.88% y/y	57	42.11% y/y
		Engineering and technical staff			
Top management staff	Mostostal Warszawa	5	400% y/y	44	83.33% y/y
	Mostostal Warszawa Group	5	400% y/y	60	50% y/y
Middle management staff	Mostostal Warszawa	17	33% y/y	137	3.01% y/y
	Mostostal Warszawa Group	23	23.33% y/y	216	9.62% y/y

Other employees	Mostostal Warszawa	92	84% y/y	89	17.59% y/y
	Mostostal Warszawa Group	126	41.57% y/y	752	13.16% y/y

The increase in the senior management employment rate is due to a greater number of contracts being performed.

Number of persons providing work under civil law contracts:

Mostostal Warszawa		Mostostal Warszawa Group	
30	3.45% y/y	46	9.52% y/y

GRI 401-1

Total number and percentage of new employees employed and total number of leavers in the reporting period.

Total number of new employees employed:	Mostostal Warszawa	211		7.65% y/y	
	Mostostal Warszawa Group	319		14.7% y/y	
gender		women		men	
	Mostostal Warszawa	79	17.9% y/y	132	2.3% y/y
	Mostostal Warszawa Group	92	12.2% y/y	227	22.6% y/y
age		>30		30-50	50<
	Mostostal Warszawa	104	20.96% y/y	100	0.99% y/y
	Mostostal Warszawa Group	150	19.35% y/y	136	15% y/y
				33	17.86% y/y

Total number of employees who left:	Mostostal Warszawa	151		65.93% y/y	
	Mostostal Warszawa Group	396		5.88% y/y	
gender		women		men	
	Mostostal Warszawa	49	88.46% y/y	102	56.9% y/y
	Mostostal Warszawa Group	77	67.39% y/y	319	16% y/y
age		>30		30-50	50<
	Mostostal Warszawa	54	200% y/y	82	67.35% y/y
	Mostostal Warszawa Group	143	22.22% y/y	184	39.39% y/y
				69	4.16% y/y

5.2. FRIENDLY WORKPLACE

GRI 404-1 | GRI 401-2 | GRI 102-41

REMUNERATION SYSTEM AND PROMOTION OPPORTUNITIES

The remuneration system is regulated in a formal manner in the Corporate Collective Labour Agreement. The companies of Mostostal Warszawa Group use a bonus-bases remuneration system.

In the case of vacancies, the companies first take into account internal resources, and only when these turn out to be insufficient, they use external recruitments. The bonus system was changed according to the expectations of employees, e.g. by making bonuses for construction site employees dependant not only on an increased contract margin but also on a margin maintained. In addition, this year, the bonus calculation includes the additional construction site health and safety assessment parameter, based on the number of employees at a given construction site of Mostostal Warszawa.

number of people employed in Mostostal Warszawa	591	100.00%
number of members of the "Solidarity" trade union	20	3.38%
number of people employed in Mostostal Warszawa Group	1482	100.00%
number of trade union members	377	25.43%

Table concerning non-obligatory training (average number of training hours)

		women	men
		Administrative staff	
Top management staff	Mostostal Warszawa	6	316
	Mostostal Warszawa Group	344	964
Middle management staff	Mostostal Warszawa	1363	378
	Mostostal Warszawa Group	1718	740
Specialists	Mostostal Warszawa	2717	1159
	Mostostal Warszawa Group	3218	1415
		Engineering and technical staff	
Top management staff	Mostostal Warszawa	60	1246
	Mostostal Warszawa Group	60	1902.5
Middle management staff	Mostostal Warszawa	949	6301
	Mostostal Warszawa Group	1075	9376.5
Other employees	Mostostal Warszawa	1653	3189
	Mostostal Warszawa Group	2929	5455

The companies of Mostostal Warszawa Group implemented the Benefit card to promote healthy lifestyle. In addition, the Group companies take part in various sports events or initiate promotional campaigns to motive their employees: For example, AMK Kraków took part in the municipal program "Bike for work". The Group allows its employees to use private medical care.

Further, the employees of the companies of Mostostal Warszawa Group have development opportunities provided as benefits such as finance for English or other courses, studies or training workshops. Employees may obtain financing for holidays or borrowings from the company's social benefit fund.

GRI 401-3

Return to work and employment maintenance rate following a maternity/paternity leave

Mostostal Warszawa	Mostostal Warszawa Group	Mostostal Warszawa	Mostostal Warszawa Group
Total number of employees with leave entitlement			
maternity leave		paternity	
27	45	45	62
Total number of employees who took the leave			
maternity leave		paternity	
27	38	19	34
Total number of employees who returned from the leave			
maternity leave		paternity	
7	9	19	34

For on-going employee satisfaction monitoring, Mostostal Płock provided facilities for anonymous opinions: employees may place information in assigned locations (boxes) at the plant; the employer reads and analyses the information and undertakes appropriate remedial measures, as required.

COMMUNICATION WITH EMPLOYEES

Each company in the Group has similar channels to communicate with its employees; the major ones being:

- ☒ direct meetings
- ☒ online mail
- ☒ notice boards
- ☒ conferences on production matters
- ☒ meetings with representatives of trade unions
- ☒ daily briefings of employees at sites
- ☒ possibility to have direct contact with the managerial staff and the Management Board of the company

The priority is to raise awareness of the current situation of a given Company and engage employees in the company's affairs, which should increase their motivation to achieve business goals. Ultimately, it is planned to include diagnosis for the needs of other communication tools and channels.

The risk consists in bad communications which results in poor performance.

5.3. RECRUITMENT

Human resources are recruited in accordance with the implemented internal procedures and the Labour Code. The recruitment processes across the Group companies are diversified; yet the process is always structured and covered by a relevant procedure. The companies use their websites as well as specialised portals for job offers. The companies care for high standards in relations with job applicants; we also cooperate with local universities and academies, offering job placements.

The aim of the recruitment process in our organisation is to find among the available applicants for a specific job position the person who would meet as closely as possible the Company's expectations to an employee regarding qualifications, skills, soft skills, attitude towards the company and financial expectations. We use both internal and external recruitments. The recruitment process in our companies begins with the definition of competencies required at a given job position. Then, we draw a recruitment offer or internal information, specifying the job tasks or competencies expected. The recruitment offer is published in the press, online services and local radio. Once the offer has been published and we have received applications, the selection process begins and chosen applicants are invited to a recruitment meetings. Once the Company makes a decision, it provides the rejected applicants with feedback and presents a job offer to the applicant selected. After the candidate accepts the job offer, the employment process takes place.

5.4. HEALTH AND SAFETY AT WORK

The companies of Mostostal Warszawa Group have an Integrated Organisation Management System:

- ☑ ISO 9001 quality management system
- ☑ ISO 14001 environmental management system
- ☑ health and safety management system PN N /OHSAS 18001
- ☑ AQAP-2110 management system

For the companies of Mostostal Warszawa Group, safety at work is the main priority. Work at diverse sites and in production plants requires compliance with any and all procedures and cautionary principles. The fundamental rules with which the work safety policy is formulated and implemented are to include all kinds of HS aspects, HS standards, good practices as well as relevant state-of-the-art knowledge and technology in all the operations of the Company. Another component is the ethical approach to the protection of the human health and life, which is a paramount goal preceding production and indicates to the need to do everything possible under the circumstances to prevent accidents, industrial failures or fires.

Safety depends firstly on our employees - not only on line employees but also the managers and directors of each division. It is essential that everybody, regardless of their positions, have a sense of mutual responsibility for the health and safety of all the people present at the plant or site.

Companies of Mostostal Warszawa Group participate in the initiative entitled "Agreement for Safety in Construction Industry".

As a result of the procedures implemented, the trainings of new employees in the field of occupational safety and health and periodic trainings of permanent staff are conducted.

GRI 403-9

Table illustrating the injury type and rate for work-related injuries:

		women	men
Number of fatal accidents – employees	Mostostal Warszawa	0	0
	Mostostal Warszawa Group	0	0
Number of fatal accidents - subcontractors	Mostostal Warszawa	0	1
	Mostostal Warszawa Group	0	1
Number of lost-time accidents - employees	Mostostal Warszawa	0	7
	Mostostal Warszawa Group	0	14
Number of lost-time accidents - subcontractors	Mostostal Warszawa	0	5
	Mostostal Warszawa Group	0	6
Number of all accidents reported - employees	Mostostal Warszawa	0	11
	Mostostal Warszawa Group	0	18
	Mostostal Warszawa	0	7

Number of all accidents reported - subcontractors	Mostostal Warszawa Group	0	9
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Work accident severity rate - employees		
Mostostal Warszawa		Mostostal Warszawa Group
Total number of incapacity for work days of victims of accidents at work		
44		359
Number of accidents at work		
3		10
Indicator		
14.67 (2017: 29.6)		35.9 (2017: 47.6)

Work accident frequency rate - employees	
Mostostal Warszawa	Mostostal Warszawa Group
Number of all accidents reported	
3	10
Number of all employees employed	
591	1482
Indicator	
5.07 (2017: 9.54)	6.74 (2017: 15.78)

Illness-related absence rate:	
Mostostal Warszawa	Mostostal Warszawa Group
Total number of work absence days	
4906	11746
Total number of working days in the year	
249	251
RATE:	3.15%

6. WE CARE FOR OUR SURROUNDINGS

6.1. OUR SURROUNDINGS

GRI 102-40 | GRI 102-42 | GRI 102-43 | GRI 102-44

A stakeholders' map was drawn up during a managers' meeting held on 3 March 2017 at the registered office of Mostostal Warszawa in Warsaw.

Stakeholder	Type of communication
Company's governing bodies (Management and Supervisory Boards)	<ul style="list-style-type: none"> - reports, - cyclic meetings and presentations, - meetings of the Supervisory Board and Management Board
Public and private clients	<ul style="list-style-type: none"> - cyclic opinion and satisfaction surveys, - direct meetings, - conferences and trade fairs, - stock exchange and press releases, website, training, technical support - e-survey - social media: Instagram, LinkedIn, Youtube, - electronic communications - phone calls
Financial institutions and banks	<ul style="list-style-type: none"> - reports, - cyclic meetings - e-survey - electronic communications - phone calls
Acciona Group	<ul style="list-style-type: none"> - reports, - cyclic meetings and presentations, - meetings of the Supervisory Board and Management Board - teleconferences - electronic communications - phone calls
Cooperating parties/consortium members	<ul style="list-style-type: none"> - direct meetings, - conferences and trade fairs, - stock exchange and press releases, website, training, technical support - e-survey - associations - social media: Instagram, LinkedIn, Youtube - electronic communications - phone calls
Suppliers	<ul style="list-style-type: none"> - cyclic opinion and satisfaction surveys, - direct meetings, - audits - trade fairs, trade conferences - e-survey - social media: Instagram, LinkedIn, Youtube - website, - electronic communications - phone calls
Business partners	<ul style="list-style-type: none"> - reports, - cyclic meetings

	<ul style="list-style-type: none"> - trade conferences - e-survey - social media: Instagram, Linkedin, Youtube - electronic communications - phone calls
Employees	<ul style="list-style-type: none"> - cyclic opinion and satisfaction surveys, - on-going dialogue with representatives of trade unions, - cyclic meetings with key managers, - company newsletters, - company (team-building) meetings - e-survey - social media: Instagram, Linkedin, Youtube - electronic communications - phone calls
Public administration	<ul style="list-style-type: none"> - reports, - statements, - trade fairs, conferences, - e-survey - electronic communications - phone calls
Competition	<ul style="list-style-type: none"> - conferences and trade fairs, - meetings, - partnership in projects, - website, - social media: Instagram, Linkedin, Youtube,
Entities of Mostostal Warszawa Group	<ul style="list-style-type: none"> - reports, - cyclic meetings - meetings of Supervisory Boards - phone calls - electronic communications
Shareholders	<ul style="list-style-type: none"> - reports, - cyclic meetings - meetings of Supervisory Boards - phone calls - electronic communications
Auditors	<ul style="list-style-type: none"> - reports, - audits - e-survey - direct meetings, - electronic communications - phone calls
Courts	<ul style="list-style-type: none"> - reports, - statements,
Society	<ul style="list-style-type: none"> - announcements, - direct meetings, - e-survey - website, - social media: Instagram, Linkedin, Youtube, - electronic communications - phone calls
Media	<ul style="list-style-type: none"> - press publications and information, - trade conferences and briefings, - electronic communications - phone calls

Local authorities (local governments)	<ul style="list-style-type: none"> - reports, - statements, - trade fairs, conferences, - e-survey - phone calls - electronic communications
Stock Exchange	- reports published in the ESPI system ³
Beneficiaries from social organisations, ecological organisations	<ul style="list-style-type: none"> - meetings, - reports, - statements, - website, - e-survey - phone calls - electronic communications
Fire service, police	<ul style="list-style-type: none"> - meetings, - reports, - statements,
Academies and universities	<ul style="list-style-type: none"> - meetings at Job Fairs, - cyclic thematic presentations at academies/universities and schools, - internship schemes, - partnerships with secondary and higher schools, - website, - social media: Instagram, Linkedin, Youtube - e-survey - electronic communications - phone calls
The army	<ul style="list-style-type: none"> - meetings, - reports, - statements, - e-survey
Trade unions	<ul style="list-style-type: none"> - on-going dialogue, - e-survey - electronic communications - phone calls

GRI 102-13

Membership of organisations

The companies of Mostostal Warszawa Group belong to the following associations:

- ☒ Polish Commercial Chamber of Road Construction
- ☒ Stock Exchange Issuers' Association
- ☒ Polish-Spanish Chamber of Commerce
- ☒ Polish Association of Construction Employers
- ☒ Polish Chamber of Steelwork
- ☒ Commercial Chamber of Power Industry and Environmental Protection
- ☒ Agreement for safety in the construction industry
- ☒ Club 100
- ☒ Construction Design Chamber

³ The ESPI system is commonly used for communication by entities supervised by the Committee with the supervisory body

6.2. RESPONSIBILITY TOWARDS THE ENVIRONMENT

The protection of and respect for the natural environment is a priority for Mostostal Warszawa in its operations. They are implemented through the best practices for environmental protection, by preventing and reducing negative impact on the environment and protecting natural resources.

UoR Policy employed by Mostostal Warszawa Group with regard to the natural environment:

The protection of and respect for the natural environment is a priority for the companies of Mostostal Warszawa Group in their operations. They are implemented through the best practices for environmental protection in all operations, by preventing and reducing negative impact on the environment and protecting natural resources. Mostostal Warszawa Group is committed to supporting initiatives aimed at combating climate changes and protecting biodiversity.

The pillars of the policy are as follows:

- ☑ Code of Conduct
- ☑ principles set forth in the Integrated Policy of Mostostal Warszawa Group
- ☑ Environmental Management System (EMS) consistent with ISO 14001

PRECAUTIONARY PRINCIPLE

GRI 102-11

In our operations conducted in line with ISO 14001:2015, we identify environmental aspects and related impacts. Pursuant to the precautionary principle, when we cannot determine the impact of an environmental aspect, we avoid actions which could affect the environment in a negative manner or whose impact is not fully recognised (e.g. due to insufficient knowledge, lack of information, impossibility to conduct analyses etc.).

ENVIRONMENTAL MANAGEMENT

Care for the environment is an integral part of the operations of Mostostal Warszawa Group. Environmental management does not only cover the construction and delivery of equipment for environmental protection facilities such as: waste-water treatment plants, water-treatment stations, water and sewage networks, dust collection systems for heavy industry, hydrotechnical facilities or power facilities - of the turnkey type. In general construction, the Group companies conduct environmentally-friendly projects e.g. the construction of a nearly zero-energy facility for the Poznań University of Technology. The building was designed with highly energy-efficient and energy-saving technical equipment; the demand for non-renewable primary energy will not exceed 50kWh/m²/year (for comparison: the PE factor for a new office building in 2015 was 239.9 kWh/ m²/year - the facility under construction has a nearly 5 times lower demand for primary energy).

All the projects are conducted in compliance with the requirements of the integrated management system, which covers standards such as ISO 9001:2015, AQAP 2110:2016, ISO 14001:2015, PN-N 18001 and OHSAS 18001:2007 (ISO 45001 in the future).

The Integrated Environmental Management System introduces the following elements to the operations of Mostostal Warszawa Group:

- ☑ an obligation to identify the impact of operational results on the natural environment (environmental aspects);
- ☑ an obligation to prepare environmental schemes for the essential environmental aspects identified and to implement those schemes
- ☑ an obligation to prepare a detailed procedure for hazardous situations related e.g. to the pollution of soil with dangerous substances or explosion of dangerous substances
- ☑ safe and reasonable management of energy media and waste from production processes and services
- ☑ pursuit of reduced impact of operational results adverse for the environment

- an obligation to carry out consultations and training for employees and to involve them in actions for environmental protection

An environmental management review is carried out on a yearly basis; it recapitulates the effects of environmental activity, including the status of activities conducted as follow-up to previous reviews, changes which could have affected the results of environmental operations, status of declared goals, adequacy of resources involved, crucial information provided by stakeholders, environmental risks and opportunities etc. Systematic reviews enable the Company to manage its environmental impact in an effective manner.

The main sources of impact by the companies of Mostostal Warszawa Group are as follows:

- processes of welding and manufacturing steelwork; (Mostostal Kielce S.A. and Mostostal Płock S.A.)
- paint application processes in the paint shop (Mostostal Kielce S.A. and Mostostal Płock S.A.)
- combustion of fuels in vehicle engines (all the companies)
- fugitive emissions of gases and dusts to air in painting and welding processed in the production process and during service provision; (Mostostal Kielce S.A. and Mostostal Płock S.A.)
- emission of harmful gases and dust to the atmosphere from the wet paint shop; (Mostostal Kielce S.A. and Mostostal Płock S.A.)
- works which impact biodiversity (Mostostal Warszawa S.A., Mostostal Płock S.A., Mostostal Kielce S.A.)

MATERIALS - SCALE, SELECTION, CONSUMPTION EFFICIENCY AND CONSUMPTION MONITORING FOR RAW MATERIALS

GRI 301-1

For operations we mainly use raw materials/non-renewable materials from external suppliers such as:

- steel (Mostostal Warszawa, Mostostal Kielce S.A., Mostostal Płock S.A.)
- concrete (Mostostal Warszawa)

Other materials are supplied under contracts with subcontractors (lump sum).

- related process materials: priming paint, wet paints and enamels, solvents, welding wire, soldering paste, hydrochloric and sulphuric acids, gardobond and gardostrip, powder coatings, propane gas, welding argon, process oxygen, process nitrogen, acetylene; (Mostostal Kielce S.A. and Mostostal Płock S.A.)
- semi-finished products: sheet aluminium, stainless steel, sheet steel, pipes, sections, aluminium sections, copper, sheet copper; (Mostostal Kielce S.A. and Mostostal Płock S.A.)

According to the state of the art, the Company does not use in production any raw materials which would have a major impact on the environment. The natural environment does not suffer much impact at any stages of the product use, from delivery and installation to the end of life cycle. Where possible, raw materials are recycled by the companies to improve the circular economy e.g. excavated soil is used again to fill in and level the ground.

At the stage of obtaining an order, we analyse replacement variants with a lower impact on the environment and the same functional value for the client (value engineering), while during production, we minimise waste through BIM (which enables us to estimate materials required for the project in an effective manner).

See below for a summary of the most important (raw) materials required for the production process in 2018:

Material/raw material	Unit [Mg/m3/dm3]	Quantity	
		Mostostal Warszawa	Mostostal Warszawa Group
Concrete	m3	90,507.135	90,507.135
Mortar	m3	17,753.48	17,753.48
Aggregates and rubble	Mg	7,480.16	7,480.16
Wood	Mg	4,861.62	4,861.62
Paper	Mg	7,064.95	7067.1
Reinforcing steel (ribbed bars and ducts)	Mg	21,997.067	22,027.067
Paints	Mg	9,642.9	76043.95

Lacquers	Mg	724.6	724.6
Structural steel (profiles and sheets)	Mg	1,914.975	10462.975
Cement	Mg	265.155	265.155
Greases	Mg	140.85	140.932
Anti-adhesive agents	litres	7,834	7,834
Recovered aggregates	Mg	4,184	4,184
Soil and earth	m3	5,975.06	5,975.06
Certified wood (FSC or the like)	Mg	26.016	26.016
Asphalt	Mg	1,696.9	1,696.9
Pre-fabricated concrete units (beams, walls, slab, pillars etc.)	m3	695.873	695.873
Solvents	Mg	*	5953
Welding argon	Mg	*	69
Welding wire, electrodes	Mg	*	80
Process oxygen	m3	*	9758
Zinc wire	Mg	*	63
Steel	Mg	*	9000
Liquid oxygen	Kg	*	73000
Propane gas	Kg	*	12562

ENERGY CONSUMPTION IN THE ORGANISATION

On account of the industry the companies of Mostostal Warszawa Group operate in, their approach to energy use, management and processing are a major aspect. Fuel and energy carrier consumption is monitored in a monthly cycle based on invoices issued by suppliers, in particular:

- ☒ consumption of electric and thermal energy, natural gas, fuel oil
- ☒ consumption of petrol and diesel oil by means of transport
- ☒ consumption of electric energy at fixed locations

GRI 302-1

See below for a summary of consumption of key energy carriers:

Type of energy carrier	Quantity expressed in unit [e.g. Mg/kWh/dm3]	
	Mostostal Warszawa	Mostostal Warszawa Group
Motor petrol	58.22 Mg	121.05 Mg
Diesel oil ON	285.2 Mg	2204.43 Mg
Liquefied propane-butane gas LPG	1.0025 Mg	3.879 Mg
Mains current	548.467 MWh	21197.69 MWh
Mains heat - administration and office rooms	5369.913 MWh	13460.95 GJ
Natural gas	*	12 601 m ³

We take systematic measures for effective management of energy consumption. They include: replacement of successive old electric equipment with new items after a specific depreciation time (UPS, fixed computers, scanners, printers), replacement of company cars with newer models compliant with EURO 5 and EURO 6 emissions (leasing contracts) - at present, in Mostostal Warszawa over 90% of diesel oil was used by vehicles which meet the strictest emission standards (EURO 5/6 and ETAP IIIA), purchase of new energy-intensive equipment for daily works e.g.: drills, grinders, shears etc. or replacement of conventional lighting with LED

lighting in 2017. (In the previous years, Mostostal Kielce replaced over 90% of lighting and strives to replace the other lighting sources on a systematic basis). In September 2016, Mostostal Warszawa moved to a new office building, which meets BREEAM requirements for lighting parameters. Energy consumption is monitored with 27 submeters in the BMS, to measure consumption in ventilation, air conditioning, heating, lighting with general sockets and separately IT hardware connected to computer sockets.

In 2017, we had an energy audit, which identified areas for improvement; relevant measures will be undertaken successively, as possible. All the above-mentioned measures show that the companies see the need to reduce their impact on the environment.

GAS EMISSIONS

GRI 305-7

Emissions of dusts and gases are one of the many environmental aspects analyses in relation to the operations of Mostostal Warszawa Group. Their levels are closely linked to the volume of output in a given year, which involves the challenge of their control. Actions are taken as possible: new technologies are implemented, equipment and machinery resources and the car fleet are replaced, which has a positive impact to the indirect and direct emissions.

Pursuant to the Environmental Protection Law of 27 April 2001, Art. 286 point 1, we monitor the quantities and types of gases and dusts emitted to the air by production processes: welding, grinding, zinc plating, cutting with a blowpipe and anti-corrosion protection as well the combustion of fuels in internal combustion engines. See below for a summary of substances emitted.

Item No. ⁴	Type of substance	Mostostal Warszawa Group [Mg]
4	Aliphatic alcohols and their derivatives	5035.14
5	Aromatic alcohols and their derivatives	831.69
6	Amines and their derivatives	10.85
19	Zinc	161.20
29	Ketones and their derivatives	54.90
54	Other dusts	1932.3
58	Carbon monoxide	479.17
59	Nitrogen oxides (converted to NO ₂)	151.39
62	Aliphatic hydrocarbons and their derivatives	58.52
63	Ring, aromatic hydrocarbons and their derivatives	14484.30

As the production is heterogeneous, it is impossible to present a reliable factor which would reflect the amount of emissions of each substance e.g. converted to a ton of production output.

GRI 305-1

DIRECT EMISSIONS OF GREENHOUSE GASES:

GAS EMISSIONS

Emissions of dusts and gases are one of the many an environmental aspects analyses in relation to the operations of the companies of Mostostal Warszawa Group. Their levels are closely linked to the volume of output in a given year, which involves the challenge of appropriate control of emissions. Actions are taken: new technologies are implemented and the car fleet is replaced, which has a positive impact on the indirect and direct emissions.

⁴ Pursuant to the Notice of the Minister of Environment concerning the amount of environmental charges in 2017 (Table G – Unit charge rates for gases or dusts emitted to the air)

Mostostal Warszawa Group strives to minimise the amounts of greenhouse gases emitted. The emission of those gases is mostly due to the combustion of fuels in motor vehicles and in equipment driven with the diesel oil and propane-butane gas.

GRI 303-1 | GRI 306-1

WATER AND WASTE-WATER

In Mostostal Warszawa Group, water is mostly used for sanitary purposes as well as technological processes such as curing of concrete/water for sheet piling.

GRI 306-2 | GRI 306-4

WASTE

A major aspect with an adverse effect on the local biosphere are the waste from the site generated during repairs and disassembly. The quantity depends on the number and size of contracts and their progress. The Companies strive to perform waste disposal work with due diligence and to ensure proper management of waste classified as hazardous. Waste is sorted, classified and managed in compliance with HS&E schemes and applicable legal requirements, so that they should not pose threat for people or the local biosphere. The waste whose generation could not have been prevented is subject to recovery first (preparation for re-use or recycling; if impossible for technological reasons or impracticable for ecological or economic reasons, it undergoes other recovery processes). Depending on the contract with the investor, the site files a declaration on municipal waste management in non-residential facilities to the town/community council, as required by the law. Construction waste is collected by companies with relevant permits for waste transport and processing.

See below for a list of waste generated in 2018:

Waste code	Waste type	Waste weight [Mg]	
		Mostostal Warszawa	Mostostal Warszawa Group
13 02 08*	Other engine, gear or lubricating oils	*	1.457
20 02 02	Soil and stones	3,640	3,640
15 01 01	Paper and cardboard packaging	0.100	2.300
15 01 06	Mixed packaging waste	1.540	1.540
16 02 16	Components of used equipment other than replaced in 16 02 15 (toners)	*	0.010
16 06 04	Alkaline batteries (excluding 16 06 03)	0.019	0.015
16 06 05	Other batteries and accumulators	*	0.003
17 01 01	Concrete waste and concrete debris from demolitions and renovations	2,480.795	2,480.795
17 01 02	Crushed brick	2,967.000	2,967.000
17 01 07	Mixed waste concrete, crushed brick, waste ceramic materials and fittings other than specified in 17 01 06	1,665.920	1,665.920
17 02 01	Wood	176.500	176.500

17 03 02	Bituminous mixtures other than those mentioned in 17 03 01	775.540	775.540
17 03 80	Waste building paper	152.440	152.440
17 04 05	Iron and steel	137.129	1272.459
17 05 04	Soil and earth, including stones, other than specified in 17 05 03	31,882.784	31,882.784
17 06 04	Insulation materials other than specified in 17 06 01 or 17 06 03	1,001.160	1,001.160
17 09 04	Mixed waste from construction sites, renovation and disassembly other than specified in 17 09 01, 17 09 02 or 17 09 03	2,703.466	2709.416
19 12 02	Minerals (e.g. sand, stones)	710.000	710.000
20 03 01	Unsorted (mixed) municipal waste	9.302	9.302
08 01 12	Waste paints and lacquers other than specified in 08 01 11	*	5.390
08 01 18	Waste from paint and lacquer removal other than specified in 08 01 17	*	0.500
11 05 02	Zinc ash	*	22.190
12 01 01	Waste from iron turning and filing	*	11.190
12 01 02	Particles and dusts of iron and its alloys	*	46.93
12 01 13	Welding waste	*	26.07
12 01 17	Post-grinding waste other than specified in 12 01 16	*	17.510
12 01 21	Used grinding materials other than specified in 12 01 20	*	1.030
15 02 03	Sorbents, filtering materials, fabrics for wiping (e.g. cloths, wipes) and protective clothing other than specified in 15 02 02	*	1.350
16 02 14	Used equipment other than specified in 16 02 09 to 16 02 13	*	0.961
15 01 02	Plastic packaging	*	0.008
15 01 04	Metal packaging	*	0.010
15 01 02	Plastic packaging	2.100	2.100
19 12 08	Textiles	0.287	0.287
Total		39295.536	43277.087

Waste code	Waste type	Mostostal Warszawa Waste weight [Mg]	Mostostal Warszawa Group Waste weight [Mg]
08 01 11*	Waste paints and lacquers containing hazardous substances	*	2.240
15 01 10*	Packaging containing residues of dangerous substances	*	11.700

15 02 02*	Sorbents, filtering materials (including oil filter not included elsewhere), fabrics for wiping (e.g. cloths, wipes) and protective clothing soiled with hazardous substances	*	1.71
16 02 13	Used equipment containing dangerous components other than specified in 16 02 09 to 16 02 12	*	0.057
09 01 01*	Water based developer and activator solutions	*	0.070
09 01 04*	Fixer solutions	*	0.050
12 01 09*	Machining emulsions and solutions free of halogens	*	0.200
16 03 03*	Inorganic wastes containing hazardous substances	*	0.820
16 07 09*	Other engine, gear and lubricating oils Wastes containing other dangerous substances	5.160	5.160

GRI 304-2

IMPACT OF THE COMPANY'S OPERATIONS ON BIODIVERSITY

Mostostal Warszawa Group conducts technologically diversified projects across Poland. With a view to environmental protection, we monitor laws concerning required decisions/approvals and proceedings necessary for future operations.

The Act of 3 October 2008 on sharing information on the environment and its protection, participation of the public in the environmental protection and assessments of the environmental impact and the Regulation of the Council of Ministers of 9 November 2010 on projects likely to have significant effects on the environment define a detailed administrative procedure, with allowance for the specific nature of a project.

Based on the data obtained in the said proceedings, a decision is made whether it is justified to issue decisions on environmental conditions. Such a decision needs to be obtained before one files an application for a building permit; i.e. we cannot begin work without the decision.

Environmental decisions describe the “environmental limit values” which need to be met during the construction works. They usually concern the requirements for construction equipment and machinery, the location of storage sites for building materials, waste management, prevention against contaminants that may enter the soil, water, air, sewage treatment, working hours during which noise is emitted, construction equipment stops, etc. In addition, in the case of protected species, the period in which works cannot be performed are indicated in the administrative decisions, unless the authorities like the General Directorate for Environmental Protection or Regional Directorate for Environmental Protection allow for exceptions to the prohibitions in force for these species.

At the beginning of every project, the Site Manager identifies legal and other requirements applicable to the site. Such requirements typically result from environmental decisions and serve as compliance obligations for the Company. Then, a procedure is defined to meet the compliance obligation; such measures are checked periodically for effectiveness of their implementation. Methods to minimise the environmental impact of the production plant – reduced consumption of raw and other materials, reduced waste, reduced gas emissions in operations:

- ☑ the paint shop uses powder coatings which are ecological products, do not contain volatile compounds and do not release, according to their manufacturers, any dangerous substances in their application
- ☑ additional filtering units are used for the welding gas exhaust system, in order to reduce the emissions of harmful gases and dusts to the air from manual and automated welding processes – the pollutant filtering efficiency is 99.5%, a phenomenally high level in such works
- ☑ the use of a waterjet cutting machine working in a closed loop, which saves water and reduces the emissions of gases and dusts generated during the machining of products to the air
- ☑ use of sheet formats made-to-measure for details manufactured in large volumes. For large-size details (1-2.5 m²), in volumes over 30 pieces, we bring sheets of such dimensions which allows for virtually zero-waste manufacturing – we save material and reduce the machine worktime and waste storage space
- ☑ all larger pieces of waste sheet are used for the manufacture of small details, thus reducing waste

- ☒ we buy sheets not covered with oil – thus we reduce the amounts of chemicals used to prepared sheet products for painting
- ☒ program completion documents for CNC machines are no longer printed, we use electronic documents, reducing paper consumption
- ☒ limited production of non-serial components of PONTIS busways on CNC machines – the components are cut on bandsawing machines, thus saving energy
- ☒ use of new multi-blade tools for machines and machine tools, which reduces the detail production time, improves their quality and facilitates human work
- ☒ use of a laser cutting machine with the capability to cut non-ferrous metals, which improves the quality and speed of detail production
- ☒ welded details are replaced with components which are screwed in or riveted, which reduces the quantity of parts for electrolytic zinc coating
- ☒ laser treatment is only applied to components of sheets without electrolytic coating, which reduces the release of harmful metal oxides
- ☒ internal handling with gas-driven or power-driven vehicles;
- ☒ replacement of lighting sources with energy-saving ones – lower consumption of electricity
- ☒ investment in a machine park of higher efficiency and performance, which has a substantial impact of electricity consumption
- ☒ smaller sizes of the equipment manufactured, which results if lower operational costs for the investor
- ☒ we developed electric projects based on energy-saving equipment linked to smart control systems, which optimises electricity consumption
- ☒ the customised design of MV busways reduces the consumption of raw materials required for production
- ☒ we launched our own research laboratory, enabling us to conduct research and testing to reduce substantially the consumption of materials in the manufacturing of our products
- ☒ we introduced PEM welding and riveting technologies, thus reducing the number of details to be welded;
- ☒ we introduced reactive power compensation schemes
- ☒ we introduced insulation materials class V0: made of environmentally-friendly materials
- ☒ we deployed an equipment series of improved performance for power engineering, industry and railway traction

6.3. RESPONSIBILITY TOWARDS LOCAL COMMUNITIES

GRI 413-1

As socially responsible enterprises, companies from Mostostal Warszawa Group are engaged in a continuous dialogue with local communities. They accept and analyse residents' information on the impact of the operations conducted, so as to exercise the least possible impact on their everyday life.

In connection with the conducted operations, the companies had constant access to the information and maintained dialogue with local communities at the locations, where the projects were implemented. As a result, the construction processes were planned in such a manner so as to make them least burdensome for the local residents.

Mostostal Warszawa Group plans to continue to monitor and listen to the voice of local communities, and to conduct dialogue with them on matters related to the impact of the processes carried out by the companies under the ongoing projects. Depending on your needs, we plan to communicate with residents:

- ☒ directly
- ☒ by means of notice boards and announcements
- ☒ by means of mass media

7. ABOUT THE STATEMENT

7.1. REPORTING APPROACH

GRI 102-44 | GRI 102-50 | GRI 102-51 | GRI 102-52 | GRI 102-56 | GRI 102-46 | GRI 102-47 | GRI 102-48 | GRI 102-49

The Statement was prepared in line with the requirements of the international reporting standard for non-financial data - Global Reporting Initiative application level CORE version GRI Standards.

The Statement covers the period from 1 January to 31 December 2018.

MATERIALITY STUDY

In order to identify the most important data for the stakeholders of Mostostal Warszawa Group, a relevant study was conducted. An online survey was sent to internal and external stakeholders and was used to determine the indicators they find crucial. An online survey was conducted in March 2017. Thus the Company obtained information about the expectations of stakeholders regarding the reported non-financial data. A request to fill in the survey was sent to 220 external stakeholders; 73 people shared their recommendations. The survey was sent to 400 employees and 106 people provided their response.

See below for the most important issues concerning the Group's operations which were specified for inclusion in the non-financial statement:

External stakeholders:

- ☑ rules of cooperation with suppliers, subcontractors and business partners
- ☑ practices to ensure compliance with law and corporate governance in the company
- ☑ relations with clients e.g. client satisfaction monitoring, guarantee service

Internal stakeholders:

- ☑ practices to help respect human rights
- ☑ measures for innovative construction solutions
- ☑ charity work and impact on local communities

Stakeholders' recommendations were used to determine the areas of operations of Mostostal Warszawa Group to be described in its non-financial statement.

See below for the most important issues to be included in the statement for external stakeholders, by areas:

Issues concerning the company's cooperation with suppliers, subcontractors and business partners:

- ☑ rules of cooperation with suppliers/subcontractors and business partners
- ☑ method and quality of communication with suppliers/subcontractors/business partners
- ☑ assessment and selection of suppliers/subcontractors as regards the work conditions provided by them
- ☑ the policy and procedures to prevent corruption or abuse

Issues concerning the company's environmental impact:

- ☑ construction projects and their environmental impact, priorities, plans and effects
- ☑ measures and solutions, other than construction projects, which minimise the negative impact on the environment
- ☑ materials: scale, selection, consumption efficiency and consumption monitoring for raw materials
- ☑ waste management, introduction of segregated collection of some waste and proper management of other waste

Issues concerning the company's impact on the quality of social life:

- ☑ making sites as little disturbing for local communities as possible, reduction of noise and vibrations
- ☑ cooperation with academic entities aimed at developing innovative construction solutions e.g. the construction of the first road bridge build with composite materials in Poland

See below for the most important issues to be included in the report for internal stakeholders, by areas:
Issues concerning the company's relations with employees:

- ☑ Employment conditions, remuneration system, promotion rules and opportunities
- ☑ Employee training and education
- ☑ Benefits for employees and their families
- ☑ Communication with employees

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7.3. CONTACT

GRI 102-53

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