



OPUS
GLOBAL



OPUS GLOBAL Plc
Sustainability Report
2022



Table of contents

Letter from the CEO	3
About the Report.....	4
A. About the Organisation	4
OPUS TIGÁZ Zrt.....	6
OPUS TITÁSZ Zrt.....	6
KALL Ingredients Kft.	7
VIRE SOL Kft.....	7
Tourism Division	8
HUNGUEST Hotels Zrt.....	8
Wamsler SE Háztartástechnikai Európai Rt.	8
B. Features of Corporate Governance	9
Supreme Governing Body.....	9
Regulatory Compliance.....	9
Stakeholders.....	10
C. Economic Performance.....	11
Economic Data.....	11
Anti-corruption	13
Suppliers.....	13
D. Environmental Performance.....	14
Energy and Emissions	14
Water.....	16
Waste	17
Other Environmental Activities	18
E. Social Performance.....	19
Employees	19
Employee Rights and Services	22
Health and Safety at Work	22
Social Responsibility	24
F. EU Taxonomy.....	25
G. GRI Content Index.....	27

Letter from the CEO

GRI 2-22

Dear Reader,

Following our Sustainability Report for 2021, which was included in the consolidated annual accounts of OPUS GLOBAL Nyrt., we are now reaching another milestone with the first standalone Sustainability Report of the OPUS Group, prepared in line with international sustainability reporting standards, which presents the Group's 2022 performance. This year, you will be able to read a report that quantifies the sustainability achievements of the Group, which is engaged in highly diversified economic activities, on numerous points. As a capital market operator, we aim to continue to meet regulatory requirements and even more so the needs of our investors and partners, because we regard sustainable operation and sustainable growth to be fundamental and inescapable requirements. I am grateful to the companies and employees of the Group for their responsible contribution to the development of sustainable management and the preparation of this report.



At the beginning of 2022, we had a strong expectation that the world would emerge from the pandemic in a more relaxed economic and social environment, but unfortunately, the ongoing events of the war and the drought affecting our region in relation, among others, to climate change, will continue to challenge the economy. Moreover, the conflict-induced energy crisis, food supply constraints and overall inflation have further complicated the usual economic processes. However, I can safely say that the crisis management mechanisms we put in place in response to the pandemic have provided an excellent basis for a swift and effective response to the new challenges. Following intensive and large-scale acquisitions, the Group's strategy has made it a priority to achieve Group integration and to chart a sustainable operational and growth path, both economically and in terms of human and environmental resources. This is in the interest of all our business divisions, and each of them is committed to and at the forefront of environmentally responsible, humane operations. Although this report gives numerous details about this, please allow me to highlight the developments of our energy division performed to improve energy saving and provide a backdrop for alternative energy sources; the humanitarian assistance offered by our tourism division in the form of accommodation for war refugees, and the steps taken by our agriculture and industry division towards recycling and the use of renewable energies. The management of the Group and its subsidiaries attach significance to and support social responsibility in the micro- and macro-economic environment, and also keep in mind and support the well-being of employees at work and as individuals through various means.

As a listed Premium issuer on the Budapest Stock Exchange, OPUS GLOBAL Nyrt. has undertaken to incorporate and is committed to incorporating the relevant environmental, social and corporate governance (ESG) recommendations into its long-term reporting obligations, as demonstrated in this Sustainability Report. We are determined to publish our Sustainability Reports on an annual basis, regularly updated to reflect current requirements and to display the ESG aspects of our diverse activities. We monitor the ESG-related requirements of the Hungarian and the international capital markets and regularly provide information and recommendations to the Board of Directors to ensure compliance. This Sustainability Report also provides an opportunity for a more comprehensive and transparent presentation of the Group.

We have to take note and make it fundamental in our everyday thinking that the risk put on the habitual existence of the world around us by our general human activity, production and management is no longer a thing of the distant future: it is already happening right now, in the present. For this reason, as a diversified group of companies listed on the capital markets, we must pay particular attention to sustainability.

I trust that by reading and studying our Sustainability Report you will gain an accurate and reassuring picture of the OPUS Group's commitment to sustainable development.

Best regards:

Dr. Koppány Lélfa

CEO

About the Report

GRI 2-3, GRI 2-4

Similarly to financial reports, the organisation's sustainability reports are compiled annually. As the sustainability and financial reporting periods of OPUS Global Nyrt. (hereinafter any reference made to the entire group of companies is "Company", while the controlling holding is referred to as "OPUS Global") coincide, this sustainability report covers the period between 1 January and 31 December 2022.

The organisation has not published a restatement of information for the 2021 non-financial report.

In the 2022 Sustainability Report, only companies with a significant environmental footprint other than the OPUS Global holding are included. These are:¹

Division	Subsidiary
Energy	OPUS TITÁSZ Áramhálózati Zrt.
	OPUS TIGÁZ Gázhálózati Zrt.
Agriculture and food industry	KALL Ingredients Kft.
	VIRESOL Kft.
Tourism	HUNGUEST Hotels Szállodaipari Zrt.
Industrial production	Wamsler SE Háztartástechnikai Európai Rt.

Although the Company also has significant interests in the construction industry (Mészáros & Mészáros Zrt. and R-Kord Construction Kft.), the entities involved typically operate as project offices. As such, these companies are characterised by a small workforce and a low environmental footprint, since, apart from certain engineering and management tasks, the actual construction activities are carried out by subcontractors. Thus in terms of group-level indicators, the contribution of construction organisations can be considered negligible.

Nevertheless, in line with market and societal needs we aim to include as much of our portfolio as possible in our sustainability reporting in the future.

This Sustainability Report has been prepared according to the GRI Standard (2021) 'with reference' compliance level.

Should you have any questions about our sustainability report, please submit it to the following email address: info@opusglobal.hu

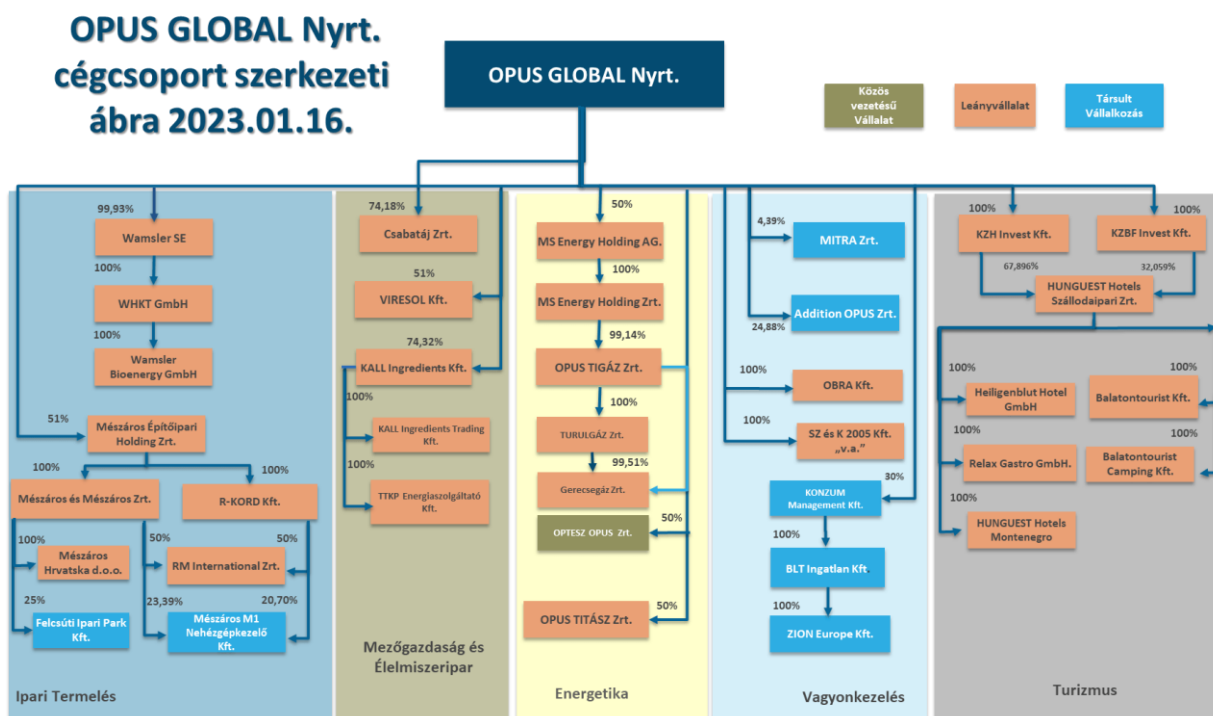
A. About the Organisation

GRI 2-1, GRI 2-2, GRI 2-6

- The Company was founded in 1912, when it was primarily active in the pharmaceutical industry under the name Phylaxia Szérumtermelő Rt., which started to produce the world's first swine fever serum. It later became involved in the development and production of numerous other animal and human vaccines.
- In the decades that followed, and then after nationalisation in 1948, the organisation became an increasingly important actor on the European scene. A great number of the company's experts worked on WHO-FAO programmes in Morocco, Mongolia, Egypt, Lebanon, Syria and Cuba.

¹ If data for an organisation is not reported for a particular indicator, this fact is indicated for that indicator.

- Following the privatisation of the company in 1991, some of its activities were transferred to other organisations, and from 1994 the company continued to operate as a public limited company. Then following its merger with one of its domestic competitors, Bábolna Pharma Rt., the company's name was changed to Phylaxia Pharma Rt.
- In 1998, the shares of Phylaxia Pharma Rt. were listed on the Budapest Stock Exchange in the category "B" of traded shares.
- Between 1999 and 2002, as a result of a re-structuring programme, the Company started to build up a holding structure and changed its name to PHYLAXIA 1912. Holding Nyrt. By 2009, the organisation had added a number of subsidiaries to its portfolio, however, most of these were smaller organisations with low capitalisation.
- In 2013, following the sale of a number of minor subsidiaries, the Group was expanded to include new profit-generating companies, continuing its activities under the name OPIMUS GROUP Nyrt.
- In 2017, the management changed the name of the Company to OPUS GLOBAL Nyrt. in order to emphasise the new structure and potential of the Company and to give it a new image. In 2017, the Budapest Stock Exchange classified the Company's shares in the Premium category. This is because by that time, the Company had primarily been engaged in the management and asset management of companies with various profiles, as a financial investor in a holding structure.
- In 2019, the company merged with KONZUM Befektetési és Vagyonkezelő Nyrt., which was the very first merger in the history of the Hungarian stock exchange involving two public issuers.
- OPUS GLOBAL Nyrt.'s growth strategy is to strengthen its position through the acquisition of Central and Eastern European companies that fit with its domestic investments and create opportunities for regional growth. The investments have now resulted in a diversified holding company with high growth potential, which can benefit from the performance of several thriving divisions of the Hungarian economy.



OPUS Global subsidiaries enjoy autonomy in strategic, business, operational and personnel matters. They report to the parent company on their activities quarterly, on a formalised basis, but there are also a number of informal channels of communication between the parties. We plan to increase the parent company's involvement in the subsidiaries' operations and planning from 2023.

In addition, the head of each division sits on the Board of Directors of the Company, ensuring that the interests of the subsidiaries are represented at the highest decision-making level.

Mission of the organisation:

OPUS GLOBAL is a forward-looking industrial production and services group, bringing quality and innovation to the energy, industrial and food production and tourism divisions, so that the economic operators and private consumers benefit in the long term from value that is created.

Vision of the organisation:

We aim to become Hungary's leading industrial manufacturing and services group, through our innovative, results- and quality-driven approach, building on the outstanding knowledge and unique experience of the professionals in the organisation.

The subsidiaries included in the report are described below.

Energy Division

OPUS TIGÁZ Zrt.

The primary activity of OPUS TIGÁZ (hereinafter referred to as "TIGÁZ") is to ensure the stable supply of natural gas through natural gas distribution. The gas pipeline network operated by the company is more than 34,000 km long, representing almost 42% of the network in Hungary. In 2022, 2.4 billion cubic meters of natural gas were distributed through the network, which is responsible for the gas supply of nearly 1,100 municipalities and more than 1.2 million households - 36% of the country. In addition to the operation of the gas distribution network, the organisation is also responsible for its development and maintenance.

The organisation has a close relationship with FGSZ Földgázszállító Zrt., which it takes delivery of the natural gas it transports. The calorific value of the natural gas is measured by FGSZ Földgázszállító Zrt. and TIGÁZ does not change the composition of the gas. TIGÁZ's customers include residential customers, small, medium and large enterprises, as well as municipalities.

The organisation has relationships with a number of suppliers who provide services (e.g. process control, meter and pressure regulator refurbishment, meter reading) and products (e.g. piping and fittings) to support the utility's activities.

OPUS TITÁSZ Zrt.

OPUS TITÁSZ (hereinafter referred to as "TITÁSZ") is an electricity distribution licensee in the north-eastern region of Hungary, covering a total area of 18,728 square kilometres. It distributes electricity generated in various power plants to nearly 400 municipalities and 800,000 consumption points. Its customers include residential customers, small, medium and large enterprises, as well as municipalities. In 2022, the organisation distributed more than 4.6 million MWh of electricity.

The organisation is also responsible for the operation, maintenance and development of a distribution network of more than 26,000 km.

OPUS Titász is in contact with several suppliers, most of which are companies registered in Hungary. These suppliers primarily provide services (e.g. process control, network construction, trail cleaning) and products (e.g. cables, support structures) to support the public utility's activities.

Agriculture and Food Division

KALL Ingredients Kft.

KALL Ingredients Kft (hereinafter referred to as "KALL") produces high added value food and feed ingredients exclusively from GMO-free maize. Its primary products include sugar (liquid glucose, glucose-fructose blends, liquid fructose, starch syrups, maltose, etc.), alcohol (food and pharmaceutical grade alcohol) and feed (corn germ, corn gluten and various grades of CGFs). The organisation sells a significant part of its products abroad. Its annual maize processing capacity of 530,000 tonnes is among the highest in Europe. In 2022, a total of 358,275 tonnes of maize was processed.

KALL's suppliers are primarily maize growers/traders, companies involved in the trade of excipients for the production of maize, and companies involved in the trade of natural gas and electricity. Its major partners include Coca-Cola, Haribo and Unilever.

KALL is certified for ISCC (International Sustainability Carbon Certification), a set of international criteria for the feed, food and biochemical industries. The certificate sets out a variety of sustainability requirements, including reduction in greenhouse gas emission, sustainable land use, the protection of natural habitats and social sustainability. The company also holds a number of other internationally recognised food safety and quality certifications (HACCP, IFS, BRC, KOSHER, HALAL, Non-GMO, EFISC, ISO 22000).

In 2021, the organisation won the "Best Innovation for the Circular Economy" award of CSR Hungary. The reason was that all parts of the maize grain are recycled during the technological processing operations, as is the process sludge generated during the process.

VIRE SOL Kft.

Using state-of-the-art technologies, VIRE SOL Kft. (hereinafter referred to as "VIRE SOL") produces various raw materials from wheat for further processing for the food, pharmaceutical and chemical industries. The factory in its ownership, which was completed in 2019, has a capacity to process 250,000 tonnes of wheat per year, from which gluten, starch, alcohol, bioethanol and animal feed will be produced.

The organisation's suppliers are Hungarian cereal producers, from whom it buys wheat through wholesalers or through its own purchasing agent. In addition, various excipients (e.g. alkalis, acids and various enzymes) and maintenance materials required for servicing are also purchased from Hungarian suppliers.

Customers can be divided into four groups according to their activities:

- Organisations engaged in paper industry activities (purchase of starch for paper production);
- Organisations active in the food industry (purchase of starch or gluten and pure alcohol for food production);
- Organisations buying denatured alcohol, alcohol for the production of disinfectants and industrial alcohol;
- Buyers or purchasing organisations producing animal feed.

Buyers may include cereal wholesalers, who may also have the possibility to sell the stored cereals on a case-by-case basis, depending on the current market situation.

VIRE SOL Kft. is also ISCC certified. In addition, it has several other internationally recognised food safety and quality standards (HALAL, Non-GMO, IFS, GMP+ and KOSHER).

Tourism Division

HUNGUEST Hotels Zrt.

HUNGUEST Hotels (hereinafter referred to as "HUNGUEST"), the flagship of the Company's tourism division, is Hungary's leading hotel chain. Its core business is the operation of 3- and 4-star hotels, as well as catering and human health services.

HUNGUEST Hotels operates a total of eighteen hotels in Hungary and three abroad (one in Montenegro and two in Austria), and it also has a franchise operating agreement. Its facilities include spa and wellness hotels, conference and event hotels and city hotels. The total number of rooms in the hotels it operates, both in Hungary and abroad, is 3,726, with 7,517 beds. In 2022, a total of 359,780 guests stayed for 1,098,019 nights in the hotels of its chain.

Due to the scope of its activities, HUNGUEST Hotels has a significant number of business partners, primarily due to its national coverage. In addition, the organisation maintains active relations with the municipalities nearby its hotels in order to boost local tourism. The supplier base is actively present at all points of the scope of activities to ensure smooth operations.

Some of the hotels of HUNGUEST Hotels have been awarded the Hotelstars European Hotel Certification. The rating methodology uses a number of indicators, the main categories being general service quality, wellness services and the quality of bedrooms. There is also the possibility of obtaining a "Green Hotel" (or ecco-hotel) certification through a competition organised by the Hotel Association. This certification is awarded to hotels that endeavour to protect the environment by maintaining energy and water efficiency, low emissions, selective waste collection and a health-conscious service portfolio. We are proud to say that several of our hotels have been awarded this recognition: HUNGUEST Hotel Erkel and the Saliris Resort Spa and Conference Hotel were granted the Gold Award of Excellence among Green Hotels for the years 2021 and 2022. In addition, a silver certificate has been issued for HUNGUEST Hotel Aqua-Sol, HUNGUEST Hotel Béke and HUNGUEST Hotel Forrás for their compliance with the sustainability standards.

Industrial Production Division

Wamsler SE Háztartástechnikai Európai Rt.

Wamsler SE (hereinafter referred to as "Wamsler") is part of the Industrial Production Division of OPUS Global. As the legal successor of the Salgótarján Iron Foundry and Furnace Works, it is merged with Wamsler GmbH, Munich, and produces household ovens, cooking and heating appliances (stoves and fireplaces) and metal structures. Wamsler is the largest fireplace and stove manufacturer in the Central and Eastern European region. Most of its products are exported (mainly to Germany, Austria and the Netherlands), but it also has a significant share in the Hungarian market. Its products are sold mainly to retail and wholesale customers, and in addition, it has two own stores in Hungary, serving end-users.

The organisation is in contact with 15-20 strategic (and a number of smaller) suppliers, who provide the strategic raw materials (steel, glass and refractory castings) required for the production of its equipment. In 2022, Wamsler SE used a total of 3,239 tonnes of steel, of which 37,943 stoves and cookers as well as 1,531 railway poles and beams were produced.

Although the subsidiaries listed are separate legal entities, there is some management overlap within the divisions, particularly in the agricultural and energy divisions. In the case of TITÁSZ and TIGÁZ, there is a long history of joint coordination and management of certain functions. The merger of KALL and VIRE SOL at management level started in 2022: in this context, the procurement of raw materials, general purchasing, quality assurance at the level of HR management and production management were merged. As a result of this process, decision-making has become faster and the management organisation of similar processes in both companies have been standardised.

B. Corporate Governance

Highest Governance Body

GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-14, GRI 2-15, GRI 2-19

All the subsidiaries included in this report have their own independent governing bodies, and OPUS Global only exercises ownership rights in these entities. However, the Board of Directors, the highest governing body of OPUS Global, includes the heads of each of the four divisions, thereby representing the interests of the respective divisional organisations. The Chairman of the Board is József Vida, who does not hold any other senior position in the organisation. The list of the Board members is available on [our website](#). The Board consists of seven male members, three of whom are aged between 30 and 50 and four of whom are aged over 50.

The members of the Board of Directors are elected by the General Meeting of the organisation, following a preliminary evaluation and nomination by the Remuneration and Nomination Committee². The candidate's professional qualifications, leadership experience, communication and problem-solving skills, as well as group-thinking and management ability, are the primary criteria for assessment. The independence of the candidate from the members of the Supervisory Board is taken into account in the selection process.

The elected members of the Board of Directors are required to declare a conflict of interest, including directorships in other companies, independence from controlling shareholders, cross-shareholdings with suppliers and other stakeholders, and relationships with related parties.

The Board of Directors gives its opinion and has an endorsing role in the preparation of the organisation's sustainability documents (policies, objectives and reports). Being aware of the significance of ESG compliance, the Board of Directors gives it the same weight as to economic decisions. During planning and visioning, it also treats sustainability objectives on a par with economic outcomes, recognising their increasing importance in addition to regulatory obligations. The ESG performance of the organisation is reviewed annually, in parallel with the reconciliation of the annual accounts, in line with the work plan of the Supervisory Board. The Sustainability Report is approved by the Board of Directors, after consulting the Supervisory Board. The report is then submitted to the General Meeting, which must also adopt it.

Under the organisation's [remuneration policy](#), the members of the supreme governing body receive a fixed fee, while senior managers receive a fixed fee. They are not entitled to any variable remuneration elements in addition to the fixed fee. The level of their compensation is not linked to the ESG performance/results of the organisation.

The management is responsible for the day-to-day running of the organisation. In addition to the CEO, the Board comprises the three Heads of the Directorates: the Head of the Group Governance Directorate (who is also the Deputy CEO), the Head of the Corporate Governance Directorate and the Head of the Finance Directorate. Oversight of the ESG activities of the organisation is the responsibility of the Deputy CEO, who reports to the management on relevant tasks and performance at regular weekly management meetings.

Regulatory Compliance

GRI 2-27, GRI 206-1

The Company strives to comply with all legal requirements and deadlines that affect it. This is evidenced by the low number of non-compliance cases in 2022 compared to the size of the Group, and these are typically related to communication failures.

Non-compliance with laws and regulations	2021	2022
Total number of cases of non-compliance	6	4

² The Remuneration and Nomination Committee is elected from among the external members of the Board.

Non-compliance with laws and regulations	2021	2022
of which: number of legal proceedings concerning anticompetitive behaviour, antitrust or monopoly infringements	0	0
of which: number of cases of non-compliance resulting in financial penalties	6	4
Total value of fines imposed in the reporting period (HUF '000')		661
Total value of fines imposed in 2022 for cases that occurred in the reporting period (2022) (HUF '000')		339
Total value of fines imposed in 2022 for cases that occurred in years prior to the reporting period (before 2022) (HUF '000')		322

In 2022, the following fines were imposed on the subsidiaries concerned:

- TITÁSZ - 1 consumer protection fine for not investigating within the deadline a voltage problem reported by a customer.
- TIGÁZ
 - o 1 fine imposed by the climate protection authority for failing to declare within the deadline that leakage tests had not been recorded for certain applications.
 - o 1 consumer protection fine for failing to give customers prior notice of the switch-off of natural gas supply.
 - o 1 fine related to a gas leak for which the organisation failed to make a declaration within the deadline.

Stakeholders

GRI 2-29

Due to the diverse activities of its subsidiaries, the Company has a wide range of stakeholders. The most relevant stakeholders for the parent company are presented below. The selection of stakeholders has been guided by the potential for collaboration and the potential impact on the functioning and effectiveness of the organisation. The main stakeholder groups include:

- **Investors and shareholders:** Being a public limited company, the most important stakeholders are the owners, in other words, the total number of shareholders. We are in constant and active contact with all our shareholders through regular reporting and disclosures. The sustainable development and growth of OPUS GLOBAL Nyrt. has been greatly facilitated by the resources provided by two series of corporate bonds issued under the Funding for Growth (FFG) Scheme organised by the National Bank of Hungary (MNB).
- **Employees:** The management of OPUS GLOBAL Nyrt. is building the future of the Company together with committed and motivated employees. The motivation and loyalty of our employees is based on the fact that the Company offers challenging tasks and competitive salaries. In order to maintain a sense of security and motivation among employees, the Group pays particular attention to *internal communication* and to providing timely and comprehensive information to our employees.
- **Buyers/consumers/customers:** The different subsidiaries have a diverse customer base. Maintaining and improving customer satisfaction is key to the success of any organisation. To this end, the Company continuously strives to identify customer needs and to provide full and timely information. Communication is multifaceted, in addition to internet and newsletter information, sometimes through targeted satisfaction surveys and feedback questionnaires, professional forums and the sales department of the subsidiaries.
- **Budapest Stock Exchange:** As a Premium Class issuer of the Budapest Stock Exchange (BSE), OPUS GLOBAL Nyrt. performs its work in accordance with the recommendations and expectations of the BSE, primarily in the area of the Company's communication, reports and disclosures, including the compilation of this Sustainability Report.
- **Public authorities, supervisory bodies, municipalities:** The fulfilment of obligations related to public authorities is a priority for the Company. The most important of these is the accurate provision of information to the MNB as the

authority supervising issuers. Another important obligation of OPUS Global as a public limited company is full compliance with the rules and recommendations of the Budapest Stock Exchange. In addition, our subsidiaries make efforts at establishing effective and supportive co-operation with the municipalities surrounding the locations where the subsidiaries are operative. In the field of co-operation with municipalities, the practice of HUNGUEST Hotels stands out, as co-operation is of paramount importance in terms of boosting tourism (and thus increasing tourism tax revenues), joint investments, and marketing the municipality.

- **Suppliers and subcontractors:** Being the asset manager and the headquarters of the holding organisation, OPUS Global does not have many suppliers. However, the OPUS Group brings together more than 40 companies, which are linked to a group of diverse suppliers according to their various activities. The primary form of communication with suppliers is through supplier contracts and supplier open days.
- **Media and publicity:** In the process of value creation and growth of OPUS GLOBAL Nyrt., the primary concern is to keep investors and the public informed in a continuous and detailed manner. To this end, it is relevant to the Company's operations that the information required by law and by virtue of its status as a public limited company, which may affect the value of a share and the expectations related to it, is promptly disclosed on the prescribed platforms, such as the websites of MNB and BSE, in addition to the Company's own website. We provide detailed information to our investors and the professional public on outstanding transactions, flash and annual reports by presentations to investors and press releases.
- **Intermediaries (rating agencies, data providers, rankings and indices):** One of the most important preconditions for the issuance and circulation of OPUS GLOBAL Nyrt.'s corporate bonds was rating by an independent rating agency, which is regularly reviewed. As an issuer, OPUS GLOBAL Nyrt. is rated BB with a stable outlook, while its corporate bond is rated BBB- as an instrument. The OPUS share is included in the MSCI Emerging Market Index Basket, the CECE Index Basket of the Vienna Stock Exchange and, naturally, the BUX and BUMIX share indices calculated by the Budapest Stock Exchange.

C. Economic Performance

Economic Data

GRI 201-1, GRI 201-4

Direct economic value generated and distributed (HUF '000')		2021	2022
Economic value generated	Revenues	237,524,295	336,493,272
	Operating costs	94,736,416	161,718,917
	Wages and benefits	31,729,619	37,143,625
Economic value distributed	Payments to providers of capital	5,496,468	11,868,419
	Payments to government	16,224,582	10,982,947
	Community investments	120,369	49,053
Economic value retained		89,216,840	114,730,311

In 2022, the Group's economic activity exceeded that of 2021 in almost all indicators. Increase in revenues and operating costs was primarily due to the agricultural division (KALL and VIRESQL) and HUNGUEST. An increase in operating costs was also observed for the companies in the energy segment, namely TIGÁZ and TITÁSZ.

- In the case of KALL, the increase in operating costs and revenue is partly correlated. The organisation is a significant energy user, so increase in the energy prices has had a significant impact on KALL's operating costs. This has also caused increase in the revenues, as this increase in costs is reflected in product prices. In addition, a new sales activity was launched: in 2022, the organisation started selling maize for the purpose of public warehousing.
- The primary reason behind increase in VIRE SOL's financial indicators is that the organisation's processing plant was still largely in a test run phase in 2021, and for this reason its capacity was not used to its full potential. However, by 2022, this phase had been completed, and a significantly higher level of activity was achieved during the year. In addition, as in the case of KALL, the purchase and selling prices of the raw materials used also increased significantly.
- In the case of HUNGUEST Hotels, one of the main reasons for this is that the effects of the pandemic had abated by 2022, and therefore tourism had recovered compared to the previous two years, resulting in a significantly higher number of guest nights spent in the hotels belonging to the chain. Increase in the operating costs is due to increase in the purchase value of goods sold – in addition to the volume effect, the purchase price of food and other materials increased due to inflation – and increase in the purchase prices of energy during the period.
- In the case of TIGÁZ and TITÁSZ, the main reason for increase in the operating costs is increase in the cost of energy purchases.

Financial support from the Government (HUF '000')	2021	2022
Tax relief and tax credits	69,489	87,489
Subsidies	0	0
Investment grants, research and development grants, and other relevant types of grants	1,275,087	9,216,533
Awards	0	0
Royalty holidays	0	0
Financial assistance from export credit agencies	0	0
Financial incentives	0	0
Other financial benefits received or obtainable from the government for any operation	0	0
Total	1,344,576	9,304,022

The Company received a significant amount of government support in 2022, exceeding HUF 9 billion. Of this, nearly HUF 8 billion was provided to OPUS TITÁSZ as an advance of funding for network development projects supported under the Recovery and Resilience Plan. The primary objective of the support is to develop the capacity of the electricity grid in order to facilitate the integration of the surplus energy generated by solar PV systems into the grid. The support will help to increase the share of renewable energy in the country's energy mix, as one of the main problems is that the distribution network is currently unable to absorb significant additional solar generation capacity. This will also contribute to greater security of energy supply.

In 2022, in addition to TITÁSZ, KALL received significant government support totalling more than HUF 1.2 billion, including two research and development grants. One of them is an R&D grant based on a specific government decision, focusing on three main areas: complex studies on maize exploration; factors affecting the filterability of sugar solutions from maize starch; and organoleptic properties of food alcohols. It is hoped that this research will contribute to making the organisation's maize processing and utilisation activities even more efficient. The second grant comes from GINOP funding, which will be used to perform a complex research and development project with focus on lactic acid, in a consortium with the University of Pannonia.

Anti-corruption

GRI 205-1, GRI 205-2, GRI 205-3

There were no cases of suspected corruption in the Company in either 2021 or 2022. The reported subsidiaries have a low risk of corruption and thus they typically do not have a separate anti-corruption policy, however, the governing Code of Ethics includes anti-corruption guidelines. With the exception of Wamsler SE, the relevant regulations have been communicated to the employees of all subsidiaries.

The issue of anti-corruption is also addressed in the management of supplier relations, as suppliers dealing with subsidiaries must submit to the subsidiary's Code of Ethics, which includes anti-corruption sections. For KALL and VIRESOL this applies to 100 per cent of the suppliers, and for OPUS TITÁSZ and OPUS TIGÁZ to 97 and 95 per cent, respectively, while for Wamsler there is no such obligation for suppliers.

Within the Company, only TIGÁZ conducted a corruption risk due diligence for 2022, covering a total of 61 operations – representing 30% of the organisation's operations. The risk assessment identified key risks in key processes for which company-level controls are in place. Among the risks, the list includes those that are most likely to be linked to corruption risks.

Suppliers

GRI 2-6

The Company operates primarily in Hungary, and accordingly the suppliers and subcontractors of its subsidiaries are predominantly Hungarian economic operators. In order to promote the efficiency of the procurement process, Herceghalmi Kereskedőház Kft. supports the procurement process performed by the companies within the Company. The main reason for this is that more favourable conditions can be obtained when contracts are concluded. However, in the case of KALL and VIRESOL, the organisation is only involved in the process of reaching an agreement on the terms and conditions for indirect purchases, and contracting is already done by the subsidiaries.

The basic expectation of the supplier selection policy of Herceghalmi Kereskedőház is that the organisation should offer the customer a price in line with the market price level and commercial conditions comparable to those of its competitors. In addition to commercial conditions, it takes into account the criteria and expectations of the requesting company, of which reliability, quality and the accuracy and timeliness of delivery are of particular importance. However, once all these conditions have been met, suppliers who are part of the Mészáros Group naturally have priority.

However, other criteria (e.g. environmental footprint) have not yet been taken into account during the selection assessment.

Herceghalmi Kereskedőház Kft. supports the procurement of all subsidiaries included in the sustainability report. In 2022, the number of suppliers to the subsidiaries was as follows:

Subsidiary	Number of suppliers	Share of Hungarian suppliers
OPUS TIGÁZ	359	More than 90%
OPUS TITÁSZ	352	More than 90%
KALL Ingredients	854	More than 90%
VIRESOL	550	More than 68%
HUNGUEST Hotels	2,122	More than 98%
Wamsler	301	More than 73%

D. Environmental Performance

The values of the indicators presented in the environment chapter do not include the values of OPUS Global as a holding organisation, given that the organisation has a single office, which is exclusively staffed by a small number of people. Therefore, the holding organisation has a negligible environmental footprint at the level of the Company.

It is important for our company to achieve outstanding economic performance while preserving environmental values. This is exemplified by the fact that among the subsidiaries included in the report, VIRE SOL, KALL, TITÁSZ, TIGÁZ and Wamsler have ISO 14001 Environmental Management Systems.

Today, one of the biggest challenges for economic operators is to accurately assess the environmental footprint of their operations, identify and mitigate the associated negative impacts, and communicate this transparently to stakeholders and society as a whole. Our 2022 Sustainability Report presents the main environmental impacts of our Company. We plan to continuously expand the list of environmental topics and indicators to be presented, based on both current trends and stakeholder feedback.

Energy and Emissions

GRI 302-1, GRI 305-1, GRI 305-2, GRI 305-7

Energy (GJ)	2021	2022
Total energy consumption	3,126,534	2,862,437
of which: electricity	813,057	755,535
of which: heating (district heating, natural gas)	1,603,598	1,382,501
of which: cooling	15,266	18,889
of which: steam	694,613	705,512
of which: fuel	73,414	75,768
of which: petrol	3,944	5,377
of which: diesel	69,470	70,391

In 2022, the Company's aggregate energy consumption decreased by more than 8 per cent compared to previous year, mainly due to the conscious efforts made by the subsidiaries to reduce their energy consumption. In terms of energy consumption, the agricultural division stands out in the Company: calculated together, KALL and VIRE SOL account for 88 per cent of the total energy consumption shown in the table above, due to the high energy demand of grain processing technology (especially the gluten and starch drying steps and milling processes) and the organisations' efforts to use raw materials as fully as possible. Both organisations are committed to using the best available technology in their plants, thereby reducing the environmental footprint of their production processes. Thanks to advanced technologies, nearly 100 per cent of the grain purchased is processed, with low greenhouse gas emissions compared to the scale of the operation. KALL has implemented a number of energy efficiency improvements, resulting in a reduction, by 2022, of its total energy consumption by nearly 19 per cent on a year earlier. These improvements mainly focused on optimising steam consumption through various technological solutions (intensification of alcohol distillation, improvement of starch milk preheating, energy integration of evaporators and more efficient preheating of RO water). The steam consumed by the organisation is completely self-produced: it is obtained by burning natural gas and by-products of biogas and alcohol production, such as cosmetic oil. For this reason, the corresponding energy consumption is shown only under the natural gas line in the accounts. In addition, KALL also operates a so-called internal hot water circuit for the recovery of waste heat from the feed dryer, which will lead to a significant reduction in natural gas consumption.

In terms of fuel consumption, TITÁSZ and TIGÁZ account for 47 and 42 per cent of the total consumption of the reported subsidiaries, respectively. This is because the infrastructure networks of both organisations cover vast area, so maintenance and improvement works may occur throughout the operational areas of these companies. In addition to company cars, these works also require the operation of trucks and other equipment, unlike in the other organisations. Both organisations have

recognised that optimising vehicle use can reduce the environmental footprint of their operations. For this reason, a fleet streamlining programme was launched in 2022 to share some vehicles and take advantage of overlapping service areas. As a result, the number of vehicles needed and their maintenance costs can be reduced. In addition, plans have been drawn up to modernise the existing fleet of vehicles, which will be implemented between 2023 and 2025.

In 2022, HUNGUEST launched a comprehensive energy efficiency programme, and within this framework three hotels (Panorama, BÁL Resort, Bük) underwent energy modernisation: in addition to improving their façade insulation, replacing the windows and installing solar panel systems (in the Panorama and Bük Hotels), a heat pump system was installed to replace the gas boilers used so far. In addition, the replacement of old traditional light bulbs with LED light sources has been completed in two spas and four hotels (Eger&Park, Freya, Pelion and Platanus). In addition to the infrastructure improvements, since the spring of 2022 the organisation has been monitoring its energy consumption habits through weekly monitoring reports and organising training sessions for employees on appropriate energy consumption habits.

In 2022, Wamsler SE aimed to reduce the amount of the natural gas it uses. To this end, it implemented a number of measures, including the insulation of windows and doors at its premises and a reduction in the number of painting plants used. The latter is the result of a major organisational change that has had a significant impact on the organisation's operations and environmental footprint. The consolidation, relocation or elimination of technological processes and manufacturing activities at two different sites resulted in the elimination of six air pollutant point sources at the Furnace Plant site in 2022. This also resulted in a significant reduction in the organisation's natural gas consumption by almost 56 per cent compared to 2021.

Among the companies included in the report, VIRE SOL, KALL, TITÁSZ, TIGÁZ and Wamsler have an ISO 50001 Energy Management System.

Greenhouse gas emissions (t CO ₂ equivalent)	2021	2022
Total direct (Scope-1) GHG emissions	203,449	191,011
of which: emissions from own energy production	68,146	62,607
of which: emissions from fuel use	5,492	5,637
of which: emissions from technological processes	129,811	122,767
of which: emissions from cooling processes	1	3
Total indirect (Scope-2) GHG emissions - Location-based	61,277	56,942

In terms of greenhouse gas emissions, we distinguish between direct (Scope-1) and indirect (Scope-2) emissions. The former category includes emissions that result directly from an organisation's energy production (e.g. operation of gas boilers), use of fossil fuels, or other industrial/technological processes. Optimisation processes, such as Wamsler's, as detailed earlier, play a role in reducing this. Almost 60 per cent of the Company's Scope-1 emissions are attributable to the activities of TIGÁZ. The gas transport activity itself is responsible for a significant share of the relevant emissions. Indeed, the extensive gas pipeline network operated by the organisation is associated with a high risk of leakage, despite the organisation's efforts to maintain the highest possible quality of infrastructure. The relevant figure is therefore an approximate estimate. Of course, the organisation continuously monitors the condition of the pipelines through its network monitoring activities. However, new technical developments have also been initiated, such as the development of gas concentration monitoring instruments, the testing of new detection technologies and the investigation of the potential for the use of drones. In addition, in 2022, the organisation's Work Management System underwent a major upgrade, resulting in more efficient planning, co-ordination and monitoring. New field tools have been installed in addition to upgrading the functions of the central system.

It is important to note that emissions from cooling processes (e.g. refrigeration units, air conditioners) are not yet accurately measured for most of the subsidiaries, so this row does not include complete data. In future years, we aim to monitor this accurately by establishing appropriate processes.

The second category, indirect greenhouse gas emissions, covers the greenhouse gases produced by organisations when they purchase energy. Scope 2 emissions presented in the table include emissions associated with purchased electricity. Accordingly, most of the emissions are related to the main electricity consumers, KALL and VIRE SOL.

Other significant air emissions (tonnes)	2021	2022
NO _x	51.3	46.9
SO _x	72.2	55.7
Persistent Organic Pollutants (POPs)	0	0.003
Volatile organic compounds (VOCs)	14.0	19.2
Hazardous Air Pollutants (HAPs)	975.3	1,103.0
Particulate Matter (PM)	29.2	34.3

The Company's other air emissions are mainly related to three subsidiaries: KALL, VIRE SOL and Wamsler. These emissions cover a significant amount of pollutant gases, primarily related to the various technological processes of the organisations. The majority of nitrogen oxides (NO_x) and sulphur oxides (SO_x) emissions are related to KALL's activities.

The emissions of volatile organic compounds (VOCs) and hazardous air pollutants (HAPs) are linked to Wamsler. These are primarily the by-products of the enamelling, painting and metalworking processes performed at the sites. All relevant emissions remain within the legal limits, however, the organisation continuously strives to use environmentally friendly technologies and raw materials.

Particulate matter (PM) emissions are also associated with KALL, VIRE SOL and Wamsler, but here again agricultural organisations are responsible for a larger share of the 2022 value.

Water

GRI 303-3

Water withdrawal for all locations (megalitres)	2021	2022
Total water withdrawal	3,194.0	3,185.9
of which: surface water	1,726.5	1,486.1
of which: groundwater	121.7	327.8
of which: water from third parties (purchased water)	1,345.8	1,372.0

KALL and VIRE SOL are responsible for 82% of the water consumption of the subsidiaries in the report. The organisations' activities are highly water-intensive, with starch extraction and hydropower generation being the main water consuming processes within the processing chain. In 2022, KALL used more than 220 megalitres less water than in the previous year, primarily due to the organisation's ability to continuously reduce the specific water demand of its production through various investments. For example, the replacement of the make-up water used in the cooling water circuit with firewater instead of deeply deionised water has resulted in significant water savings. The organisation strives to maximise the use of recycled water in its processing operations and to reuse the water used after the necessary purification.

HUNGUEST's water use increased at a similar rate to 2022, due to higher occupancy rates resulting from an increase in visitor numbers on a year earlier, as with the other indicators for the organisation.

Waste

GRI 306-1, GRI 306-2, GRI 306-3, GRI 306-5

Various impacts and processes contribute to the generation of waste in the wide range of activities of the subsidiaries. For all the subsidiaries included in the report, significant waste generation impacts can be identified mainly in their own activities.

The table below does not include the waste production data for HUNGUEST Hotels, as the organisation's waste data for 2022 were not available at the time this report was compiled. For this reason, despite the availability of the 2021 data, the company is not included in the table. In 2021, HUNGUEST generated a total of 176.3 tonnes of waste, of which a total of 3 tonnes was hazardous waste.

Waste production (tonnes)	2021	2022
Total waste produced	84,987	90,486
of which: hazardous waste	3,740	4,565
of which: non-hazardous waste	81,246	85,921

In the agricultural division, waste is mainly generated from packaging waste and during the maintenance process. Both agricultural organisations are committed to recovering as much of the waste from raw materials during processing as possible. The total weight of maize and wheat is used in the processing of raw materials. This is illustrated by the fact that the first step in the wastewater technology of both businesses is anaerobic fermentation, whereby nearly 85% of the organic matter processed is converted into biogas, which is then used to produce steam. In addition, following the completion of a regulatory authorisation procedure in 2022, KALL certified the mixture of sewage sludge and diatomaceous earth produced during its technological processes as a soil conditioner. In addition to significantly reducing the amount of waste generated, this has enabled the sale of the soil conditioning product to start. VIRE SOL's plant has also implemented a number of solutions to help prevent waste generation, which have been recognised by the organisation winning the "Food Waste Prevention" award at the Hungarian Agricultural and Food Exhibition and Fair in 2021. The waste from starch production is used in the production of alcohol after several processing steps (fermentation, distillation and racking etc.). Processing can also generate energy in the form of steam, heat or biogas, which is immediately used. Similarly to KALL, a mixture of sewage sludge and diatomaceous earth is used to produce soil conditioner. On an annual basis, the process results in the recovery of around 20,000 tonnes of starch waste. As a result, 99.7 per cent of the incoming raw material is processed. Thanks to the recovery of sewage sludge and diatomaceous earth, the waste production of both organisations has been significantly reduced from 2021 to 2022. However, in the case of VIRE SOL, the reason for the exceptionally high waste volumes in 2021 is that this is the year in which the waste accumulated during the 3.5 years of plant construction and trial operation was disposed of.

In the case of TITÁSZ and TIGÁZ, the waste generated is mainly from maintenance and development work (e.g. spent supports, cables and meters). Both organisations aim to sell the recyclable waste generated to external parties. Both TITÁSZ and TIGÁZ generated significantly more waste in 2022 than in the previous year, primarily due to the fact that in 2021, due to pandemic constraints, the two organisations were only able to carry out less maintenance and reconstruction work than planned. In terms of waste generation, TIGÁZ is the most significant of the companies included in this report, responsible for 76% of the total waste volume reported in the table above. This is mainly due to iron and steel scrap from rejected meters. As part of the organisation's waste reduction efforts, a significant number of installed gas meters and pressure regulators have been refurbished, thus extending their lifetime. In 2022, the organisation started to maintain a detailed material and waste inventory of materials used in network operations, which provides valuable information for optimum material procurement and management.

Wamsler primarily generates waste from three activities: steel and iron processing, enamelling and various post-processing activities (painting, cleaning and packaging). In 2022, this organisation focused on reducing enamelling waste: in addition to reducing the thickness of coating and the number of layers to be baked, it started experimenting with electrostatic enamelling, which requires the use of less raw material. It is also exploring the possibility of recycling enamel sludge (a by-product of the enamelling process). Despite these efforts, it generated almost twice as much waste in 2022 as in the previous

year. This is due, to a lesser extent, to the increased production volume, but to a greater extent to the site consolidations and the resulting clean-up and disposal activities carried out in 2022.

In the case of HUNGUEST, the waste generated consists mainly of kitchen waste (food waste, used cooking oil) and materials generated during maintenance (paint, fluorescent lamps, etc.). Reducing their quantity is a priority for the HUNGUEST management.

Waste treatment (tonnes)	2021	2022
Total waste disposed	72,055	91,319
of which: hazardous waste	3,893	4,854
of which: non-hazardous waste	68,162	86,465

The Group does not dispose of waste on-site, all such operations are carried out off-site by a third party. All the subsidiaries only deal with waste treatment organisations that have the required waste management licences. However, the companies included in this report typically do not have information on the exact process by which their waste managing partners treat the waste they receive.

Other Environmental Activities

In addition to the areas covered in the environmental chapter of this sustainability report, we also make efforts at improving our environmental impact in other areas.

TITÁSZ makes considerable efforts to prevent bird deaths caused by electrocution in its grids. To this end, for many years it has been operating a comprehensive bird protection programme in collaboration with expert organisations to minimise the associated risks, in line with its bird protection principles established in previous years, which provide a framework for its efforts in this regard. The company's efforts are aimed at providing a long-term and reliable solution to reduce the number of bird fatalities caused by power lines, and to maintain safe energy supply on a network that is safe for birds through continuous innovation. Within this framework, a number of high-risk sections have been replaced with underground cables that do not pose a risk to surrounding wildlife. Where development requires, the associated transformer stations and other substations are also rebuilt. In selecting the sections to be upgraded, priority is given to network elements where bird mortality has already caused actual disruption to service. However, the organisation is also open to external enquiries from environmental authorities, national parks and bird conservation NGOs. In the case of reconstruction works decided by the Ministry, TITÁSZ also takes into account the conflict map produced under the supervision of the Ministry - the relative risk of a section of the network is influenced by the national occurrence of priority species, the habitat in the immediate vicinity of the column and the technical and bird protection characteristics of the column and head structure.

As part of the bird conservation programme, TITÁSZ has long installed stork nest boxes over low voltage power lines to keep birds and their chicks away from the lines. They are installed and maintained in partnership with national parks. The parks' specialists regularly provide equipment, nesting equipment and, at their own initiative, indicate where new holders are recommended or where maintenance is required on existing equipment. In 2022, the organisation installed 79 new nest holders, bringing the total number of stork nest holders in the company's service area to 4,076, which are repaired and maintained on an ongoing basis. In mid-June each year, with the involvement of the Hungarian Ornithological and Nature Conservation Society (MME), staff from the national parks and experts from TITÁSZ visit the nests of white storks to ring the young. Ringing provides the experts with valuable information on the birds' migration routes, resting, feeding and wintering areas.

In 2022, TIGÁZ and TITÁSZ made a [joint short film](#) focusing on air pollution, which presents the activities of the organisations and the possible negative impacts and actions related to them. The short film is available on the companies' websites.

E. Social Performance

Employees

GRI 2-7, GRI 2-8, GRI 401-1, GRI 405-1

We are proud that the Company's workforce is growing at a steady pace. For the subsidiaries included in this sustainability report, this represents an increase by 142 employees, or more than 3%, compared to 2021. In all cases, the employee numbers presented in this section should be interpreted as the actual number of employees as of the end date of the reporting period.

Employees	2021	2022
Total number of persons employed	4,266	4,408
of which: female	1,336	1,434
of which: male	2,930	2,974
Number of employees on open-ended contracts	4,162	4,307
of which: female	1,278	1,374
of which: male	2,884	2,933
Number of employees on fixed-term contracts	104	101
of which: female	58	59
of which: male	46	42
Number of employees not in guaranteed hours	4	3
of which: female	3	3
of which: male	1	0
Number of full-time employees	4,223	4,351
of which: female	1,307	1,396
of which: male	2,916	2,955
Number of part-time employees	39	54
of which: female	26	35
of which: male	13	19

More than two-thirds of the presented workforce works for by TITÁSZ (25%), TIGÁZ (21%) and HUNGUEST (28%). The reason for this in the case of TITÁSZ and TIGÁZ is that both organisations have a significant infrastructure network requiring ongoing maintenance and upgrades. Both organisations are required to ensure the operation of an adequate on-call/stand-by system to provide the guaranteed energy service required by law, and to maintain operations management and dispatching services to ensure continuous and safe operation and operation. In addition, the organisations have their own staff to carry out the reading of the various meters and on-site inspections of the metering points. In the case of HUNGUEST, the size of the operation (18 hotels operated) is also the primary reason for the high staffing levels and the fact that the wide range of high-quality services requires a significant workforce.

At the end of the reporting period, the Company employed a total of 288 non-employees. Most of these are temporary employees or students/students in dual training. The latter are working in the field of their field of study. The organisation

with the largest number of such employees is Wamsler, which at the end of the reporting period had 87 temporary employees and 69 students in dual training or apprenticeships working in various fields.

New employee hires and employee turnover	2021		2022	
	person	%	person	%
Total new employees	1,045	100%	1,139	100%
of which: female	450	43%	539	47%
of which: male	595	57%	600	53%
of which: under 30 years	427	41%	434	38%
of which: 30-50 years old	457	44%	497	44%
of which: over 50 years	161	15%	208	18%
Total employees turnover	978	100%	1,015	100%
of which: female	405	41%	438	43%
of which: male	573	59%	576	132%
of which: under 30 years	362	37%	343	60%
of which: 30-50 years old	425	43%	416	121%
of which: over 50 years	191	20%	256	62%

In 2021 and 2022, there was significant fluctuation in three organisations, with 41 per cent of employees leaving HUNGUEST in 2022, 34 per cent of employees leaving VIRE SOL and 28 per cent of employees leaving Wamsler. Both organisations had nearly the same number of new entrants, so there was no significant change in their total headcount. An important aspect behind the high turnover in the case of Wamsler is the low attractiveness of the region's workforce, with a high level of out-migration and commuting. In addition, the vast majority of those leaving the organisation are those who have joined in the past year, following a mismatch between the expectations of the organisation and the employees in question.

In the case of VIRE SOL, one of the key circumstances is that in the field of food production it applies a complex technology that is unique in the region. The organisation has a high number of plants with in-line assembly technology in its area of operation, and the agricultural and SME sectors have high shares in the region. As it is a start-up plant, employees who are used to the traditional assembly line technology have found it difficult to integrate. In addition, there is strong competition for the available labour among manufacturing companies in the neighbourhood.

An important fact for HUNGUEST is that the hotel and catering industry is characterised by a high level of employee turnover. In addition, the hospitality division has been the main victim of the uncertainties caused by the coronavirus epidemic. The division is currently still short of 40-50 thousand employees, and unfortunately most of those who have been made redundant have moved on to other careers altogether. This leaves a very large number of employers for the remaining skilled workforce, creating strong competition. Employees move quickly and quickly between employers in the hope of higher wages.

The distribution of our employees by gender and age is shown in the table below.

Diversity of employees	2021		2022	
	person	%	person	%
Top managers	53	100	50	100

Diversity of employees	2021		2022	
	person	%	person	%
of which: female	16	30	13	26
of which: male	37	70	37	74
of which: under 30 years	0	0	0	0
of which: 30-50 years old	29	55	29	58
of which: over 50 years	24	45	21	42
Middle managers	380	100	399	100
of which: female	120	32	131	33
of which: male	260	68	268	67
of which: under 30 years	6	2	15	4
of which: 30-50 years old	228	60	237	59
of which: over 50 years	146	38	147	37
Subordinates - Intellectual	1,940	100	2,083	100
of which: female	862	44	950	46
of which: male	1,078	56	1,133	54
of which: under 30 years	196	10	302	14
of which: 30-50 years old	1,177	61	1,165	56
of which: over 50 years	569	29	616	30
Subordinates - Physical	1,893	100	1,876	100
of which: female	341	18	340	18
of which: male	1,552	82	1,536	82
of which: under 30 years	284	15	291	16
of which: 30-50 years old	847	45	883	47
of which: over 50 years	762	40	702	37

We have a significant male predominance in our workforce. The primary reason for this is that most organisations employ a significant number of blue-collar employees in the category of subordinate employees, which traditionally reinforces male predominance. However, we should also bear in mind that there is a significant minority of women in both middle and senior management. The female-male ratio is most balanced in the intellectual layer, which highlights the need to work towards more opportunities for women managers in our Company.

Diversity of the governing bodies	2021		2022	
	person	%	person	%
Total number of staff	36	100	40	100
of which: female	17	47	15	38
of which: male	19	53	25	63
of which: under 30 years	0	0	0	0
of which: 30-50 years old	22	61	22	55

Diversity of the governing bodies	2021		2022	
	person	%	person	%
of which: over 50 years	14	39	17	43

The governing bodies (and this term does not mean top management) of subsidiaries show a similar distribution. In addition to the ratio of males to females, the under-30 age group is understandably not represented, as this position requires significant professional experience. The other two age groups are in relative balance, which is important because a predominance of people over 50 would indicate that organisations do not have sufficient management succession.

Among the subsidiaries included in this report, significant HR improvements were made in 2022 for TITÁSZ and TIGÁZ. In both organisations, a quarterly reporting process on HR has been introduced, which provides information to the management of the organisations along defined KPIs (number of leavers, overtime, absenteeism and recruitment time), supporting organisational decision making and the development of action plans. In addition, the two organisations have implemented a leadership development programme, targeting the appointment of new entrants to management positions. As a first step in the development process, the leadership competences of the people concerned were assessed, and based on the results of the assessment, personalised development plans were designed and implemented. The development methods included one- and two-day training sessions on various topics, as well as individual and small-group coaching sessions. The programmes were implemented by external consultancy organisations.

Employee Rights and Services

GRI 2-30, GRI 401-3, GRI 406-1

It is essential for our Company to respect the rights of our employees and ensure equal treatment. Our employees are of significant value and we strive to provide exceptional employer services to the best of our ability.

From among the subsidiaries included in this sustainability report, VIRE SOL, TITÁSZ and TIGÁZ have collective agreements in place to regulate their day-to-day operations. While VIRE SOL has a collective agreement covering all employees, the other two organisations have a coverage of 98-99 per cent. This means that 53 per cent of employees in the reporting subsidiaries are covered by collective agreements. In general, the other organisations provide their employees with conditions equal to or more favourable than the Labour Code.

All employees of our Company are entitled to the working time allowance for fathers after childbirth and maternity. In 2022, a total of 169 employees of the companies included in this report took advantage of this benefit in connection with the birth of their children - 45 men and 120 women. In addition, a total of 67 employees (44 men and 23 women) returned from such leave in 2022.

We are proud that there were no incidents of discrimination against any of our employees on the basis of race, colour, gender, religion, political opinion or social origin in either 2021 or 2022 in the subsidiaries included in this report.

Our Company considers it important to support its employees as much as it can, also in other ways beyond salary. In view of the increased cost of living due to general inflation, in 2022, all employees of the entire Mészáros Group received a one-off, net HUF 100,000 utility allowance.

The majority of employees of HUNGUEST Hotels are staff at various hotels, and there is no opportunity to work from home in this form. This can make it challenging for them to accommodate their children during school holidays. In order to help them with this, the organisation provides childcare for its employees in several of its hotels during school holidays, making it easier for them to maintain a work-life balance.

Health and Safety at Work

GRI 403-1, GRI 403-3, GRI 403-5, GRI 403-9

The health and safety of our employees is a top priority for our Company. This is also of paramount importance because employees of our subsidiaries often work in hazardous conditions, which require compliance with the highest possible safety standards. In view of this, KALL, VIRE SOL, TITÁ SZ, TIGÁ Z and Wamsler are among the companies included in this report that have an ISO 45001 Occupational Health and Safety Management System in place. The management systems cover the full range of activities and employees of the organisations concerned. Work-related injuries among employees of the organisations are listed in the table below.

Work-related injuries to employees	2021	2022
Hours worked basis to the calculation of ratios	1,000,000	1,000,000
Total hours worked	7,133,441	7,380,620
Number of fatal work-related accidents	0	0
Fatal accident rate	0	0
Number of high-consequence work-related injuries	1	1
Rate of high-consequence work-related injuries per 1 million working hours	0.140	0.135
Number of recordable work-related injuries ³	39	71
Rate of recordable work-related injuries per 1 million hours worked	5,467	9,620

In the case of the OPUS GLOBAL holding organisation, there is no exact working hours recording process in place, so the working hours figure is an estimate. However, given the small size of the organisation, the estimate does not materially change the ratios presented in the table above.

Thanks to our strict health and safety standards, there have been no fatalities in the companies covered by the report in recent years. Apart from the OPUS Global holding organisation, all reporting subsidiaries had 7 or more work-related reportable accidents in 2022. In terms of injuries, Wamsler is the most affected organisation, with more than a third of the 71 reportable injuries, 26, occurring at this organisation, as well as the only injury with significant consequences. These injuries are typically physical injuries related to metalworking, such as bruises, sprains, fractures or other surface injuries. The types of injuries recorded at subsidiaries VIRE SOL (7) and KALL (8) are similar, while at HUNGUEST, accidents related to kitchen work were typical. In addition, for TITÁ SZ (11) and TIGÁ Z (9), many of the work-related injuries were related to work in the field (e.g. wasp stings, dog bites, collisions with motor vehicles). For all organisations, the safe working environment and the use of appropriate protective equipment, as well as the related ongoing training of employees, are also of high importance.

We provide numerous training courses and other education for our employees to maintain a safe working environment. Work and fire safety training is regularly provided to employees in all organisations. In addition, TITÁ SZ, TIGÁ Z, Wamsler and HUNGUEST organise first-aid courses for some of their employees on an annual basis.

We go beyond employee training to protect the health of our employees. Our efforts to identify and prevent risks to health and safety at work are an integral part of this effort. In the case of KALL and VIRE SOL, in addition to the compulsory medical fitness test, employees working in the operational area undergo regular lung screening. In addition, employees of the organisations are covered by health insurance as part of their employee benefits. Wamsler employs a company medical assistant to whom employees can regularly turn with health problems. In addition, an occupational health and safety policy has been drawn up with the involvement of a specialist. HUNGUEST provides an occupational health medical service, and the doctor is also involved in risk assessment at the workplace and in the development of the personal protective equipment allowance.

³ In order to establish reportable injuries, we use the GRI definition of an injury at work that results in any of the following: death, lost work days, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or serious injury or ill health diagnosed by a physician or other licensed health care professional, even if it does not cause any of the above.

The TITÁSZ and TIGAS organisations have got very thorough risk assessment systems in place, whereby occupational diseases and possible accidents are thoroughly investigated. In addition to an allowance for personal protective equipment, training is provided on its correct use. In addition, a number of health and preventive programmes are implemented involving employees, who are also sent for recurrent and exceptional occupational health checks. In addition, the organisations also place a strong emphasis on HSE (Health, Safety and the Environment). In 2022, the use of a monthly HSE Report was standardised in both organisations. In addition to the HSE week for employees (with presentations, site visits and games on health, safety, environment, nature and fire protection at various locations and times), HSE-related publications are regularly distributed via the organisations' intranet sites. HSE reviews are held quarterly by senior management of the companies. The purpose of the reviews is to provide the Company's senior management with a comprehensive overview of the organisation's HSE activities, the level of security and the organisation's HSE risks. The review supports the organisation in reducing HSE risks. In addition, in order to support road safety, TIGÁZ has introduced driving training for its relevant employees. Such training has been in place for TITÁSZ for a long time, so the approach has become consistent between the two organisations.

In 2022, TITÁSZ launched a major initiative among its subcontractors on occupational safety. The organisation aims to achieve some of the objectives set out in its HSE (Health, Safety and Environment) strategy through the development of its subcontractor partners, to which end it has introduced contractor cultural audits. These are aimed at improving the attitude and awareness of the organisation's partners with regard to health and safety. Under this initiative, the organisation formulates audit plans for selected subcontractors by defining specific assessment foci to which specific target levels are assigned. During the audit, TITÁSZ experts conduct interviews with the managers and staff of the companies and, based on the audit experience, propose improvement focuses to the managers, supported by an action plan. Progress is then measured back. Through this programme, TITÁSZ aims to improve the overall safety of its subcontractors in the long term.

Social Responsibility

The subsidiaries of OPUS Global Nyrt. are generally considered to be the dominant players in their industry in the domestic market. Accordingly, we believe that we should play a similarly leading role in the area of social responsibility.

HUNGUEST Hotels links its corporate social responsibility activities to its core business. It provides discounted holidays for those in need in a long-standing partnership with the National Association of Large Families and the Single Parents' Club Foundation. In 2022, it provided a total of 2018 nights through the former and 1932 nights through the latter. In 2022, the organisation also helped Ukrainian war refugees by providing them with free accommodation in two hotels and a hot meal once a day.

Wamsler has a long-standing co-operation with the Nógrád County Vocational Training Centre in the form of a dual training programme. In 2022, a total of 44 students gained valuable work experience at the company related to their training, which also represents a significant added value for Wamsler. In order to foster professional contacts, Wamsler will participate in the organisation of an enamel camp in co-operation with the non-profit association Fire Enamel Artists Group, providing a venue for the event. The enamel camp will give artists and craftspeople from Hungary and Slovakia the opportunity to get to know each other's work and to create together. Finally, the organisation provides financial support to the Zenthe Ferenc Theatre in Salgótarján several times a year. In 2022, this amounted to a total of HUF 500,000.

In 2022, KALL participated in the 3rd Lake Tisza PET Cup, which is a waste collection competition, where the participating teams collect the waste carried by the River Tisza, build a boat from it, and then compete in a river boat race. The KALL team successfully completed the 20-kilometre race in 2022, having collected nearly 100 bags of rubbish. Over the three days of the race, the 14 participating teams cleared the designated river stretch of more than 7 tonnes of waste. In addition, in September, our employees helped to clean up the yard of the Kamasz Kuckó children's home in Szolnok as part of a charity project. During three days of work, twenty people cleared the yard of the accumulated green waste, and then made a gravel cover and prepared and installed garden furniture, compost bins and flower holders of pallets.

In 2022, VIRE SOL, with the support of the Senate of the Hungarian Agricultural and Life Sciences University, established a scholarship for students at the university with the aim of helping students to integrate into the workplace and to get to know the company. The VIRE SOL Scholarship is funded by the organisation. The scholarship is awarded to two students every six months from specific departments of the university, with a monthly stipend of HUF 50,000.

The social engagement of TITÁSZ and TIGÁZ is in many ways co-ordinated, but the organisations also have separate programmes. The programmes that continued in 2022 are as follows:

- The professional competition entitled "OPUS TITANS - You Are the Energy of the Future", invites secondary-school students in grades 10, 11 and 12 to test their knowledge of energy and sustainability. The multi-round competition includes professional creative content creation and a promotional video shoot. The finalists also have the chance to present their energy-related ideas to company professionals in an exciting professional day.
- Our "Do Sport to Feel Good – Do Sport to Do Good" programme aims to promote a healthy lifestyle among our employees and support a non-profit organisation. In 2022, the HUF 500,000 grant was awarded to the SUHANJ! Foundation, which has been sharing the joy of movement with people with disabilities and disabilities since 2010.
- In the framework of the "Because it's good to give! - Donate a computer" programme, every year we donate used but still working computers from our organisations to various external organisations (foundations, NGOs, educational institutions, retirement homes, non-profit organisations). The recipient organisations are selected from a list of organisations recommended by our staff.
- As a supporting organisation, TIGÁZ participates in the "ROMASTER - Opportunities for Future Roma Leaders" programme, which aims to provide support from secondary school to the end of higher education for eligible Roma students. Under this scheme, sponsoring organisations provide scholarships and mentoring opportunities for selected students.
- This year, in addition to several subsidiaries of the Mészáros Group, employees of TITÁSZ and TIGÁZ also participated in the food donation packing with the assistance of the Hungarian Red Cross. Within the framework of the programme, ten thousand food packages worth a total of nearly HUF 100 million are assembled, packed and then donated to families in need.

F. EU Taxonomy

Regulation 2020/852/EU adopted by the European Commission, known as EU Taxonomy, aims to define the economic activities and conditions considered as sustainable. In doing so, it provides a common framework for interpretation across the EU, thereby discouraging the unjustified use of the terms 'green' or 'sustainable'. It also requires a certain number of financial and non-financial companies to report on the extent to which their activities meet the sustainability criteria of the regulation.

The reporting requirements are detailed in Commission Delegated Regulation 2021/2178. This stipulates that regulated companies are required to report 3 financial indicators each, according to two criteria.

- The first criterion is "eligibility", which shows the ratio of an organisation's economic activities that are included in the EU's list of activities. This list includes those eligible/justified activities that can be considered sustainable under the right conditions.
- The second criterion is "alignment", which indicates the proportion of a reporting organisation's economic activities that are aligned, i.e. those that are actually carried out sustainably by the organisation according to the EU criteria. 'Alignment' criteria are only related to eligible activities, and therefore the proportion reported for 'Alignment' cannot be higher than the proportion reported for 'Eligibility'. A difference between the two ratios indicates that there are activities of the organisation that could be carried out sustainably according to EU criteria, but that the organisation does not currently meet these criteria. As such, this difference indicates the development potential of the organisation.
- The financial indicators to be presented for the two aspects are the turnover, CAPEX and OPEX values related to the activities concerned. The precise interpretation of these is detailed in the Delegated Regulation 2021/2178.

The legislation identifies six environmental objectives related to sustainability. These include:

- Climate change mitigation
- Adapting to climate change
- Sustainable use and protection of water and marine resources

- The transition to a circular economy
- Pollution prevention and reduction
- Biodiversity and ecosystem protection and restoration

An activity is considered sustainable from an “alignment” perspective if it contributes significantly to one of the objectives without causing significant harm to any of the other environmental objectives and meets certain minimum social safeguards. The definitions of contribution to environmental objectives and significant harm are set out in technical assessment criteria. For the time being, these assessment criteria have only been adopted in relation to the first two environmental objectives, so compliance can be assessed only in relation to these two.

The EU Taxonomy Compliance Assessment was carried out in the context of the preparation of the 2022 Sustainability Report. As stated in OPUS Global’s Sustainability Report, the 2022 report did not cover the entire group of consolidated companies, therefore the EU Taxonomy compliance is limited to the companies included in the Sustainability Report (VIRE SOL Kft., KALL Ingredients Kft., OPUS TITÁSZ Zrt., OPUS TIGÁZ Zrt., HUNGUEST Hotels Zrt. and Wamsler SE Rt.). However, in the calculation of the financial indicators, the denominator has been used to include the sales, OPEX and CAPEX values for the full consolidated scope, thus ensuring that we do not over-represent the Company’s performance in any of the topics.

We also applied a materiality threshold to the relevant activities and only examined in detail the activities that met this threshold. This threshold for the turnover and OPEX indicators was 5% of the aggregate turnover and OPEX of the reporting population detailed above. For CAPEX items, the activities examined were those that involved investments of more than HUF 200 million. While we believe that this approach provides an appropriate focus for the relevant activities, it will be reviewed in subsequent years in the light of observed market practices.

Based on the above, the following activities are considered “eligible” for the reporting entity.

- Manufacture of organic basic chemicals (VIRE SOL)
- Transmission and distribution of electricity (OPUS TITÁSZ)
- Renovation of existing buildings (HUNGUEST Hotels, OPUS TITÁSZ)

Taking into account the above, the following ratios apply for the year 2022:

	Eligible	Non- eligible	Aligned	Not aligned
Ratios for the whole organisation				
Turnover	21.1%	78.9%	0%	100%
CAPEX	57.1%	42.9%	0%	100%
OPEX	39.5%	60.5%	0%	100%
Activity level breakdown				
Manufacture of organic basic chemicals				
Turnover	4.0%		0%	
CAPEX	0.1%		0%	
OPEX	1.4%		0%	
Transmission and distribution of electricity				
Turnover	17.0%		0%	
CAPEX	25.8%		0%	
OPEX	34.1%		0%	

	Eligible	Non- eligible	Aligned	Not aligned
Renovation of existing buildings				
Turnover	-		-	
CAPEX	31.2%		0%	
OPEX	4.1%		0%	

A common shortcoming in meeting the “alignment” criterion is the application of climate risk and vulnerability analysis as required by the technical assessment criteria and the associated climate adaptation solutions. In the year 2023, we plan to review in detail exactly what additional gaps in EU Taxonomy compliance ('Alignment') can be identified for our eligible activities.

G. GRI Content Index

GRI Standard	GRI disclosure	Page number
GRI 2: General Disclosures 2021	2-1 Organizational details	4-5.
	2-2 Entities included in the organisation's sustainability reporting	4.
	2-3 Reporting period, frequency and contact point	4.
	2-4 Restatements of information	4.
	2-6 Activities, value chain and other business relationships	4-8., 12-13.
	2-7 Employees	18-19.
	2-8 Workers who are not employees	19.
	2-10 Nomination and selection of the highest governance body	8-9.
	2-11 Chair of the highest governance body	8-9.
	2-12 Role of the highest governance body in overseeing the management of impacts	8-9.
	2-14 The role of the highest governance body in sustainability reporting	8-9.
	2-15 Conflict of interest	8-9.
	2-19 Remuneration policies	8-9.
	2-22 Statement on sustainable development strategy	3.
	2-27 Compliance with laws and regulations	9-10.
2-29 Approach to stakeholder engagement	10-11.	
2-30 Collective bargaining agreements	21-22.	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	11-12.
	201-4 Financial assistance received from government	11-12.
	205-1 Operations assessed for risks related to corruption	12.

GRI Standard	GRI disclosure	Page number
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	12.
	205-3 Confirmed incidents of corruption and actions taken	12.
GRI 206: Anti-competitive behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	9-10.
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	13-14.
GRI 303: Water and effluents	303-3 Water withdrawal	16.
	305-1 Direct (Scope 1) GHG emissions	14-15.
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	14-15.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	15.
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	16-17.
	306-2 Management of significant waste-related impacts	16-17.
	306-3 Waste generated	16-17.
	306-5 Waste directed for disposal	16-17.
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	19-20.
	401-3 Parental leave	21-22.
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	22-23.
	403-3 Occupational health services	22-23.
	403-5 Worker training on occupational health and safety	22-23.
	403-9 Work-related injuries	22-23.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governing bodies and employees	20-21.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	21-22.