

SUSTAINABILITY REPORT



**20
23**





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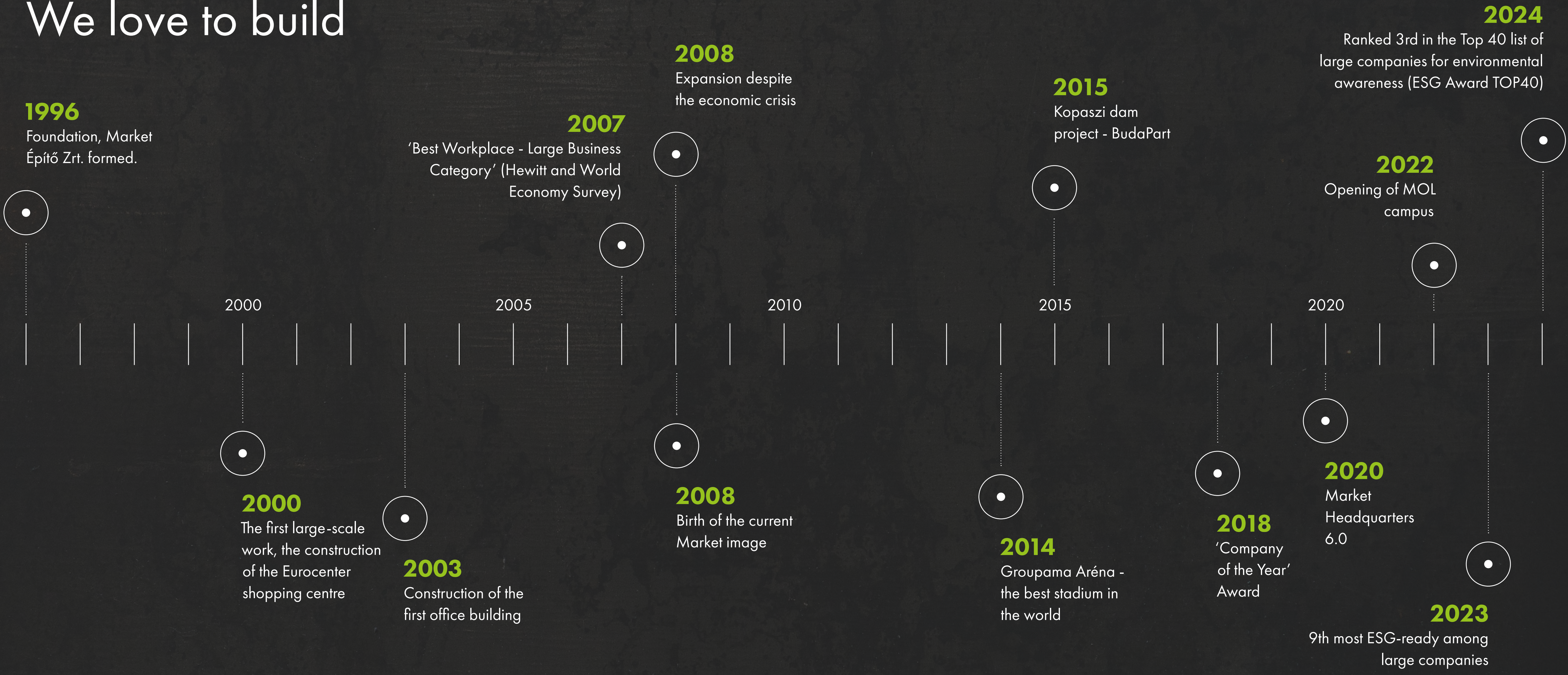
About the Market group

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We love to build





Overview of group activities

Market Építő Zrt. has become the leading building construction company in the construction sector since its establishment in 1996. The Group, employing nearly 1500 people including its subsidiaries, has become synonymous with professionalism, quality and reliability. As a big company, engaged mainly in general and main contractor activities, it keeps abreast of international trends constantly, with a focus on environmentally conscious and design & build approaches, applying the latest innovations. The company implements nearly fifty projects annually, most of which are office buildings, logistics, industrial and commercial facilities, hotels, sports facilities and residential properties. Over the past 27 years, it has implemented nearly 850 facilities and received more than seventy professional, business and employer awards, which is unique in the construction sector.

Throughout its dynamic development, the company's management has always attached great importance to the maintenance of professional standards, strict compliance with occupational safety rules, the appreciation of and respect for employees, the adaptation of innovation and the assumption of conscious responsibility for our environment. A genuine commitment to society, to our environment and to the improvement of people's living conditions, constitute an integral part of its corporate values.

Market Építő Zrt. carries out its construction in close cooperation with its subsidiaries. Thanks to its robust synergies with the subsidiary companies, performance safety is extremely high, Market's performance is predictable, the work can be planned with high confidence, can be optimized and can be rendered more efficient.





Subsidiaries

LEAN TECH MÉRNÖKIRODA KFT.

Lean Tech Mérnökiroda Kft. has the mission to create attractive, efficient, sustainable architectural and engineering products, and to provide high quality and flexible services to clients in the field of architectural and engineering design and expertise. The design office has a comprehensive understanding and use of the extensive benefits of BIM modelling.

OKM ÉPÍTŐIPARI ÉS SZOLGÁLTATÓ KFT.

OKM Építőipari és Szolgáltató Kft. The majority of the OKM's activities are focused on sewer works, soil stabilisation, civil engineering works, construction of roads with solid pavement and earthworks for industrial, commercial, logistics and warehousing facilities, schools, public buildings, residential parks and settlements. The company has a significant fleet of its own machinery, which enables it to carry out major infrastructure developments efficiently and on short notice. OKM Kft. joined the Market Group in 2012, and has been a solid pillar of the parent company's investments ever since.

MORATUS SZERKEZETÉPÍTŐ KFT.

Moratus Szerkezetépítő Kft. is a dominant player in the Hungarian structural engineering market. Founded in 2004, the company became part of the Market Group as its first subsidiary in 2008. The activity of Moratus Kft. covers the entire spectrum of reinforced concrete construction, from the construction of large-scale industrial facilities to 'manufactory' fair-faced concrete structures of the highest aesthetic quality. The company's portfolio has expanded in the past year to include prefabricated structures on residential and office building projects. The company also works on an ongoing basis for clients independent of the Market Group, subject to its available capacities. One of the strengths of the significant number of engineering teams is the design of efficient, material-efficient supporting structures. In recent years, several professional feats have been accomplished, such as the Duna Arena, the Telekom and T-Systems Headquarters, the Biodome, the Párisi Udvar Hotel Budapest, the MOL Campus, the Dorottya Udvar and SK Innovation Iváncsa projects.

VILATI SZERELŐ ZRT.

Vilati Szerelő Zrt. has the core business to execute building electrical installations. Vilati joined the Market Group in 2011, and since then, as the special electrical subsidiary of Market Építő Zrt., it has been present on the most significant investment projects throughout the country.

MARKET ÉPÜLETSZERVIZ KFT.

Market Épületszerviz Kft. was founded with the aim of providing a full range of comprehensive services to our clients. That is because our work does not end with the technical handover of the buildings, but if defects arise during the warranty and guarantee period, they are handled professionally and fairly. In addition, the company performs special trade works for Market Zrt., such as façade installation (Alucobond, trespa, fibre cement, etc.), painting, railing assembly, etc.

MCM BETON KFT.

MCM Beton Kft. was founded in 2016, initially with the task of supplying concrete for the BudaPart project from the construction site, thereby reducing environmental burdens and ensuring efficient raw material supply. Today, it serves the Market Group with a total of five concrete plants.



PREBETON ZRT.

PREbeton Zrt. manufactures and assembles prefabricated reinforced concrete structures and machining reinforcing steel. Services provided include design, production, transportation and assembly, used to offer high standard execution of full-scale structural construction projects. The products hold conformity marks, licenses and certificates according to the Hungarian laws. The company operates in accordance with the MSZ EN ISO 9001 quality management system, thus ensuring consistently high quality. With its technological machinery and wide range of products, it can fulfil orders flexibly and on short terms.

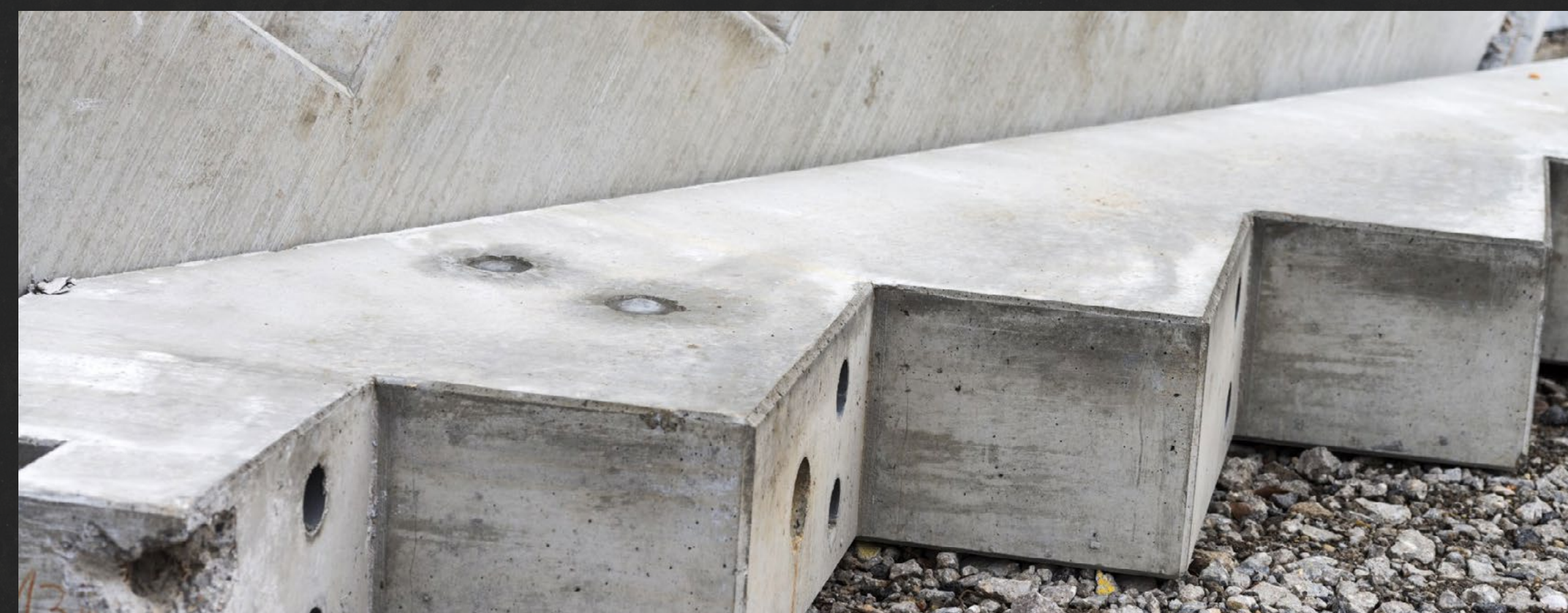
PROPERTY MARKET INGATLANFEJLESZTŐ KFT.

specializing in real estate development. The dynamically developing real estate development company has grown to become the third largest developer in Hungary in terms of square metres under construction and loans raised. The company aims to create high-quality real estate projects that are sustainable and create added value. Their developments in premium locations are outstanding in terms of architecture, urban design, complexity and volume, are in many respects pioneers in the market and their declared aim is to raise the quality of the built environment and living space, thus creating a new category in real estate development.

MRKT PADLÓ KFT.

MRKT Padló Kft. joined the Market Group in 2019, its predecessor, Valép Kft., has been engaged in subfloor concrete making since 2006. As the Group's industrial flooring business it produces flooring and topping concrete for logistics and industrial halls, outdoor basalt and paving concrete, covering almost all the needs of the Market Group's logistics and industrial projects. The screed business, which also covers all the Market Group's needs, produces conventional and self-leveling screed floors, lightweight concrete for residential buildings, office buildings, hotels and public institutions.

An important milestone in Market's development history was the establishment of its own factory in Erdőtelek, Heves County, which allows the manufacture of standardized concrete products and closely related raw materials, thus ensuring a higher level of performance safety for the entire group of companies. The factory was built with the help of the Corporate Investment Support Programme. Products originating from here allow construction works much more efficient, faster and more environmentally friendly at the construction site. The launch of the plant and the 60% increase in its capacity completed in 2022 opened a new chapter in the life of the Market Group, further strengthening the company's competitiveness and efficiency in the field of building construction.





Market Group member companies and their main characteristics in 2023 as presented in the report

MEMBER COMPANY	SCOPE OF ACTIVITIES	TOTAL REVENUE (MN HUF)	NUMBER OF EMPLOYEES (PERSONS)*
Market Építő Zrt.	General construction, project management	340 310	573
OKM Építőipari és Szolgáltató Kft.	Civil engineering, road construction, earthworks	31 048	276
Moratus Kft.	Construction of monolithic reinforced concrete structures	19 353	149
Vilati Szerelő Zrt.	Execution of building electrical installations	18 734	101
PREbeton Zrt.	Prefabrication of reinforced concrete elements, manufacture of reinforcing steel	13 958	141
MCM Beton Kft.	Concrete production	3 760	22
Market Épületszerviz Kft.	Providing warranty and guarantee	2 360	96
MRKT Padló Kft.	Concrete subfloors, production of industrial floors	2 338	44
Lean Tech Mérnökiroda Kft.	Architectural and engineering design, BIM modelling	2 133	32
Property Market Ingatlanfejlesztő Kft.	Real estate development	1 647	43
Market Group		435 641	1 477

*Based on data as at 31 December 2023



The Market Group in numbers

12

member companies

25

completed projects

1 477

employees

32 177

people visited construction sites
in 2023

12 522 390

net hours worked on construction
sites

16 885

saplings were planted
on 2.11 hectares

96.2%

waste recycling rate

>99%

domestic supplier rate

Economic value generated during the reporting period

435 641 million HUF

revenue
(80% increase compared to 2019)

538 million HUF

community investment
(39% increase compared to 2019)

26 095 million HUF

paid out in dividends

28 737 million HUF

in staff salaries and benefits
(124% increase compared to 2019)



Key ESG indicators of the Market Group¹

ENVIRONMENTAL PILLAR	UNIT	2018	2019*	2020*	2021*	2022*	2023
Scope 1-2 emissions (CO ₂ e) **	tonne	7 942	9 592	8 770	13 147	10 971	10 950
Revenue proportional GHG intensity ratio	tonnes of CO ₂ e / 100 M HUF	4.4	4.0	3.7	3.5	2.7	2.5

SOCIAL PILLAR

Number of staff***	person	949	1 125	1 226	1 304	1 370	1 477
Ratio of average female salary to average male salary	%	84.7	87.96	93.19	96.59	95.14	93.86

PILLAR OF RESPONSIBLE CORPORATE GOVERNANCE

Sustainability strategy	-	-	-	✓	✓	✓
Publishing a Sustainability report	-	-	-	-	✓	✓

* Data for 2019-2022 updated based on consumption and revenue data of MRKT Padló Kft.

** The value of Scope 2 emissions is considered here on a local basis. The Climate and Environment chapter also covers local and market-based Scope 2 emissions.

*** Based on year-end data.

¹ In the 2023 Sustainability Report, the scope of the report was extended to MRKT Padló Kft. and therefore the values for 2020, 2021 and 2022 were recalculated. Full data for 2018 and 2019 was not available (fuel consumption data only), so emissions are based on the previously reported composition of the Market Group. In addition, the data has been slightly revised due to an update of the calculation methodology. This is explained in more detail in the Climate and Environment Protection chapter.



Key awards received in 2023

2023 – András Wolf, Deputy Chief Technical Officer/Technical Director of Market Építő Zrt. won the Project Manager of the Year Award

2023 – Ádám Ritter, Principal Engineer and Deputy Managing Director of Moratus Szerkezetépítő Kft., received a Certificate of Recognition at the Builders' Day

2023 – Balázs Báthory, Deputy Chief Development and Innovation Officer of Market Építő Zrt., won the BCSDH Change Leader Award

2023 – MOL Campus won the Best Office Building Development Award at the Hungarian Real Estate Development Award Competition (FIABCI)

2023 – MOL Campus received Construction Excellence Award

2023 – Bosch Innovation Campus won Construction Excellence Award

2023 – Hotel Oktogon Haggemacher won the Construction Excellence Award

2023 – OTP M12 office building won the Construction Excellence Award

2023 – Dr. Tamás Zanathy, legal counsel at Market Építő Zrt., received the Lechner Ödön Award for his work

2023 – Miklós Gönczy chosen as 'Engineer of the Month' by Magyar Építők 2023 in June

2023 – Hotel Clark was awarded Best of the Best for the third time in the 'TOP 25 Hotels of Europe' category (9th place)

2023 – Hotel Clark was also included in the 'TOP 25 Luxury Hotels' category, where it was ranked 20th worldwide and 8th in Europe

2023 – Business Superbrands award for Market Építő Zrt.

2023 – According to Randstad Employer Brand Research, Market Építő Zrt. is Hungary's most attractive employer in the real estate and construction industry category

2023 – MVM Dome project won BigSEE Architecture 2023 international architecture award in Slovenia

2023 – András Wolf, Deputy Chief Technical Officer of Market Építő Zrt., named 'Construction Personality of the Year' by Portfolio

2023 – BEM Center won the Construction and Investment Journal (CIJ) Investment and Real Estate Industry Association's professional award for the best office development under construction in the category over 20,000 m²

2023 – Sándor Scheer, the founder and CEO of Market Építő Zrt., was included for the first time in the list of '50 important players in tourism'

2023 – Market Építő Zrt. was ranked in the top 100 of the most valuable privately owned Hungarian companies, according to an analysis by Concorde MB Partners

2023 – Bosch Campus was the winner of the 'Office of the Year' category in the Office of the Year competition

2023 – BudaPart Corso was the winner of the 'Planned Commercial Project of the Year' category in the Office of the Year competition

2023 – BudaPart Homes' Building 'L' was the winner of the "Planned Residential Project of the Year" category in the Office of the Year competition

2023 – MG3 HelloParks Maglód was the winner of the 'Real Estate Development of the Year' category in the Office of the Year competition

2023 – MOL Campus was the winner of the Office of the Year competition in the following categories: Office of the Year Community Space of the Year, Property Development of the Year, Office Building of the Year

2023 – OTP M12 office building was the winner of the 'Office of the Year' and 'Office Building of the Year' categories at the Office of the Year competition

2023 – the editorial team of 24.hu has chosen the most beautiful Hungarian buildings of 2022, two of which were built by Market: the Hotel Oktogon Haggemacher on Andrásy út and the Égigérő Kindergarten in District XI

2023 – MVM Dome was the winner of the 'Sports Facilities' category at the 20th edition of the Reference Grand Prix competition between MAPEI Group subsidiaries



CEO's welcome address





Dear Reader,

The hectic macroeconomic environment of 2023 has also left its mark on the construction sector. Among other things, inflation brought rapid changes in the market prices of building materials, which required vigilance, rapid reaction and forward planning on our part to keep up. We have also achieved cost-effective operation by improving our own efficiency through focused planning and engineering, thoughtful procurement and material use policies, recycling and increasing the efficiency of our machinery. It is yet to be seen when the sector's collapse will end, nor what the spill-over effects of the Hungarian or German budgets will have on us. In this near-recessionary situation, we have had to take stock of the business scenarios for the coming three to five years and set a strategic direction that can keep the group on a stable course in the face of the economic difficulties. With all that in mind, I am pleased to say that we have so far successfully overcome the obstacles and none of the plates we have been spinning has fallen!

I am proud that in 2023, Market's outstanding work was recognised by the industry with four Construction Excellence Awards. The awards were presented at the ceremonial Annual General Meeting of the National Federation of Hungarian Building Contractors (ÉVOSZ), along with the Lechner Ödön Awards, considered the most important professional recognition in the construction industry, and many other important awards. Among the winning projects were the MOL Campus and OTP M12 in the public building/office building category, the Bosch Budapest Innovation Campus in the industrial and energy facility category and the Hotel Oktogon Haggemacher in the historic restoration and rehabilitation category.

We were the first domestic construction company to make sustainability a strategic priority. Although we are only at the beginning of our journey, nothing better illustrates that we are heading in the right direction than the fact that Market, as a construction company, achieved 6th place overall in the ESG TOP25 ranking published by HVG, placing in the category-leading top 10 across all three pillars of the ESG. The list, which assesses the sustainability performance of companies in Hungary according to an objective criteria framework, was based on an evaluation of the 100 largest Hungarian companies by revenue. The analysis highlighted the areas in which we are performing well and those in which we still need to improve.

Of the three pillars of sustainability, the environmental dimension is the one in which we have the most work to do since, as a construction industry, we have a significant negative impact on the natural environment. To counter that, in 2023 we implemented a number of actions. Within the framework of the tree planting project, 16,885 hectares of climate-resistant native tree saplings were planted in the Piliscsaba area by Pilis Parkerdő Zrt. Among our climate-adaptive rainfall management projects, we have also established a number of rain gardens, which are an excellent nature-based solution to flash flooding and during the construction of the Corvinus Campus on Gellért Hill, we demarcated some areas, preserving the original vegetation, so that at the end of the project we could transplant so-called 'native grass' to the sites disturbed during construction, helping the species living there to reproduce more easily.



Our strategic greenhouse gas emissions reduction target was not met on a time proportionate basis due to the increase in the number of projects and the expansion of the Group, although we achieved a 15% reduction in our indirect (Scope 2) emissions compared to the 2019 base year, including through the purchase of green electricity guarantees of origin. However, a more complex solution with realistic prices and options is being sought at company group level to replace guarantees of origin. In the same period, our direct (Scope 1) emission increased by 25%. One important step to reduce direct emissions would be to transform our vehicle fleet and switch to electric vehicles. However, before taking a decision of such magnitude, we need to consider the potential impact of the planned conversion on our operations. The level of development of the national charging network does not currently allow for a full-scale switchover, as infrastructure gaps not only make it difficult to reach rural construction sites, but also put our performance at risk.

The social focus of Market's sustainability strategy is to develop our people, and attract and retain talent. In 2023, we achieved a significant increase in training hours per employee, passing the time milestone. The average of 30 hours of training per person is not only due to the improvement of our record-keeping systems, but also to a much more structured and goal-oriented process. We aim to increase that number further in the coming years and also to involve more and more staff from partner companies in the training scheme.

Last year, fluctuation rates were higher than expected. That was partly due to high turnover rates of foreign and low-skilled workers, which is also a feature of the industry, and partly due to the introduction of a performance appraisal system to retain talent.

In the spirit of social responsibility, we continued our long-standing cooperation with the Bátor Tábor Foundation and the Mosoly Foundation. I would also like to highlight the second year of our popular ROM Vándor (Ruin Rover) programme, which renovated the ruins of the church in Kövesd in 2023.

The third dimension of our sustainability strategy, corporate governance, is increasingly embedded not only in our internal activities and day-to-day operations, but also in our interactions with suppliers. In addition to the vast majority of our sourcing value continuing to come from domestic companies, our Partner Programme 2023 to raise awareness of our subcontractors and increase efficiency in the sector was also successful and we held regular events, training and industry vertical development programmes involving 120 partners.

To prepare for the challenges of the coming years, in 2023 we assessed industry-specific climate risks and mapped the areas in which we may need to intervene, whether in our operational processes or in our property development activities.

In summary, the main objective of our sustainability strategy until the end of 2025, which is to love to build and to put our buildings and our company on a stable and sustainable footing, is being delivered on time, on schedule and on target, keeping in mind our three priorities of corporate governance, climate protection and talent attraction and retention.

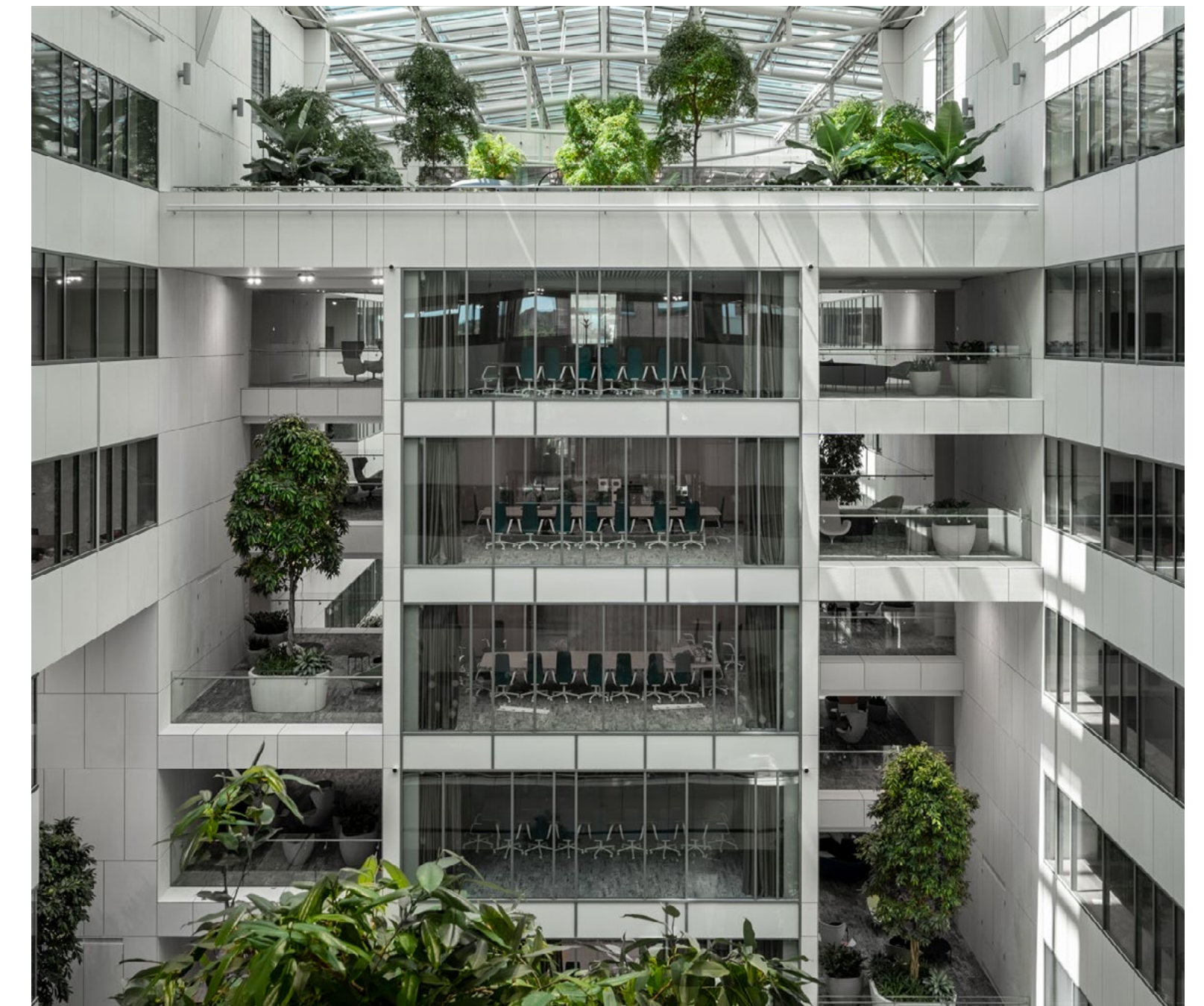
In our independent third-party certified report, we are again this year giving all our stakeholders the opportunity to learn about our Group's operations and our performance in different areas. We also welcome

your questions and constructive comments on sustainability by email at fenntarthatosag@market.hu.

Thank you for building the future with us!

Budapest, July 2024

Sándor Scheer
Chief Executive Officer





About the report



Market Group, like the buildings it constructs, intends its corporate operations to stand on stable, sustainable foundations. As one of Hungary’s leading real estate development groups, it has set itself the goal of incorporating sustainability into its operations, in addition to providing outstanding quality to its clients. In the Group’s third sustainability report, the reader can learn about Market’s performance in 2023 and the most important cornerstones of the year.

This document is Market Group’s third sustainability report, covering the calendar year of 2023. As part of its strategy, the company has set the goal to report on relevant sustainability performance annually, thereby making the group’s operations even more transparent. Market’s report is prepared in accordance with the internationally recognized Global Reporting Initiative standards at the ‘In Accordance’ level. The data and information contained in the report are generally group-wide, except in special cases where the data are provided indicating the member companies concerned. The sustainability report is characterised by the following features:

Coverage	The Market Group
Reporting period	1 January 2023 to 31 December 2023
Reporting standard	In Accordance with the GRI Standards 2021
Reporting period	Annual

With a view to the principles of sustainability, this report is published online only.

Companies covered by the report:

- | | |
|------------------------------------|--|
| Market Építő Zrt. | MCM Beton Kft. |
| OKM Építőipari és Szolgáltató Kft. | Market Épületszerviz Kft. |
| Moratus Kft. | MRKT Padló Kft. ² |
| Vilati Szerelő Zrt. | Lean Tech Mérnökiroda Kft. |
| PREbeton Zrt. | Property Market Ingatlanfejlesztő Kft. |

The companies covered by this report are referred to as Market Group or the Group. The scope of the report does not include the following member companies: Inerttt Kft., Market Asset Management Zrt.³



² Previously: Valép Padló Kft.

³ The core business of Market Asset Management Zrt. is completely different from the core business of the other member companies of the Market Group: asset management. In May 2023, Inerttt Kft. was dissolved by liquidation.



Material topics

[GRI 3-1] [GRI 3-2] [GRI 3-3]
[GRI 2-14] [GRI 2-29]



In compiling this report, the Group has focused – in line with the requirements of the GRI standard – on materiality, stakeholder involvement, completeness, accuracy, comparability, timeliness, reliability, balance and presentation of sustainability relationships.

Market Group considers as stakeholders those groups that have an influence on the achievement of the company's objectives or are interested and involved in it. As a first step in the development of its sustainability strategy, the Group conducted a comprehensive survey in 2021 to identify the views of its stakeholders and gather their suggestions on its sustainability activities.

To support the preparation of the 2023 Sustainability Report, Market Group again conducted an in-depth online survey to solicit stakeholder views, attitudes and perceptions on the Group's sustainability strategy, operations and achievements. Also, in preparation for compliance with CSRD and ESRS standards, the company paid particular attention in the online questionnaire to understand potential risks, opportunities and impacts for the Market Group.

The Group's key stakeholders are clients, employees, suppliers and partners, NGOs and members of the next generation.

The comments and suggestions collected during the stakeholder engagement were incorporated into the selection process of the material topics and the development of the Group's double materiality matrix.





Double materiality

As of 2025, the Market Group will be required to prepare its sustainability report and ESG disclosures under the current EU regulations and the Hungarian ESG Act (Act CVIII of 2023 on the rules of corporate social responsibility, taking into account environmental, social and societal aspects, and amending other related acts, in order to promote sustainable financing and unified corporate responsibility) in line with the CSRD (Corporate Sustainability Reporting Directive), along the lines of the European Sustainability Reporting Standards (ESRS).

In order to facilitate full compliance, Market Group started preparing its processes in 2023, including the preparation of the Group's climate risk analysis, which was used to compile the first double materiality assessment.

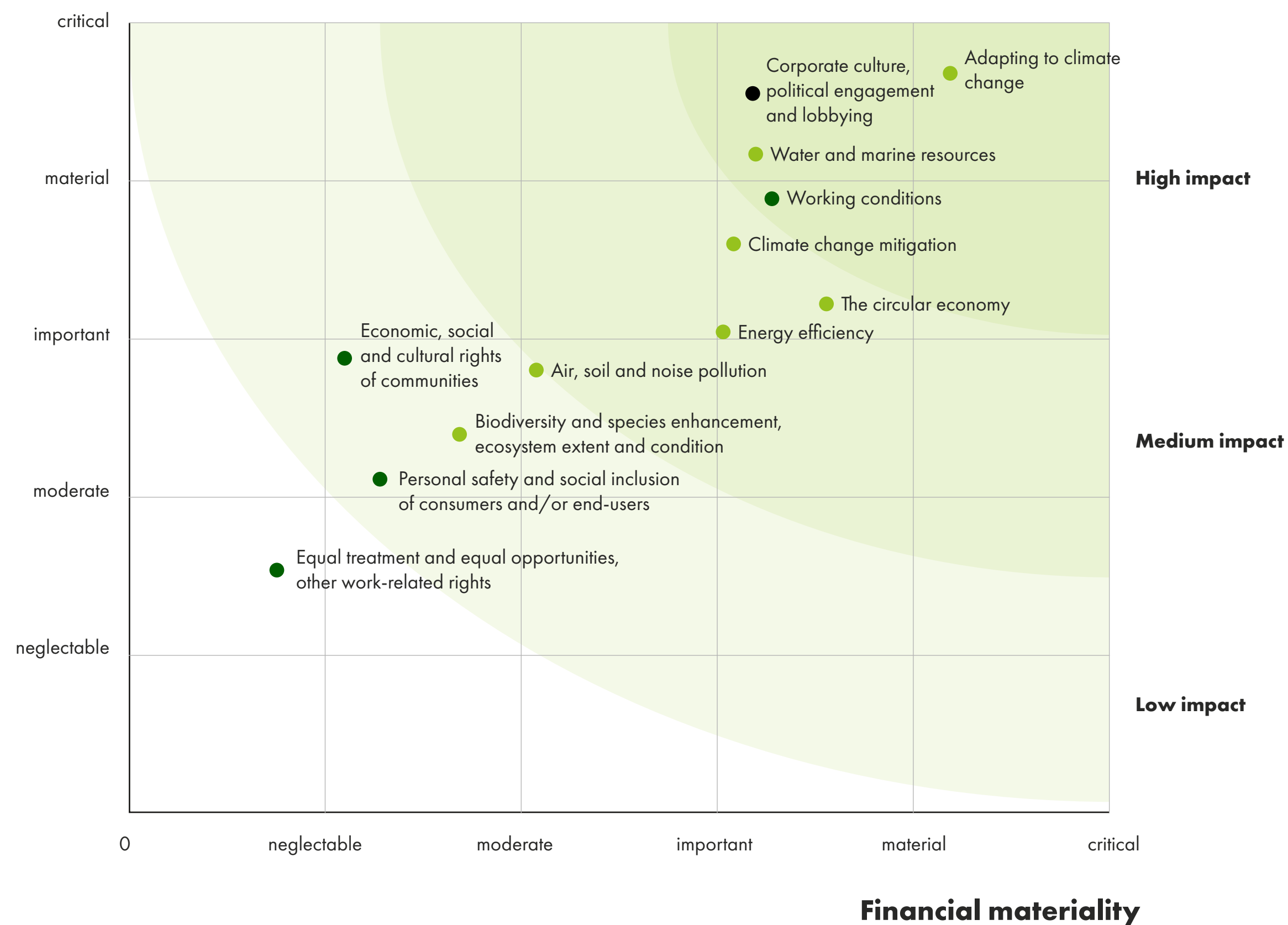
In this report, in addition to the high-priority topics in the double materiality matrix, the Group has also prepared a high, medium and low-priority topic assessment based on the previous materiality assessment and has identified additional material topics in addition to those identified in the matrix.

Market Group's materiality analysis helps to identify the sustainability issues that are important and topical for the Group and its stakeholders, and to guide stakeholder interests through business processes and strategic objectives.

In identifying and prioritising the material topics, Market Group has taken into account the results of the stakeholder survey and the objectives of the sustainability strategy prepared in 2021 and launched in 2022.

- Environmental
- Social
- Economic

Impact materiality





Materiality rating of Market Group's sustainability topics 2023

HIGH PRIORITY

- ✔ Waste management
- ✔ Sustainable use of raw materials
- ✔ Responsible corporate governance
- ✔ Resource savings and resource efficiency
- ✔ Sustainable operation
- ✔ Continuous training of staff, awareness raising
- ✔ Health and safety at work
- ✔ Customer satisfaction

MEDIUM PRIORITY

- ✔ Sustainability in the supply chain
- ✔ Supplier relations
- ✔ Innovative, sustainable service for Customers
- ✔ Climate strategy
- ✔ Local purchases
- ✔ Operational eco-efficiency
- ✔ Corporate compliance
- ✔ Innovation for sustainability
- ✔ Building materials
- ✔ Innovation Management
- ✔ Cooperation on environmental and social issues
- ✔ Environmental policy and management systems
- ✔ Sustainable coordination
- ✔ Attracting and retaining talent
- ✔ Information for customers
- ✔ Human rights

LOW PRIORITY

- ✔ Social impacts on communities
- ✔ Low carbon strategy
- ✔ Risk management
- ✔ Risk and crisis management
- ✔ Social inclusion, dialogue
- ✔ Fleet management
- ✔ Involving staff in the area of social engagement
- ✔ Human capital development
- ✔ Stakeholder engagement
- ✔ Gender equality
- ✔ Sustainable financing
- ✔ Energy mix
- ✔ Transport and distribution
- ✔ Raw material procurement



Sustainability strategy - now or never



We love to build...

and just like in the case of our buildings, we want our company to stand on a stable, sustainable footing

That is why we have set ourselves the objective of creating that solid foundation by 2025.

'The Market Group implements its long-term strategy in a conscious and responsible manner. Sustainability is an integral part of that effort in which we want to become a role model for the domestic construction industry. Through responsible and controlled resource management and enhanced group level resistance our well-defined goals can be achieved.' – Balázs Báthory, Deputy CEO responsible for innovation at Market Építő Zrt.

Market's vision is to render the position of the largest domestic building construction group sustainable. To reach that goal, it has identified the necessary priorities and focus points that will help the Group to achieve its objectives.

Sustainability is an important element of the Group's business strategy, which it extends to all the group operations. The preparation of Market's first ESG survey helped to frame that. The survey revealed areas of operation where the company is already actively working to promote sustainability, but also identified segments where its performance is still below the high standards it has set for itself.

Corporate sustainability is a complex strategic and operational process affecting the entire company, but step by step, with persistent work, Market can create value in the long run not only for the group, but also for its customers and society as a whole.

Market Group's management has approved the focus areas of the company's first sustainability strategy during 2021, and aims to ensure that sustainability principles are applied in decision-making and day-to-day operations. Some of the identified focus areas cover activities that have already received priority attention. The sustainability strategy has been broken down into 34 action plans by the specialised department within the company, and review progress on a quarterly basis.





The areas identified along the three pillars of sustainability are

ENVIRONMENTAL DIMENSION

- ✓ Reducing direct (Scope 1) and indirect (Scope 2) emissions
- ✓ Assessment of other indirect emissions (Scope 3)
- ✓ Managing risks related to water
- ✓ Improving resource efficiency
- ✓ Sustainable use of raw materials
- ✓ Use of alternative building materials
- ✓ Operational eco-efficiency
- ✓ Protection of biodiversity

SOCIAL DIMENSION

- ✓ Health and safety at work
- ✓ Attracting and retaining talent
- ✓ Diversity and equal opportunity

ECONOMIC DIMENSION

- ✓ Responsible corporate governance, sustainable coordination
- ✓ Development of customer relationships, awareness raising
- ✓ Sustainable supply chain management
- ✓ Sustainability report
- ✓ Integrating the UN Sustainable Development Goals into operations
- ✓ Stakeholder relations, sustainability communication



Climate and environmental commitments

REDUCING DIRECT AND INDIRECT EMISSIONS

Compared to 2019, the Market Group will reduce its direct (Scope 1) and indirect (Scope 2) GHG emissions by 30% by 2025, and will phase out the majority of its petrol and diesel passenger cars from its fleet. It will also reduce emissions from its electricity use by at least 32% over the strategy period.

REDUCING OTHER INDIRECT EMISSIONS

The Group will make its GHG inventory complete by 2025 and also determine its other indirect (Scope 3) emissions. It undertakes to reduce the energy consumption of new buildings constructed within the framework of own investment to be below 80 kWh/m²/year.

From 2025, the Group will include a zero-energy option in the offer submitted to the client for all new large projects. It will provide its investors with professional advice as part of its raising awareness of sustainability.

MANAGING RISKS RELATED TO WATER

The Market Group will reduce the amount of water it uses each year by 10% by 2025, and will offer its customers water-saving solutions for new investments to improve the water efficiency of their buildings and their environment (e.g. rainwater harvesting, greywater use).

IMPROVING RESOURCE EFFICIENCY

We develop internal policies to make more efficient use of resources and review and improve the Group's data collection processes as well.

SUSTAINABLE USE OF RAW MATERIALS

By 2025, the Group will review the production process for prefabricated elements used in construction and make it more sustainable.

USE OF ALTERNATIVE BUILDING MATERIALS

The Market Group is preparing for the global shortage of raw materials, as a first step to review its use of building materials by 2025 and to introduce alternative, sustainable solutions where possible.

OPERATIONAL ECO-EFFICIENCY

By 2025, the Group will reduce the amount of waste generated by its operations by 10% and recycle 50% of the waste from demolition work at other locations. It will integrate a zero waste approach into its corporate culture, both in its office operations and in its projects, and will further develop its hazardous waste inventory system.

PROTECTING BIODIVERSITY

By 2025, the Market Group will develop a corporate policy that represents a clear commitment to the environment. It will maintain and, where possible, improve its current processes to protect biodiversity and the natural environment. It will plant twice the amount of trees requested by the client and increase the amount of green areas in project locations.



Social responsibility

HEALTH AND SAFETY AT WORK

Occupational health and safety is an industry-specific issue for the Market Group and is an important element of its sustainability strategy. Many of its employees work in dangerous conditions and the company aims to minimise the number of work-related accidents, with a target of maximising lost working time due to work-related accidents at 700 days/year at Group level by 2025.

ATTRACTING AND RETAINING TALENT

The Market Group is adding new training sessions on sustainability to its training programmes. The aim is to reach 32 hours of training per person on group level by 2025. It will provide a mentoring programme and scholarship opportunities for young talent in higher education and in their early careers.

DIVERSITY AND EQUAL OPPORTUNITY

The Group has set a target to increase the proportion of female executives by 2025, doubling the proportion of female executives at Market Építő Zrt. compared to the base year (2020). It will launch internal sensitisation programmes to make the company climate more inclusive. The Market Group is committed to reducing the gender pay gap at Group level to below 15% and to renewing its internal Code of Ethics to support Diversity and equal opportunity.

Economic objectives

RESPONSIBLE CORPORATE GOVERNANCE, SUSTAINABILITY COORDINATION

In parallel with the strategy, the Market Group has decided to take sustainability decisions to a new level. It has integrated sustainability into the innovation area and has started to create an operational model based on sustainability coordination. The innovation function will be responsible for validating the objectives of the sustainability strategy and for monitoring them throughout the life of the strategy.

CUSTOMER RELATIONSHIP DEVELOPMENT, AWARENESS RAISING

The Market Group has recognised that the only way to improve its focus on sustainable material use and resource efficiency is to involve its customers in the process. It offers a 'green menu' of sustainable architectural solutions and their complex implementation to investors.





SUSTAINABLE SUPPLY CHAIN MANAGEMENT

To make its procurement also more sustainable, Market Group aims to integrate the consideration of the sustainability principles more deeply into its supply chain management processes. It will also extend its Group-wide policies to suppliers and partners. It is developing tender transparency processes to be able to assess its suppliers against sustainability criteria from 2025.

SUSTAINABILITY REPORTING

As part of its efforts to increase transparency in corporate operations, the Market Group will then report its sustainability performance annually in the form of a sustainability report, which will be prepared in accordance with the guidelines of the internationally accepted GRI standard framework. It aims to publish a third-party certified sustainability report in 2025.

STAKEHOLDER RELATIONS, SUSTAINABILITY COMMUNICATION

In 2021, the Group conducted a stakeholder survey as one of the inputs for the development of its sustainability strategy. The resulting feedback and expectations were used to shape and prioritise its strategic objectives. The survey will be repeated every two years. In parallel, At the same time, the Group will continuously improve its sustainability communication to keep its stakeholders up to date with the Group's sustainability activities and to keep the Group up to date with their expectations.



Changes along the main objectives of the sustainability strategy in 2023⁴

KEY SUSTAINABILITY OBJECTIVES	BASE YEAR DATA	2021	2022	2023	SUB-TARGETS FOR 2025	TIME PROPORTION-ATE FULFILMENT	SUMMARY
Reduce direct (Scope 1) and indirect (Scope 2) emissions by 30% (tCO _{2e})	9 592	13 147	10 971	10 950	Reduce Scope 1-2 emissions by 30% compared to 2019 ⁵ , which corresponds to 6 714 tonnes of CO _{2e}		<p>Compared to 2022, absolute emissions (Scope 1, 2) in 2023 decreased slightly (-2%), while emissions remained at a higher level (+14%) compared to the base year.</p> <p>The revenue proportional intensity ratio also shows a slight decrease compared to 2022 (-7%) and a decrease of 36% compared to the base year.</p> <p>The growth is driven by an increase in Scope 1 (direct) emissions, which can be linked to the group's fleet composition and consumption linked to the increase in turnover.</p>

⁴ In the 2023 Sustainability Report, the scope of the report was extended to include MRKT Padló Kft. and the data was recalculated.

⁵ In setting the sustainability strategy, the GHG emissions targets were justified by the choice of 2019 as the base year because the 2020 figures did not reflect a normal operating year due to the pandemic.

The strategic target was met on prorated time basis.

No progress has been made towards the strategic target.


The strategic target was not met on a time proportionate basis, though progress was made towards the target.

The strategic target was not met on a time proportionate basis and there was a shortfall compared to the base year.



KEY SUSTAINABILITY OBJECTIVES	BASE YEAR DATA	2021	2022	2023	SUB-TARGETS FOR 2025	TIME PROPORTION-ATE FULFILMENT	SUMMARY
Reduce direct (Scope 1) and indirect (Scope 2) emissions by 30% — Fleet reshuffle	Electric vehicles: 1 Internal combustion vehicles: 289 Hybrid vehicles: 1	Electric vehicles: 1 Petrol and diesel vehicles: 579 Hybrid vehicles: 65	Electric vehicles: 3 Petrol and diesel vehicles: 682 Hybrid vehicles: 74	Electric vehicles: 4 Petrol and diesel vehicles: 624 Hybrid vehicles: 124	Phase out petrol and diesel cars from the fleet at group level by 2025.		<p>Compared to the base year, the total fleet size has increased several times. As a result, although there has been a significant increase in the number of hybrid vehicles, the number of vehicles with internal combustion engines has also increased.</p> <p>In 2022, the renewal schedule for the Group’s fleet has been changed to 5 years instead of 4 years, taking into account sustainability considerations.</p> <p>In 2023, the company reviewed the target (justification: change of timing, economic environment, infrastructure provision), but it was decided that the Group would not change the original target.</p> <p>The Group is also gradually replacing its fleet of internal combustion engine vehicles with vehicles of higher environmental performance.</p>
Reduce direct (Scope 1) and indirect (Scope 2) emissions by 30% — Energy efficiency	1 927.4	2 864.5	1 811.5	1 456.6	Reduce emissions from electricity use by at least 32%.		Electricity consumption decreased by 5% and related GHG emissions by 24% compared to the base year, thanks to Market Group’s use of 1,610 MWh of renewable energy in 2023 (of which on-site generation: 222 MWh, GoO: 1,388 MWh).



KEY SUSTAINABILITY OBJECTIVES	BASE YEAR DATA	2021	2022	2023	SUB-TARGETS FOR 2025	TIME PROPORTION-ATE FULFILMENT	SUMMARY
Other indirect emissions (Scope 3) - Assessment of the Group's Scope 3 emissions	-	-	-	-	Make the GHG inventory complete and identify other indirect (Scope 3) emissions.		<p>In 2023, the Group started to build a group-wide data collection process for Scope 3 calculations with an external partner.</p> <p>For the products manufactured by PREbeton Zrt., the carbon footprint (for the process from raw material procurement to finished product production) was determined in 2022-2023.</p>
Other indirect emissions (Scope 3) assessment - involving customers in emission reductions from 2025	-	-	-	-	Reducing the energy consumption of new buildings under own investment to be below 80 kWh/m ² /year Offering customers a zero-energy option.		<p>Work has started on assessing the options and developing the associated data reporting process.</p>



KEY SUSTAINABILITY OBJECTIVES	BASE YEAR DATA	2021	2022	2023	SUB-TARGETS FOR 2025	TIME PROPORTION-ATE FULFILMENT	SUMMARY
Managing water-related risks	-	-	-	-	To offer customers water saving solutions to improve the water efficiency of buildings and their environment.		We offer customers options to increase water efficiency (greywater recycling, rainwater harvesting) on projects.
Managing water-related risks – reducing communal water use (m ³)	83 790.65	29 385.84	65 607.17	26 429.28	Reduce the amount of water used by 10%.		Market Group’s water use varies greatly from year to year, as the amount of water used depends largely on the number and type of projects in progress. Compared to the base year, water consumption is down by almost 70%.
Improving resource efficiency	-	-	-	-	Develop internal policies to improve resource efficiency and review and improve data collection processes.		During the reporting period, data collection processes were being built up and optimised. In 2022, a Materials Storage action group was set up. In 2023, the group started its work with the aim of optimising the storage of materials on projects by improving the data collection process, while contributing to minimising the waste of raw materials.



KEY SUSTAINABILITY OBJECTIVES	BASE YEAR DATA	2021	2022	2023	SUB-TARGETS FOR 2025	TIME PROPORTION-ATE FULFILMENT	SUMMARY
Sustainable use of raw materials	-	-	-	-	Review and make more sustainable the manufacturing process of prefabricated elements used in construction works.		Preparations for the carbon footprint calculation of prefabricated elements were underway in 2022. In 2023, the carbon footprint calculation was done for the insulating material, without insulating material and for the general product category.
Use of alternative building materials	-	-	-	-	Review the use of building materials and, where possible, introduce alternative, sustainable solutions.		The review started in 2023.
Operational eco-efficiency - reducing total waste (tonnes)	310 290	233 403	255 444	189 193	Reduce waste by 10%.		Compared to the base year, total waste decreased by 39%.
Operational eco-efficiency - zero waste approach	-	-	-	-	Integrating a zero waste approach into corporate culture.		The zero waste approach is present at company events, but concrete strategic steps are still being developed. The zero waste approach continues to be present at company events, with a focus on the elimination of single-use plastics in 2023 and a review of internal processes, including the composting facility installed in spring 2024.



KEY SUSTAINABILITY OBJECTIVES	BASE YEAR DATA	2021	2022	2023	SUB-TARGETS FOR 2025	TIME PROPORTION-ATE FULFILMENT	SUMMARY
Operational eco-efficiency - increase recycling rate (%)	-	n. a.	n. a.	n. a.	50% of waste from demolition work to be recycled at other sites.		The Market Group does not yet have a data collection system for that purpose.
Operational eco-efficiency - hazardous waste	-	-	-	-	Improve the registration of hazardous waste.		A review of processes has started, and the development of hazardous waste inventory has begun.
Protecting biodiversity - planting trees, preserving good practices	-	-	-	-	Maintaining and improving current processes for the protection of biodiversity and the natural environment. Tree planting.		Among the alternatives of the tree planting project, forestry tree planting (16 885 saplings or trees) was implemented in 2023 near Piliscsaba.
Protecting biodiversity - developing environmental policy	-	-	-	-	Developing an environmental policy and position.		There has been no progress towards the goal.



KEY SUSTAINABILITY OBJECTIVES	BASE YEAR DATA	2021	2022	2023	SUB-TARGETS FOR 2025	TIME PROPORTION-ATE FULFILMENT	SUMMARY
Occupational health and safety - number of working days lost due to accidents at work (days/year)	~1000 days	536	513	367	Keeping the number of work-related accidents to a minimum, maximising the loss of working time due to work-related accidents at 700 days/year.		The strategic objective remains on track.
Attract and retain talent - number of training hours	-	4.5	7	30.22	The training time per person should reach 32 hours at group level.		The number of training hours per person has increased significantly at group level compared to 2022. With 30 hours per person, the 2025 target was reached ahead of schedule.
Attract and retain talent - talent management programmes, collaboration	-	-	-	-	Organising scholarship programmes, study competitions, mentoring programmes for talented young people in the industry.		Cooperation with higher education institutions: the Moholy-Nagy University of Art and Design, Budapest University of Technology and Economics. Cooperation with a secondary educational institution: the BKSZC Schulek Frigyes Bilingual Construction Technical School.



KEY SUSTAINABILITY OBJECTIVES	BASE YEAR DATA	2021	2022	2023	SUB-TARGETS FOR 2025	TIME PROPORTION-ATE FULFILMENT	SUMMARY
Diversity and equal opportunity - proportion of female leaders	Market Építő Zrt: 10% (under validation) At group level: 1.4%	Market Építő Zrt.: 11.36% At group level: 8%	Market Építő Zrt. 10.86% At group level: 6%	9.76% for Market Építő Zrt. At group level: 5.75%	Increasing the proportion of female managers, managers in Market Építő Zrt. doubling the proportion of female managers compared to 2020.		In the case of Market Építő Zrt., the proportion of female managers was 9.76%; and at group level 5.75% in 2023. ⁶ The strategic objective is not being met on a time proportionate basis.
Diversity and equal opportunity - pay gap	21%	3.4%	4.9%	6.1%	Reducing the gender pay gap at group level to 15%.		The Market Group makes it a priority to ensure that there is no discrimination between male and female employees. Although there has been a slight increase in the pay gap in recent years, the Group has significantly exceeded its original target in each year under review.
Diversity and equal opportunity - human rights	-	-	-	-	Renewing the code of ethics to promote diversity and equal opportunity.		In 2022, we published a new Code of Ethics, in which the Market Group reaffirmed its commitment to human rights and its condemnation of all forms of discrimination.

⁶ Members of the governance bodies and the top managers are included in the calculation.



KEY SUSTAINABILITY OBJECTIVES	BASE YEAR DATA	2021	2022	2023	SUB-TARGETS FOR 2025	TIME PROPORTION-ATE FULFILMENT	SUMMARY
Responsible corporate governance, sustainable coordination	-	-	-	-	Establish sustainability expertise and coordination, validate the objectives of the sustainability strategy and monitor it throughout its lifetime.		In 2022, a specialised sustainability unit was set up: a full-time sustainability expert and a colleague responsible for site sustainability and green certification were recruited during the year. The validation and monitoring of strategic objectives was carried out by the Sustainability Task Force on an ongoing basis.
Customer relationship development, awareness raising	-	-	-	-	Engage clients by offering a 'green menu' of sustainable architectural solutions and their complex implementation. Systematic measurement of customer satisfaction.		The Group will continue the practice it has already started. A 'green menu' will be developed in the second half of the strategic period.



KEY SUSTAINABILITY OBJECTIVES	BASE YEAR DATA	2021	2022	2023	SUB-TARGETS FOR 2025	TIME PROPORTION-ATE FULFILMENT	SUMMARY
Sustainable supply chain management	-	-	-	-	Extend group-wide policies to suppliers and partners. Develop tender transparency processes based on sustainability criteria.		In 2023, the Partner Programme continued, with the Group developing closer cooperation with its largest suppliers and the preparation of ESG criteria for supplier contracts started.
Sustainability report	-	-	-	-	Publish a third-party certified GRI-compliant report annually.		In 2023, the Market Group completed its second GRI Sustainability Report, which has already been audited by a third party. Not only has the Group's own internal target been met, but compliance with regulatory obligations (CSRD) has also been achieved years ahead of schedule.
Integrating the UN Sustainable Development Goals into action	-	-	-	-	Explore ways to contribute to the UN Sustainable Development Goals (SDGs) and develop actions to match the sub-goals.		The Market Group contributed to a number of sub-targets in 2023, which are presented in a separate chapter.



KEY SUSTAINABILITY OBJECTIVES	BASE YEAR DATA	2021	2022	2023	SUB-TARGETS FOR 2025	TIME PROPORTION-ATE FULFILMENT	SUMMARY
Stakeholder relations, sustainability communication	-	-	-	-	Improving sustainability communication.		<p>Through the Partner Program, Market Group informs its subcontractors about sustainability news and activities.</p> <p>In addition, it provides continuous information on its social media platforms to all stakeholders on major news and events affecting the Group's operations.</p>
	-	-	-	-	Stakeholder survey every two years.		<p>The stakeholder survey was also carried out in the second half of 2023, after 2021. The results are presented in detail in this report.</p>



Focus on the UN sustainable development goals

The Market Group is committed to supporting the UN Sustainable Development Goals. In developing its sustainability strategy, the Market Group has defined its goals to contribute to the achievement of the SDGs that are relevant to its operations. As a responsible corporate citizen, it considers that particularly important in an era in which humanity is facing a number of crises that fundamentally threaten the living conditions of future generations.

As last year, the Market Group has reviewed the contribution of its activities to the SDGs in the preparation of the 2023 Sustainability Report. The range of activities that contribute to the goals has been significantly expanded compared to last year's report. That is mainly because, while last year only a few activities were highlighted, this year the Group has included all relevant activities along the sub-goal in the report, giving its stakeholders a much more comprehensive picture of the contribution.



SDG 1: NO POVERTY

- Fundraising for the "Tűzcsiholó Egyesület (FireStriker Association): the Market Group's employees joined forces to collect school and sports equipment and other important school supplies as part of the school equipment collection campaign, and with the help of the Association, they distributed them to needy families and children in Szabolcs-Szatmár-Bereg county. Market Group volunteers also bought targeted Christmas gifts for young children living in extreme poverty in Szabolcs, which were handed over to the Tűzcsiholó Association in a carefully wrapped and personalised package (SDG target 1.2).
- The Group donated HUF 10 million to the Hungarian Interchurch Aid's 'Help without Borders' fundraising campaign (SDG target 1.2).



SDG 3: HEALTH AND WELL-BEING

- Collaboration with the Doctor Rose private clinic, where all Market Group employees have access to free health-care services at the clinic (SDG target 3.8).
- Provision of free specialist psychological care (SDG target 3.8).⁷
- On-site screening of workers (SDG target 3.8).
- Installation of an industrial alcohol probe in a project (pilot project) (SDG target 3.8)

⁷ SDG 3.8: Ensure universal access to health care, including protection from financial risks, access to quality essential health services, and access to safe, effective, affordable essential medicines and vaccines of appropriate quality.



SDG 4: QUALITY EDUCATION

- Cooperation with higher education institutions: the Moholy-Nagy University of Art and Design, Budapest University of Technology (SDG target 4.3).⁸
- Cooperation with a secondary education institution: the BKSZC Schulek Frigyes Bilingual Construction Technical School (SDG target 4.3).
- Tudásépítő Team (Knowledge-Building Team) Sectoral Training Centre - unique in the construction industry, involving 2 other companies (SDG target 4.3).
- Supporting apprenticeships for young people in rural areas (SDG target 4.3).



SDG 5: GENDER EQUALITY

- Providing equal opportunity for applicants for a job: for new applicants, the Group selects employees solely on the basis of their professional qualities (SDG target 5.1).⁹

⁸ SDG 4.3: Ensure equal access for all women and men to affordable and quality technical, vocational and higher education, including university education, by 2030.

⁹ SDG 5.1: End all forms of discrimination against women and girls everywhere.



SDG 7: AFFORDABLE AND CLEAN ENERGY

- Procurement of green energy (SDG target 7.2).¹⁰
- On-site renewable energy production in 2023 222 MWh (SDG target 7.2).
- The amount of GoO purchased in 2023 is 1388 MWh.
- Preparation for the extension of the PREbeton solar PV system (SDG target 7.2).
- PREbeton battery storage system (SDG target 7.2).



SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE

- DIGMA (Digital Market) development (SDG target 9.c).
- Implementation and further development of a group-wide HR Management System (HRMS) (SDG target 9.c).
- Expanding the BI organisation (SDG target 9.c).
- Lean in construction - designing and implementing an organisation (SDG target 9.c).
- BIM For Share initiative (SDG target 9.c).
- Digital signature initiative (SDG target 9.c).
- Launching the digitalisation of labour protection (SDG target 9.c).

¹⁰ SDG 7.2: Significantly increase the share of renewable energy in the global energy mix by 2030.



SDG 11: SUSTAINABLE CITIES AND COMMUNITIES

- The Group builds LEED-, BREEAM-certified buildings (SDG target 11.6).¹¹
- Preference for PEFC, FSC certified materials for the vast majority of purchases (SDG target 11.6).
- Cooperation with Járókelő.hu: the Group provided HUF 10 million to the association (SD target 11.2).¹²
- ROM Vándor (Ruin Rover) programme: a programme to improve the condition of national historic sites in poor condition (SDG target 11.4).¹³



SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

- Sustainability Morning Lecture Series (SDG target 12.6).¹⁴
- Improving waste management: preparing an action group, zero waste effort (events and office buildings) (SDG target 12.5).¹⁵
- Structure of the asset optimisation system at OKM (SDG target 12.6).
- Prepare a group-wide waste strategy and action plan (SDG target 12.5).

¹¹ SDG 11.6: By 2030, reduce the negative environmental impacts of cities per capita, with a particular focus on air quality and the management of waste from households and other sources.

¹² SDG 11.2: Ensure access for all to safe, affordable, accessible and sustainable transport systems by 2030, improve road safety, in particular by improving public transport, with special attention to the needs of vulnerable people, women, children, people with disabilities and older people.

¹³ SDG 11.4: Strengthen efforts to protect and conserve the world's cultural and natural heritage.

¹⁴ SDG 12.6: Encourage companies, especially large and transnational corporations, to adopt sustainable practices and include sustainability information in their reporting.



SDG 13: CLIMATE ACTION

- The reduction of direct and indirect greenhouse gas emissions is a key objective of the 'Now or Never' sustainability strategy, which indirectly contributes to climate protection and climate adaptation through a number of other objectives (e.g. forest planting) (SDG target 13.1).¹⁶



SDG 15: LIFE ON LAND

- Implement a tree planting programme (SDG target 15.2).¹⁷



SDG 17: PARTNERSHIP FOR THE GOALS

- Industry cooperation: Tudásépítő-Team Ágazati Képzőközpont (Knowledge Building Team Sectoral Training Centre) (SDG target 17.16).¹⁸
- Partner Programme: quarterly newsletter, training, education (SDG target 17.16 sub-goal).

¹⁵ SDG 12.5: By 2030, significantly reduce waste generation through prevention, reduction, recycling and reuse.

¹⁶ SDG 13.1: Strengthen resilience and adaptation to climate change-related hazards and natural disasters in all countries.

¹⁷ SDG 15.2: Promote the achievement of sustainable management of all types of forests, halt deforestation, restore degraded forests, and significantly increase forest restoration and replanting at global level.

¹⁸ SDG 17.16: Strengthen the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources to support the achievement of the SDGs in all countries, but especially in developing countries.



In 2015, UN member states developed the 2030 global sustainable development goals for peace, development and prosperity along 17 main lines. Achieving the SDGs requires global cooperation, with countries and major companies working together to eradicate poverty and hunger, protect the natural environment – including climate, terrestrial ecosystems and wetlands – reduce social inequalities and build an economy based on sustainable and innovative solutions.

Progress is continuously monitored by the UN and presented in an annual report. The latest report highlights the fact that the successive and escalating crises are threatening not only the achievement of the Sustainable Development Goals (SDGs) but also the very survival of humanity. The coronavirus pandemic, climate change and war conflicts are affecting food supplies, education, the environment and health, but are also fundamentally undermining efforts to maintain peace and security. The role of companies in reducing these negative impacts is more important than ever, which is why the Market Group is committed to the SDGs.





Climate and environmental protection



The Market Group has already prioritised climate and environmental protection in the development of its sustainability strategy, as it is Hungary's leading building construction company and feels a responsibility to mitigate the negative environmental impacts associated with the construction industry. The climate and environmental crisis, which perhaps it is no exaggeration to state is becoming more obvious every year, is now directly or indirectly affecting all aspects of our lives, can only be mitigated by working together. That is why, in addition to mitigating its own impact, the Market Group considers it important to organise awareness-raising actions for its employees and partners, in order to deepen the overall social awareness of the topic.

The effects of climate change are clearly being felt globally and domestically: 2023 was the warmest year since 1901. The global average surface temperature was 1.45 degrees Celsius above pre-Industrial Revolution levels, bringing the Paris Agreement target of 1.5°C dangerously close. Perhaps even more telling is that Hungary's average temperature increase has already exceeded one and a half degrees Celsius in 2023, with 9 of the 10 warmest years since 1901 in the 2000s and 7 after 2010.

According to climate model simulations, we should expect more, more intense and longer summer heat waves in the coming decades if current levels of emissions remain unchanged or continue to rise. Only a decisive and rapid reduction in emissions can mitigate future damage, as none of us wants to live in a future climate where summers consist of successive, prolonged and unbearable heat waves.

The increase in the number and intensity of heat waves not only poses a health risk, but also changes the expectations on buildings: designing for a changing climate is slowly moving from an option to a requirement. In addition to the need to make their construction and operation increasingly sustainable, buildings must also cope with increasingly violent storms and prolonged heat waves over their lifetime.

Accordingly, the tightening regulations of Hungary and the European Union (CSRD, EUDR, ESG Act¹⁹) are placing more and more demands on the corporate sector, of which the Taxonomy Regulation also significantly affects the construction industry, as its core business must be transformed in the coming years in such a way that it can contribute as much as possible to the EU's environmental and climate protection goals.



¹⁹ Act on the rules of corporate social responsibility, taking into account environmental, social and societal aspects, and amending other related laws to promote sustainable financing and unified corporate responsibility.



Atmospheric emissions

[GRI 2-4] [GRI 3-3] [GRI 305-1] [GRI 305-2]
[GRI 305-4] [GRI 305-5] [GRI 305-6]



Globally, the building stock and construction industry are responsible for 33 percent of greenhouse gas (GHG) emissions,²⁰ and the absolute emissions from the industry have continued to increase compared to 2019. That makes the industry's decarbonisation efforts key to achieving not only the Paris Agreement targets but also the UN Sustainable Development Goals.

Reducing Market Group's emissions efficiently and as quickly as possible is therefore the starting point for the Group's sustainability strategy. In developing that strategy, Market Group has developed a GHG inventory and has formulated its emissions reduction targets on that basis. The inventory was prepared using the GHG Protocol²¹ standard, which divides emissions sources into three distinct categories: Scope 1 (direct), Scope 2 (indirect) and Scope 3 (other indirect). Emissions were quantified in carbon dioxide equivalents, where the mass of each greenhouse gas emitted was adjusted for its warming potential on the atmosphere.

Direct emissions (Scope 1) are those from sources owned or directly controlled by the Group. These include, among others, emissions from transport, technological emissions and gas leaks. Indirect emissions (Scope 2) include emissions associated with energy purchased by the Market Group. Other indirect emissions (Scope 3) are emissions associated with the activities of the Group, the sources of which are neither owned nor controlled by the company. However, data on these are not yet available in sufficient quality and are not reported by the Group.

The Market Group's strategic goal is to reduce its direct (Scope 1) and indirect (Scope 2) GHG emissions by 30% overall by 2025 (base year: 2019), and to assess its other indirect (Scope 3) emissions by 2025 and, based on that, to set reduction commitments.

The Group's direct (Scope 1) emissions in 2023 were 8801.9 tCO_{2e} at group level. A significant share of emissions, 70 percent, was attributable to two member companies, Market Építő Zrt. and OKM Építőipari és Szolgáltató Kft. In addition to fuels, emissions from refrigerants (HFCs) were also included in the calculations, with no leaks from air conditioning equipment in the buildings in the year under review.

Both group and member company emissions data have been retroactively updated due to the recalculation with updated emission factors and the inclusion of MRKT Padló Kft. in the Report.

²⁰ IEA (2022), Buildings, IEA, Paris <https://www.iea.org/reports/buildings>, License: CC BY 4.0.

²¹ <https://ghgprotocol.org>.



Trends in direct GHG emissions between 2018 and 2023 (tCO_{2e})²²

AGGREGATE EMISSIONS (MARKET GROUP)	UNIT	2018	2019	2020	2021	2022	2023
Scope 1	tCO _{2e}	4543.0*	7063.1	5144.6	8645.0	8556.2	8801.9
SCOPE 1		2018	2019	2020	2021	2022	2023
Market Építő Zrt.		909.6	971.1	807.9	1480.6	1351.6	1587.5
OKM Építőipari és Szolgáltató Kft.		3005.2	4922.9	3423.6	4876.5	4877.9	4698.7
Moratus Kft.		299.3	410.8	276.2	790.8	788.6	724.8
Vilati Szerelő Zrt.		140.3	243.5	158.3	297.0	256.2	257.5
PREbeton Zrt.		0.0	0.0	87.8	270.1	306.9	385.5
MCM Beton Kft.		28.3	75.1	117.6	289.3	345.1	450.5
Market Épületszerviz Kft.		146.1	219.0	209.1	224.5	238.8	236.4
MRKT Padló Kft.		0.0	152.8	300.0	357.4	289.8	377.9
Lean Tech Mérnökiroda Kft.		14.2	15.0	19.1	21.3	30.5	35.3
Property Market Ingatlanfejlesztő Kft.		n. a.	52.9	45.1	37.6	50.6	47.8

²² The aggregated data for the period 2019-2022 have been updated and include the emissions of MRKT Padló Kft. for the given year.



The locally based indirect (Scope 2) emissions in 2023 were 2148.4 tCO_{2e} at the group level, 86 percent of which were related to the operations of Market Építő Zrt. Compared to the previous year, emissions in that category decreased by 11%, and by 15% compared to the base year, largely due to the fact that in 2023, in addition to its own renewable energy production, the Group also obtained a Renewable Energy Guarantee of Origin (REGO) certificate, further reducing its associated emissions.

Scope 2 emissions were again determined in two ways based on the GHG Protocol recommendation. The so-called location-based method is used by the Group to determine total emissions, while the market-based accounting reflects how the group has been able to regulate the market by its choices given the options available.

Local and market-based emission values are also reflected at member company level. Although there is currently no significant difference between the two, in the coming years, as the Market Group will increasingly source a higher proportion of its electricity from green energy as part of its sustainability strategy, its market-based Scope 2 emissions will decrease.

Market Group's aggregate Scope 1 and Scope 2 emissions for 2023 remain 8.6% higher than in the base year, which is an excellent reflection for the Group: that, although the first steps have been taken, the hard work is still to come. Since the base year 2019, the data sets under review have been expanded with 3 new member companies (PREbeton Zrt., Property Market Ingatlanfejlesztő Kft. and MRKT Padló Kft.), of which PREbeton Zrt., due to its core business, can be considered a significant emitter.

AGGREGATE EMISSIONS (MARKET GROUP) ²³	UNIT	2018	2019	2020	2021	2022	2023
Scope 2 - local based	tCO _{2e}	3399.1	2529.1	3325.0	4502.4	2414.7	2148.4
Scope 2 - market based	tCO _{2e}	3483.8	2599.0	3527.8	4550.2	2581.7	2282.7

²³ The aggregated data for the period 2019-2022 have been updated and include the emissions of MRKT Padló Kft. for the given year.



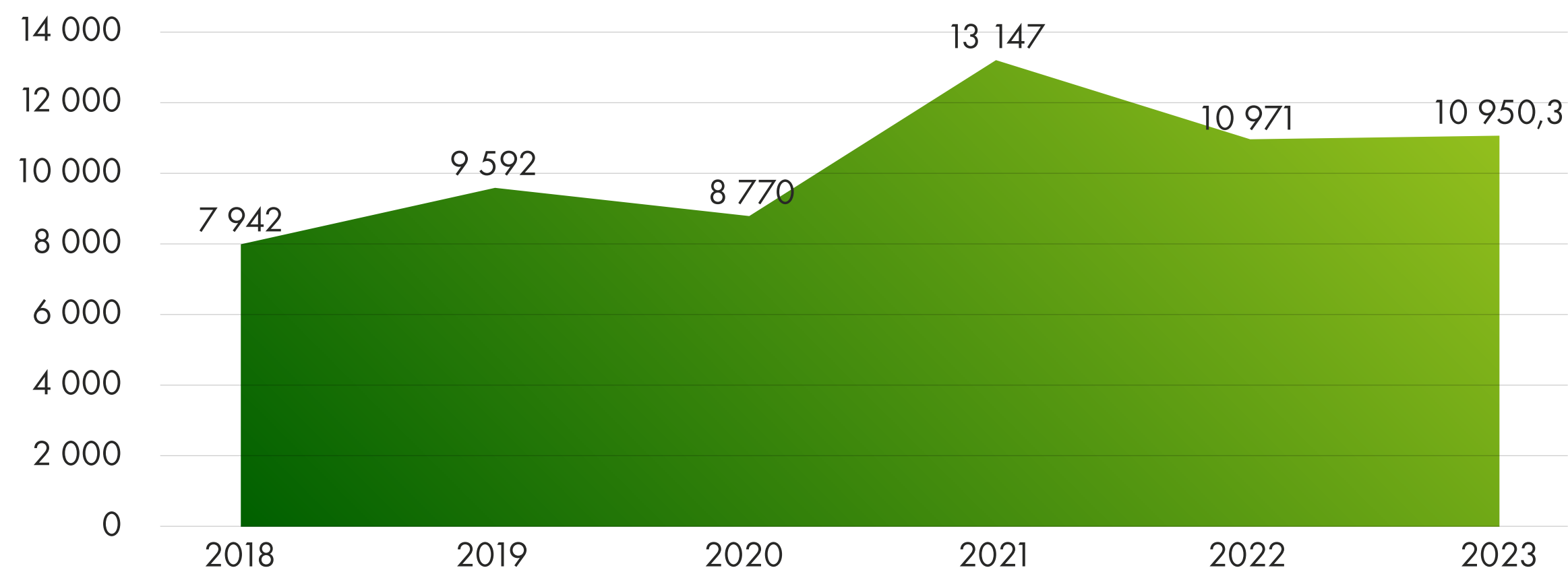
SCOPE 2	tCO _{2e}	2018	2019	2020	2021	2022	2023
Market Építő Zrt.	local	3310.3	2456.8	3158.1	4137.4	2012,3	1854.9
Market Építő Zrt.	market	3392.4	2524.2	3348.2	4184.9	2148.6	1969.2
OKM Építőipari és Szolgáltató Kft.	local	13.4	13.1	16.6	35.1	38.2	35.5
OKM Építőipari és Szolgáltató Kft.	market	13.7	13.6	17.6	35.4	39.9	36.8
Moratus Kft.	local	15.3	12.0	16.2	31.9	55.2	45.8
Moratus Kft.	market	15.7	12.4	17.2	32.2	58.7	48.3
Vilati Szerelő Zrt.	local	18.6	11.2	20.0	38.4	36.6	35.9
Vilati Szerelő Zrt.	market	19.1	11.5	21.2	38.7	38.3	37.5
PREbeton Zrt.	local	0.0	0.0	59.8	135.4	177.3	70.2
PREbeton Zrt.	market	0.0	0.0	65.3	137.9	193.6	76.7
MCM Beton Kft.	local	27.9	22.4	23.9	72.2	45.2	55.7
MCM Beton Kft.	market	28.8	23.2	26.0	73.6	49.3	60.9
Market Épületszerviz Kft.	local	8.6	7.7	6.0	6.8	7.2	8.7
Market Épületszerviz Kft.	market	8.9	8.0	6.6	6.9	7.8	9.5
MRKT Padló Kft.	local	0.0	1.9	3.2	4.4	4.5	5.0
MRKT Padló Kft.	market	0.0	2.0	3.5	4.5	4.9	5.5
Lean Tech Mérnökiroda Kft.	local	5.1	4.0	13.6	27.6	30.3	27.3
Lean Tech Mérnökiroda Kft.	market	5.2	4.1	14.3	27.8	31.6	28.2
Property Market Ingatlanfejlesztő Kft.	local	0.0	0.0	7.7	13.2	8.1	9.4
Property Market Ingatlanfejlesztő Kft.	market	0.0	0.0	8.0	13.3	8.8	10.1



Market Group's aggregate Scope 1 and Scope 2 emissions between 2019 and 2023²⁴

tCO _{2e}	2018	2019	2020	2021	2022	2023
Scope 1 & 2 - local based	7 942	9 592	8 770	13 147	10 971	10 950
Scope 1 & 2 - market based	8 027	9 662	8 972	13 200	11 138	11 085

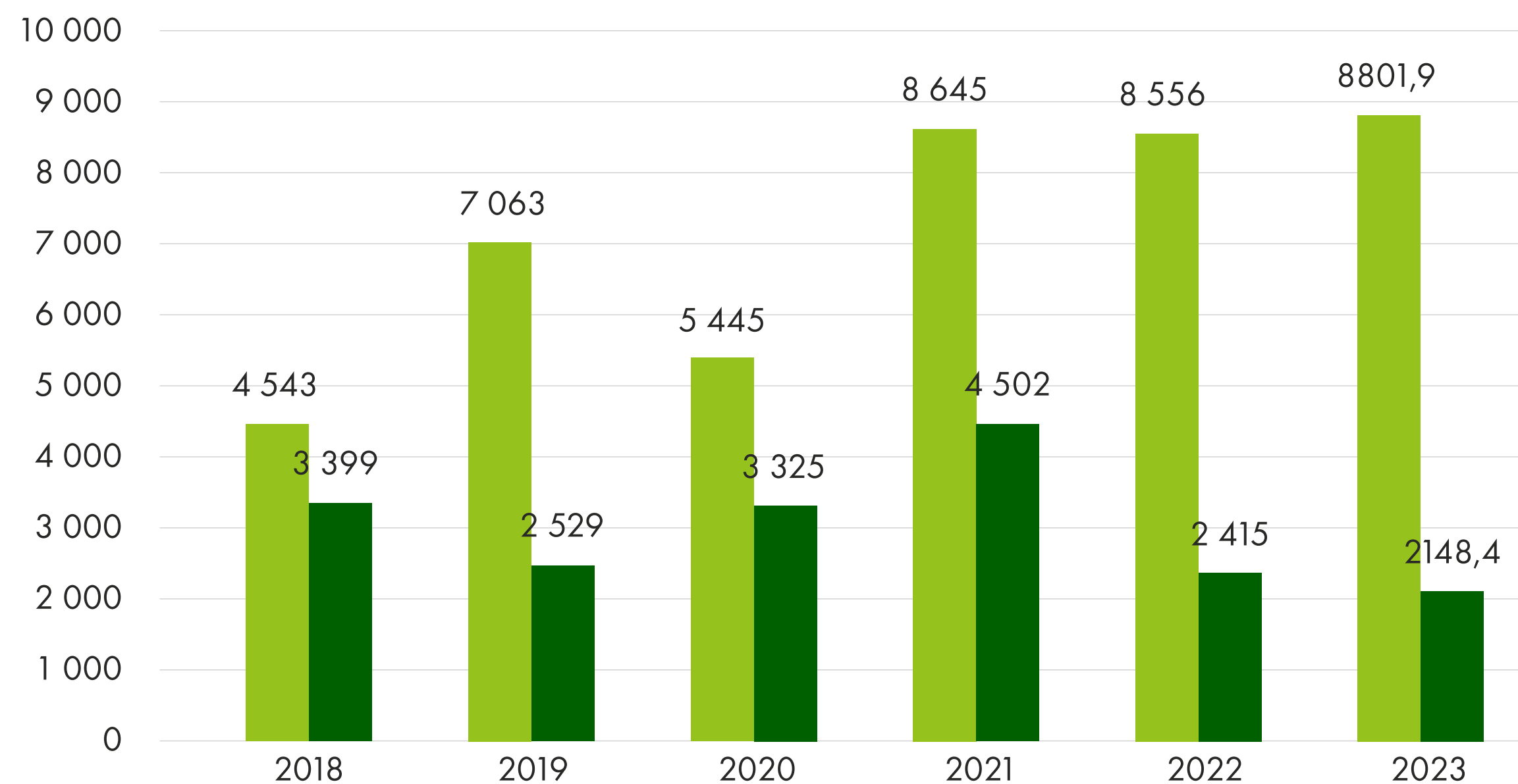
SCOPE 1&2 - LOCAL BASED



Development of direct and indirect GHG emissions at group level (tCO_{2e})

MARKET GROUP - DEVELOPMENT OF DIRECT AND INDIRECT EMISSIONS 2018-2023

■ Scope 1
 ■ Scope 2 – local based

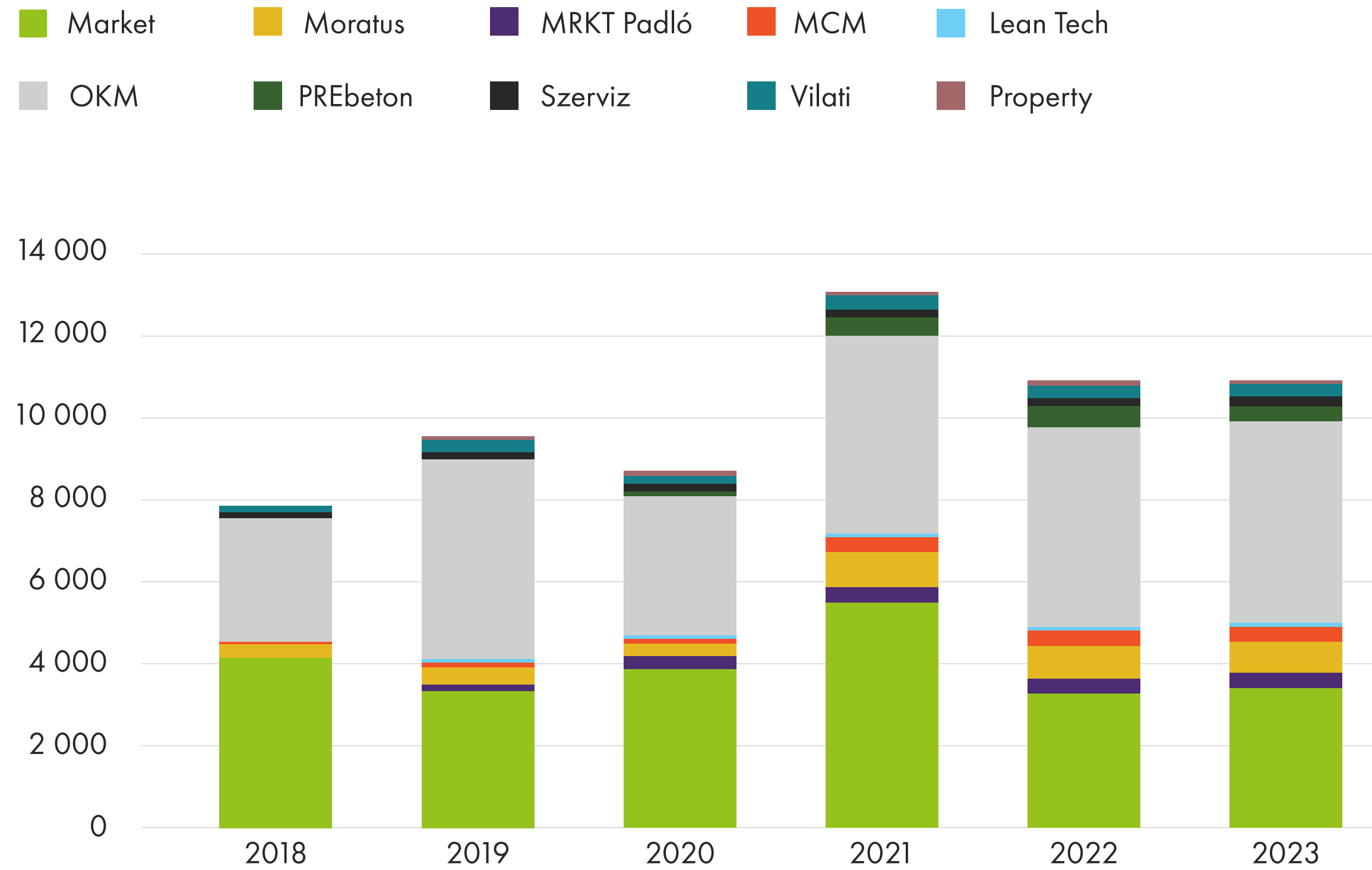


²⁴ The aggregated data for the period 2019-2022 have been updated and include the emissions of MRKT Padló Kft. for the given year.



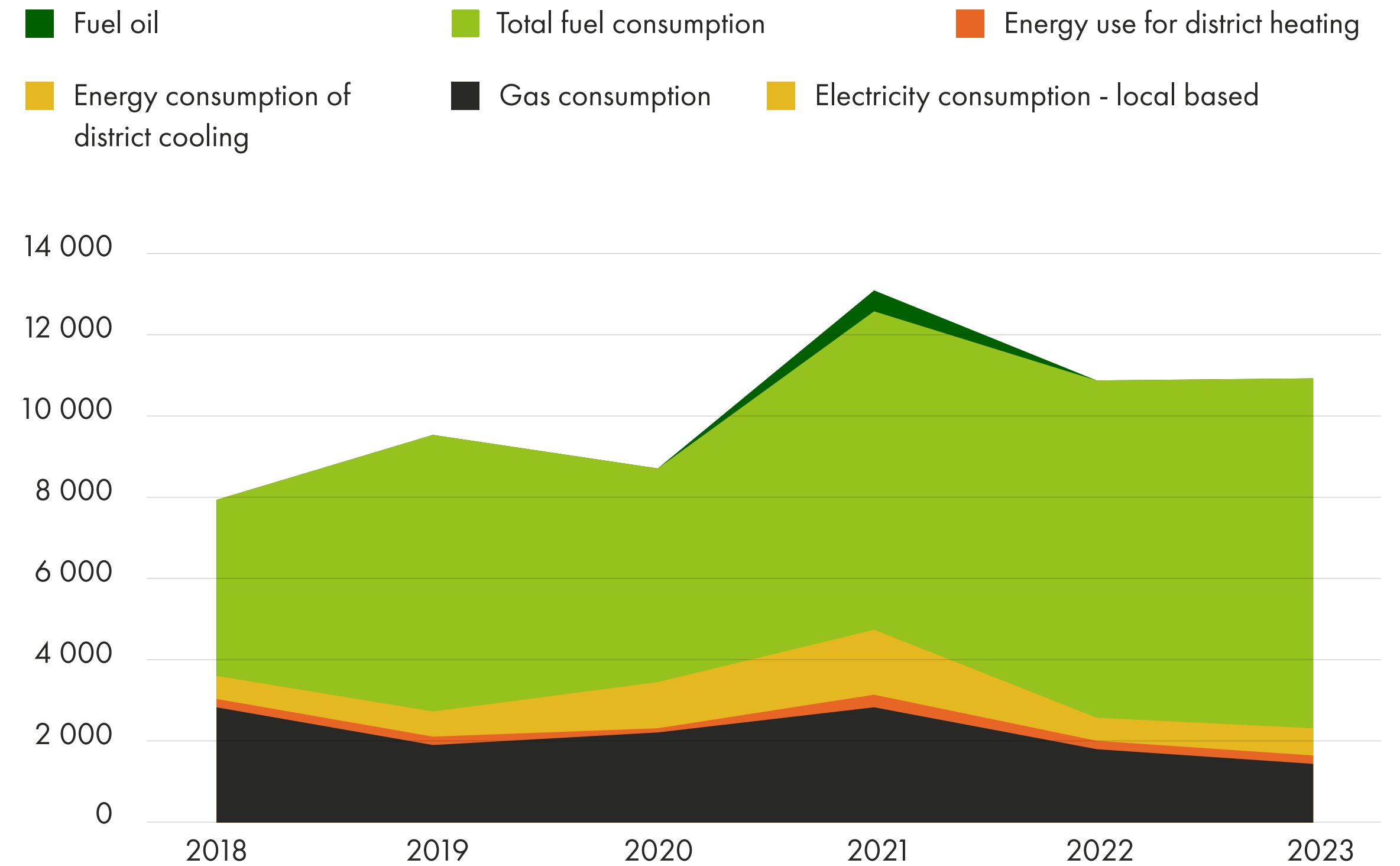
Development of direct and indirect emissions for each member company

SCOPE 1&2 GHG EMISSIONS - MARKET GROUP (tCO_{2e})



Development of GHG emissions by source category at group level (tCO_{2e})

DEVELOPMENT OF GHG EMISSIONS BY SOURCE CATEGORY AT GROUP LEVEL (tCO_{2e})





Source of GHG emissions at group level over the reporting period²⁵

tCO _{2e}	2018	2019	2020	2021	2022	2023
Electricity consumption	2 837	1 927	2 213	2 865	1 812	1 457
Gas consumption	196	182	97	265	184	149
Energy use for district heating	563	602	1 112	1 638	603	692
Energy use for district cooling	0	0	0,013	0,005	0	0,017
Fuel oil consumption	0	0	0	491	13	0
Total fuel consumption	4 347	6 882	5 348	7 889	8 359	8 653
<i>Fuel (petrol)</i>	<i>611</i>	<i>900</i>	<i>932</i>	<i>1 442</i>	<i>1 900</i>	<i>5 601</i>
<i>Fuel (diesel)</i>	<i>3 736</i>	<i>5 982</i>	<i>4 416</i>	<i>6 447</i>	<i>6 459</i>	<i>3 053</i>

Compared to 2022, the number of internal combustion powered vehicles decreased by 8.5% at group level, while fuel consumption increased by 8% and related emissions by 4%.

In 2022, in order to increase the sustainability of the fleet, the Group decided to extend the duration of the previously 4-year leasing contracts to 5 years. As a result, at the end of the 4-year term, several vehicles will remain in the fleet. The number of electric vehicles increased from 3 to 4 compared to 2022, while the number of hybrid vehicles increased from 74 to 124, an increase of 68%. The number of petrol-fuelled vehicles decreased only slightly by 5% compared to the previous year, but the number of diesel-fuelled vehicles decreased by 14% in one year.

As part of its sustainability strategy, the Group has set a target to transform its vehicle fleet to reduce direct emissions by 2025. However, this vision is hampered by the macroeconomic situation, the still high inflation rate in the region, the general slowdown in the construction sector and the current state of the filling station infrastructure. The latter does not allow for the replacement of petrol and diesel vehicles with electric vehicles in rural projects in complete safety and without compromising efficiency. In light of all that, we will be able to purchase electric vehicles at a much slower pace than previously planned.

²⁵ The aggregated data for the period 2019-2022 have been updated and include the emissions of MRKT Padló Kft. for the given year.



Composition of the vehicle fleet 2021-2023 (units)

MEMBER COMPANIES	PETROL			GAS OIL			HYBRID			ELECTRIC		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Market Építő Zrt.	172	224	206	42	47	21	60	63	87	1	1	2
OKM Építőipari és Szolgáltató Kft.	56	77	68	87	72	62	2	1	9	0	0	0
Moratus Kft.	47	56	46	23	33	32	3	5	10	0	0	0
Vilati Szerelő Zrt.	31	37	48	7	11	11	0	5	9	0	0	0
PREbeton Zrt.	5	11	17	11	13	14	0	0	1	0	2	2
MCM Beton Kft.	4	6	5	14	4	4	0	0	0	0	0	0
Market Épületszerviz Kft.	8	8	6	29	32	37	0	0	5	0	0	0
MRKT Padló Kft.	1	2	3	19	23	21	0	0	0	0	0	0
Lean Tech Mérnökiroda Kft.	6	9	9	2	2	2	0	0	0	0	0	0
Property Market Ingatlanfejlesztő Kft.	10	10	9	5	5	3	0	0	3	0	0	0
Total	340	440	417	239	242	207	65	74	124	1	3	4



Composition of the vehicle fleet in 2023

The Market Group also uses vans, trucks, owned and leased machinery and tools in its construction projects, which significantly increase the consumption of diesel oil by OKM Építőipari és Szolgáltató Kft. and Vilati Szerelő Zrt., and this category also indicates a group-wide growth. 55% of total fuel consumption is accounted for by OKM Építőipari és Szolgáltató Kft., which carries out complete civil engineering works - infrastructure development - including possible large-volume earthworks. Moratus Kft. is also a significant consumer among the member companies. In order to improve operational eco-efficiency, the member company started in 2023 to replace its former Euro 3 and Euro 4 environmentally rated trucks with the highest Euro 6 rated machines.

The Group also strives to develop efficiency solutions at member company level to save fuel. In 2022, **Vilati Szerelő Zrt.** installed a 1,000 litre fuel tank at the site of its largest project (SK Ivánca programme), successfully reducing the number of deliveries by a fifth, and thus the fuel consumption associated with individual deliveries. In 2023, the fuel well was moved by the member company to the site of the largest project to date - BMW Assembly, Debrecen - to use the tank to maintain reductions in deliveries and thus fuel consumption and associated emissions. In addition, in 2023, data collection started on the rental lifting equipment on the projects in terms of rental period, lifting equipment drive (electric, diesel), daily rates and operating hours, with the aim of preventing energy consumption due to unnecessary availability and to promote the replacement of diesel-powered equipment with electric drive for lifting equipment.

Market Épületszerviz Kft.'s priority goal is to convert its fleet of passenger cars to electric or semi-electric drive, and to change the current black colour code of its commercial vehicle fleet to white, which is expected to reduce the amount of heat from solar radiation and thus the energy consumption of the vehicle (the cooling system).

OKM Építőipari és Szolgáltató Kft. has signed a contract with the 3 largest Hungarian carsharing providers, so its colleagues can use electric vehicles from these providers to get to work, the costs of which are covered 100% by the company. Currently, the company has a fleet of 128 owned and 129 leased vehicles.





Market Group's fuel consumption by member company

FUEL CONSUMPTION (LITRES)	2018	2019	2020	2021	2022	2023
Market Építő Zrt.	300 228	334 348	319 588	366 425	539 864	652 427
OKM Építőipari és Szolgáltató Kft.	1 132 455	1 858 556	1 294 877	1 848 828	1 840 852	1 876 180
Moratus Kft.	116 403	158 710	112 395	307 357	307 658	288 050
Vilati Szerelő Zrt.	39 504	77 289	39 947	95 227	90 768	104 998
PREbeton Zrt.	-	-	22 717	56 809	77 593	101 896
MCM Beton Kft.	10 957	29 316	45 695	111 208	131 103	171 778
Market Épületszerviz Kft.	52 761	80 656	76 586	82 709	89 137	93 902
MRKT Padló Kft.	-	58 007	113 966	135 988	109 959	156 991
Lean Tech Mérnökiroda Kft.	5 786	6 114	7 800	8 756	12 392	14 696
Property Market Ingatlanfejlesztő Kft.	-	20 619	17 751	14 905	19 945	19 158
Total	1 658 094	2 623 614	2 051 322	3 028 212	3 219 270	3 480 078



Energy management

[GRI 2-4] [GRI 3-3] [GRI 302-1] [GRI 302-2]

[GRI 302-4] [302-5]



40 percent of the European Union’s energy consumption comes from the operation of buildings.²⁶ The dramatic increase in energy prices in recent years has made it increasingly important not only for the private sector, but also for the public sector, to improve the energy efficiency of buildings. A large part of the domestic building stock is outdated in terms of energy efficiency, so improvements in that area are essential not only to make the sector more sustainable, but also to meet Hungary’s climate targets.

In its sector-specific report, the IPCC stresses that the benefits of energy efficiency measures in the construction sector often go well beyond direct cost savings. Benefits include increased energy security through reduced dependence on fossil fuels, reduced need for government energy subsidies, increased value of infrastructure, and a range of health and environmental benefits. These are benefits that are expected to significantly increase the demand for energy efficient buildings powered by energy from sustainable sources in the coming years.

For the Market Group, that need has a double relevance: on the one hand, energy efficiency and green energy must be increasingly emphasised in the buildings it builds for its customers, and on the other hand, in the buildings it uses itself. Accordingly, Market has committed in its sustainability strategy to reduce the energy consumption of new buildings under its own investment below 80 kWh/m² /year by 2025. For its own-use buildings, it has started on-site solar generation in 2022 and in early 2023 it will start implementing its green energy self-supply project, which it had prepared the previous year.

²⁶ https://commission.europa.eu/news/focus-energy-efficiency-buildings-2020-02-17_en



Energy use

The Group's energy use can be basically divided into two parts: direct energy consumption comes from the operation of its own buildings, the production of construction materials and construction activities, while indirect energy consumption comes from the operation of completed projects during their life cycle. Data on indirect energy use are currently not available in sufficient quantity and quality and are not reported by the Group.

Direct energy consumption is basically made up of four items: electricity consumption, gas consumption, district heating and fuel oil consumption.

The Group's electricity consumption was 6 581 MWh in 2023. In 2023, the Group multiplied the amount of renewable energy procured, resulting in 24% of total electricity consumption being covered by own generation and renewable energy with a guarantee of origin (GoO).

A significant part of the gas consumption - 2 642 GJ at group level in 2023 - is due to the operation of PREbeton Zrt.

For district heating, Market Group's energy consumption was 10 650 GJ in 2023. The largest consumer of district heating in previous years was Market Headquarters.

The Group's energy consumption in the reporting period²⁷

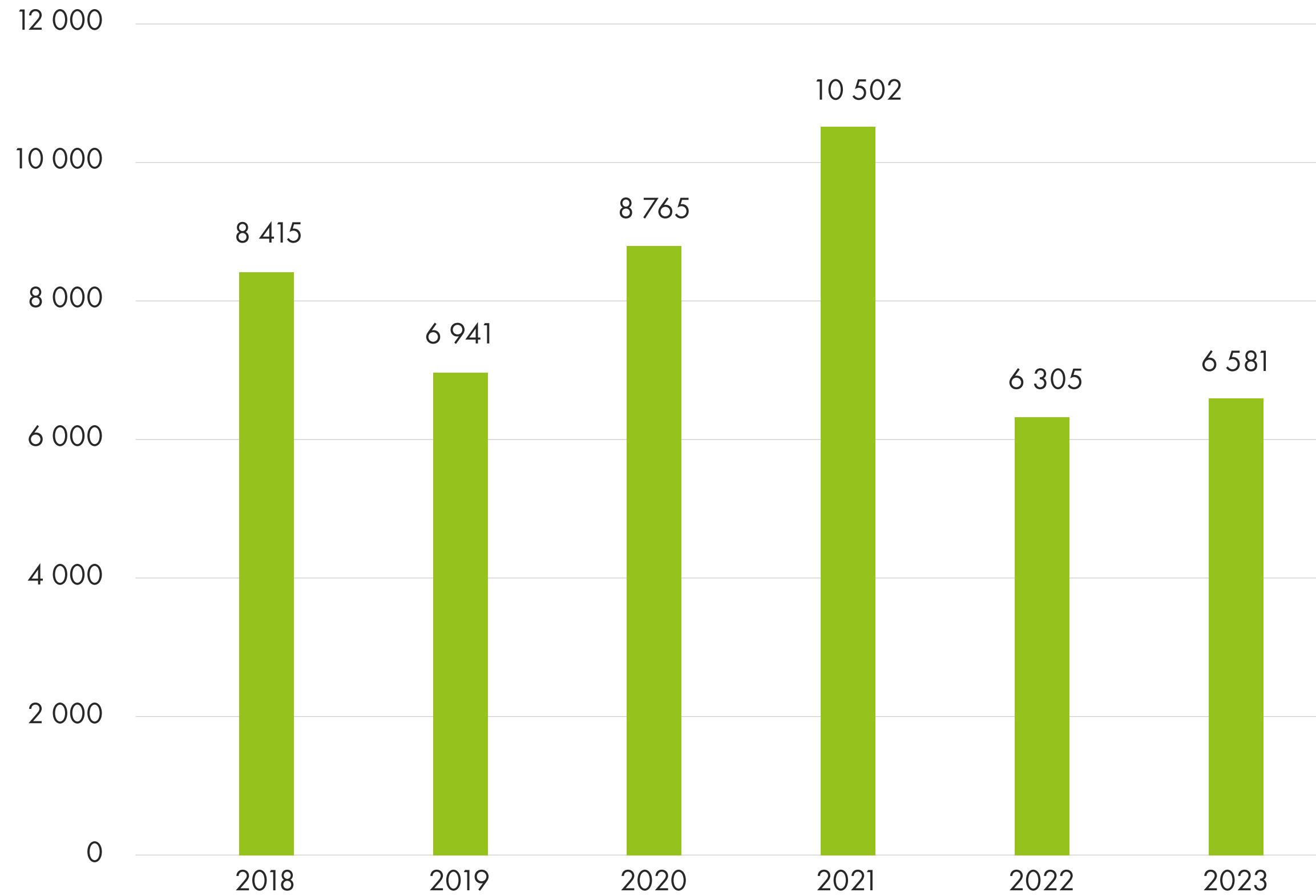
ENERGY USE	2018	2019	2020	2021	2022	2023
Electricity consumption [MWh]	8 415	6 941	8 765	10 502	6 305	6 581
Of which renewable energy					122	1 610
Electricity consumption in proportion of revenue [MWh/100 M HUF]	4.7	2.9	3.7	2.8	1.6	1.5
Gas consumption [GJ]	3 487	3 255	1 727	4 710	3 274	2 642
Gas consumption [MWh]	969	904	480	1 308	909	734
Gas consumption in proportion of revenue [MWh/100 M HUF]	1.9	1.3	0.7	1.3	0.8	0.6
Energy consumption for district heating [GJ]	9 806	10 487	17 113	25 214	9 279	10 650
Energy consumption for district cooling [GJ]	-	-	85	32	-	14
Fuel oil [litres]	-	-	-	185 286	5 002	-

²⁷ The scope of the report has changed (MRKT Padló Kft.), therefore the related data have been retroactively amended.



Change in group-level electricity consumption between 2018 and 2023 (MWh)

ELECTRICITY CONSUMPTION



Change in GHG emissions related to electricity consumption

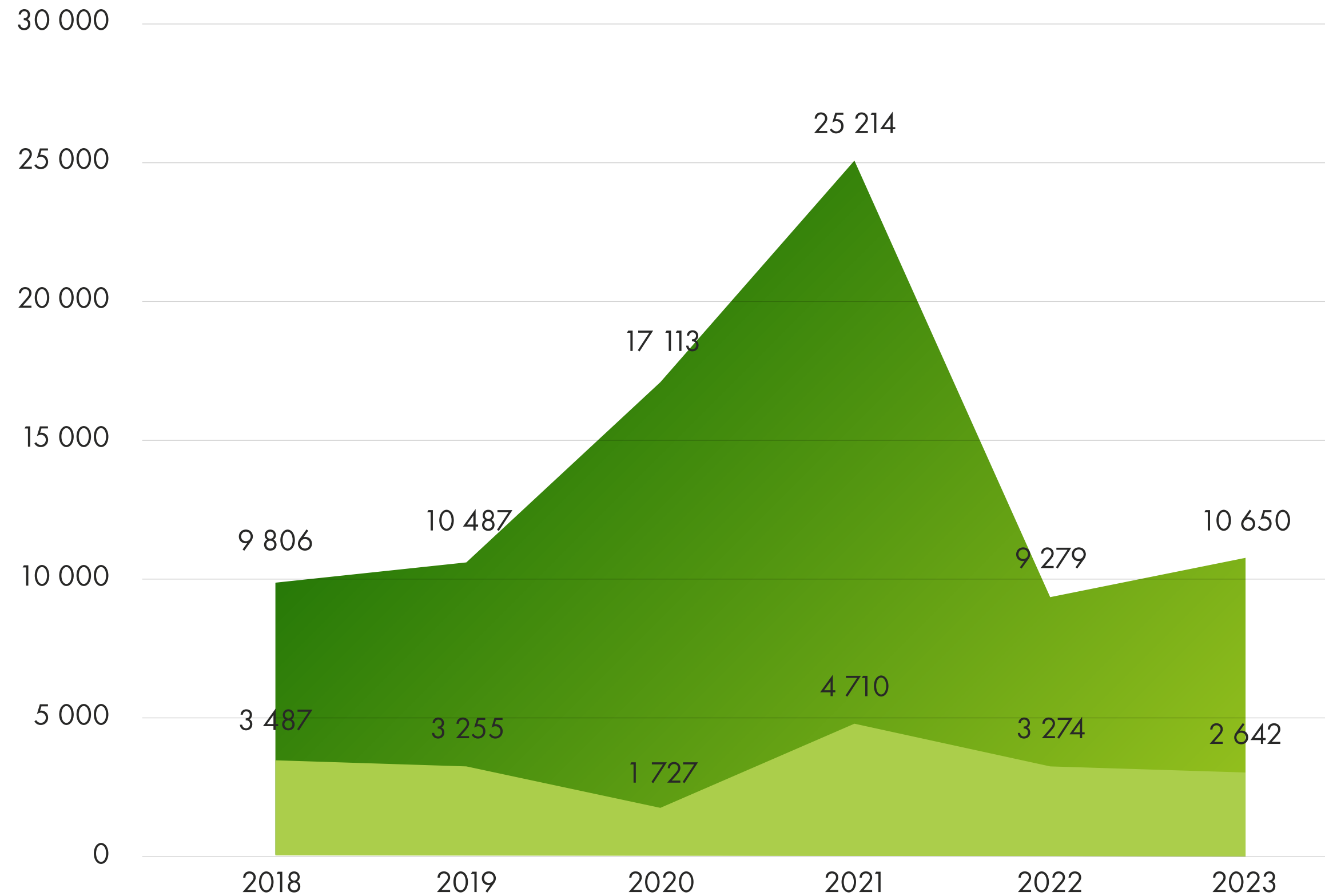
tCO _{2e}	2018	2019	2020	2021	2022	2023
Locally based	2 836.5	1 927.4	2 213.4	2 864.5	1 811.5	1 456.6
Market-based	2 921.2	1 997.2	2 416.2	2 917.4	1 978.4	1 590.9





Changes in group-level gas consumption and district heating energy use between 2018 and 2023

ENERGY CONSUMPTION OF GAS AND DISTRICT HEATING (GJ)



In summary, energy use at group level will continue to decrease in 2023, in line with the targets set in the sustainability strategy.

The Group has developed different scenarios to reduce its energy consumption in the future, supporting energy efficiency improvements:

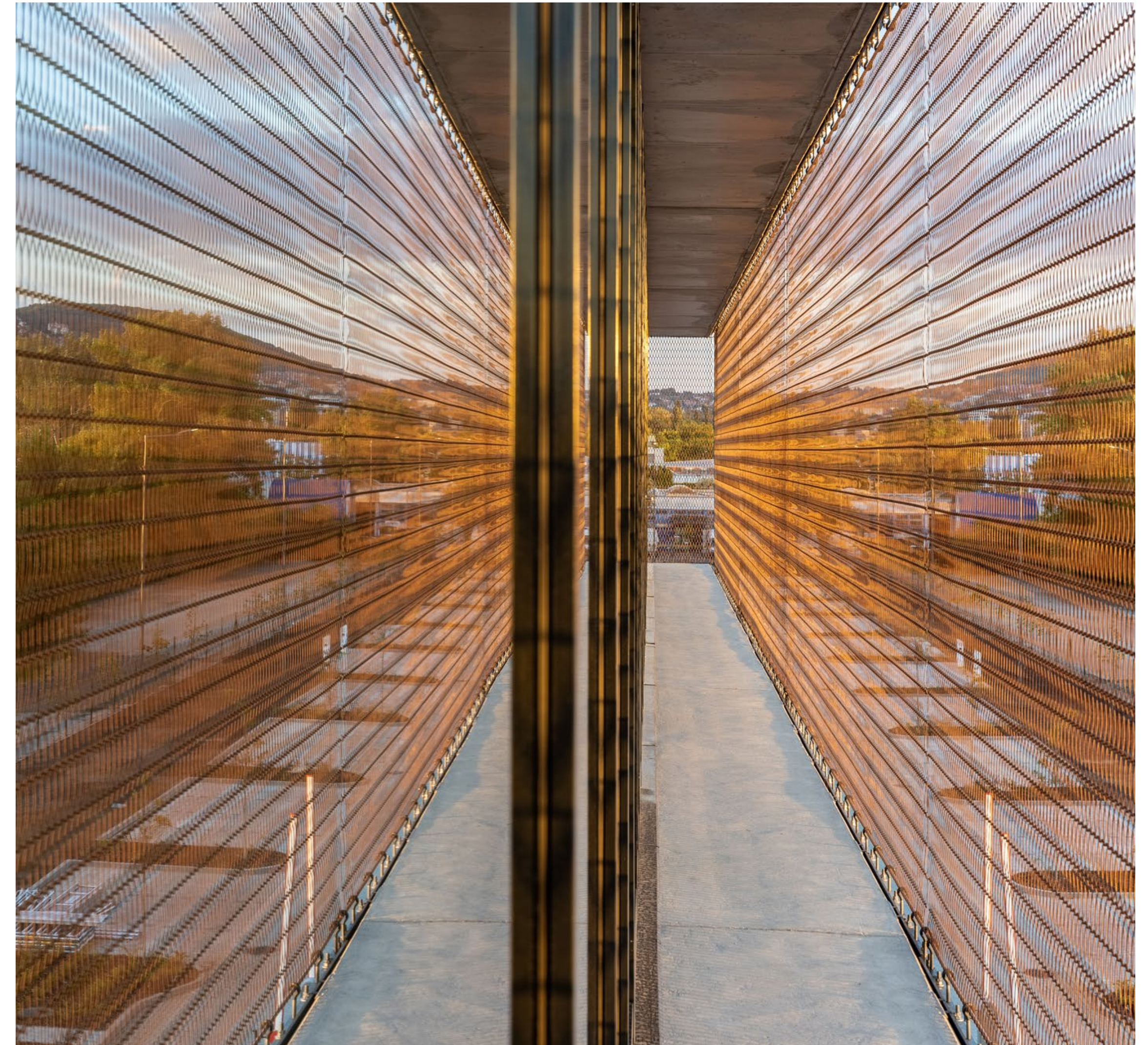
- ✔ Use of fuel-efficient hybrid or electric cars: in 2023, we acquired one additional electric vehicle, while the number of hybrid vehicles increased by 68%.
- ✔ Use of renewable energy sources: in 2023, 222 MWh of renewable energy was generated by on-site solar systems installed during 2022, and the Group acquired an additional 1 388 MWh of green energy (GoO).
- ✔ Preference for energy efficient and low or zero-carbon machinery in all major machinery purchases.
- ✔ Continuous monitoring and optimisation of consumption in the office building.



Sustainable use of materials

[GRI 3-3] [GRI 301-1] [GRI 301-2] [GRI 301-3]

The use of building materials and the reduction of carbon dioxide emissions associated with their production is a key focus of Market Group's operations. In its own investment projects, the Group aims to use as few building materials as possible in the design of buildings. LeanTech Mérnökiroda Kft., the design office of the Group, designs clean, minimalist buildings that require fewer building materials. Significant material savings can be achieved by applying building material 'design out'. LeanTech's standard practice is to omit various interior elements, such as suspended ceilings or plasterboard walls, and to use unpainted concrete interior wall finishes.





Types of raw materials used

Market Group uses a wide range of materials in its construction activities, typically grouped according to the specific activities of each member company. The construction materials procured are delivered to project sites and warehouses in different types and packaging according to the type and make of material. The packaging and bundling of these products is carried out by the manufacturer or distributor of the product concerned. Market Group procures all raw materials from external sources. Exceptions to that are the precast reinforced concrete elements of **PREbeton Zrt.** and the concrete produced by **MCM Beton.**

Reinforcing steel is one of the most important and centrally sourced products. In 2023, Market sourced 18 762 tonnes of reinforcing steel fibre and 2597 tonnes of reinforcing steel coils at Group level. The Group is moving towards a circular economy by ensuring that all reinforcing steel is made from recycled scrap metal. At the project sites, scrap metal is collected selectively and recycled into rebar or other steel products.

PREbeton Zrt. uses mainly cement and limestone powder, gravel additives, admixtures and water for the production of its precast reinforced concrete products. In addition, formwork material, reinforcing steel and locksmith assemblies are used in the structures, sometimes supplemented with insulating material and other consumables. The concrete plant uses machine grease, transmission oil, hydraulic oil and gearbox oil in its operations. All materials are purchased from external suppliers.

PREBETON ZRT. PRODUCES PREFABRICATED REINFORCED CONCRETE ELEMENTS. TO PRODUCE SUCH AN ELEMENT, THE FOLLOWING MATERIALS ARE REQUIRED:

70%

for 1 cubic metre of concrete: cement and lime powder: 30%, gravel aggregate: 60%, additives, water: 10%)

4%

Waterproofing material

6%

Locksmith assemblies

10%

Rebar material

3%

Consumables, other fittings

7%

Shutter board



In the case of **MCM Beton Kft.**, the main raw materials used for the production of ready-mixed concrete are washed sand, graded gravel of different sizes (aggregates), cement and admixture.

The aggregates are delivered in bulk, the cement in a closed silo system and the admixture in 1000 litre IBC tanks, which are then transferred to **MCM Beton Kft.**'s own tanks at the site. The used IBC tanks are then cleaned and refilled. No additional packaging material is used in connection with production and transport. In 2023, MCM Beton Kft. produced 98,784.5 m³ of concrete for Market Építő Zrt., these concretes were produced at the Company's two fixed plants in Budapest and its mobile plant in Ivánca.

Concrete is not a reclaimed product, but there may be cases where concrete that has been delivered and not used at its destination is returned to our own site. The returned concrete is used to produce fraction separating walls and the concrete already hardened is used to produce grinding (crushed concrete). More information on the reuse of that is given in the Waste section.

OKM Építőipari és Szolgáltató Kft. is engaged in utility and road construction. The company procures materials for construction from external partners. They can be considered as a mixture of raw materials and semi-finished products in the sense that they are used by the company in its construction activity in the process of providing construction services. None of these are recycled materials and they are not packaged. Products arriving on a pallet are palletised and returned by our partner.

OKM does not have its own service shop, the repair of the machines used for the works is carried out by a subcontractor. The waste generated (machine scrap, used oil, machine grease) will be removed by the subcontractor.

PREbeton Zrt. uses machine grease, transmission oil, hydraulic oil, gear oil in the operational processes of the concrete plant. The products manufactured are not packaged. Concrete waste is stored in an external container and used oils related to maintenance are stored in the hazardous waste container. Most of the waste generated during production is communal waste, scrap, and iron and steel products that can no longer be used. The total

weight of these in 2023 was 786.5 tonnes. Washing water is recycled and the remaining concrete is used to make products for internal use or for sale.

PREbeton Zrt. has set two main goals for 2024. One is to reduce the amount of rebar waste by 10% and the other is to introduce selective waste collection. These will be monitored on a monthly basis in the year 2024, so that we will have a better overview of how the processes are working. The targets also include returning wood and insulation waste to the manufacturer for further recycling.

IN 2023, PREBETON ZRT. USED THE FOLLOWING RAW MATERIALS IN ITS PRODUCTION:

Gravel aggregate:	51 915 tonna	Reinforcing steel mesh:	307 tonna
Cement:	12 471 tonna	Trigon grid:	12,9 tonna
Additive:	244 tonna	Strand:	562 tonna
Limestone powder:	5 945 tonna	Insulation material XPS:	983 m ³
Reinforcing steel fibre:	4 621,53 tonna	Rock wool:	727,4 m ²
Reinforcing steel coil:	2 345 tonna	Locksmith assemblies:	316 tonna

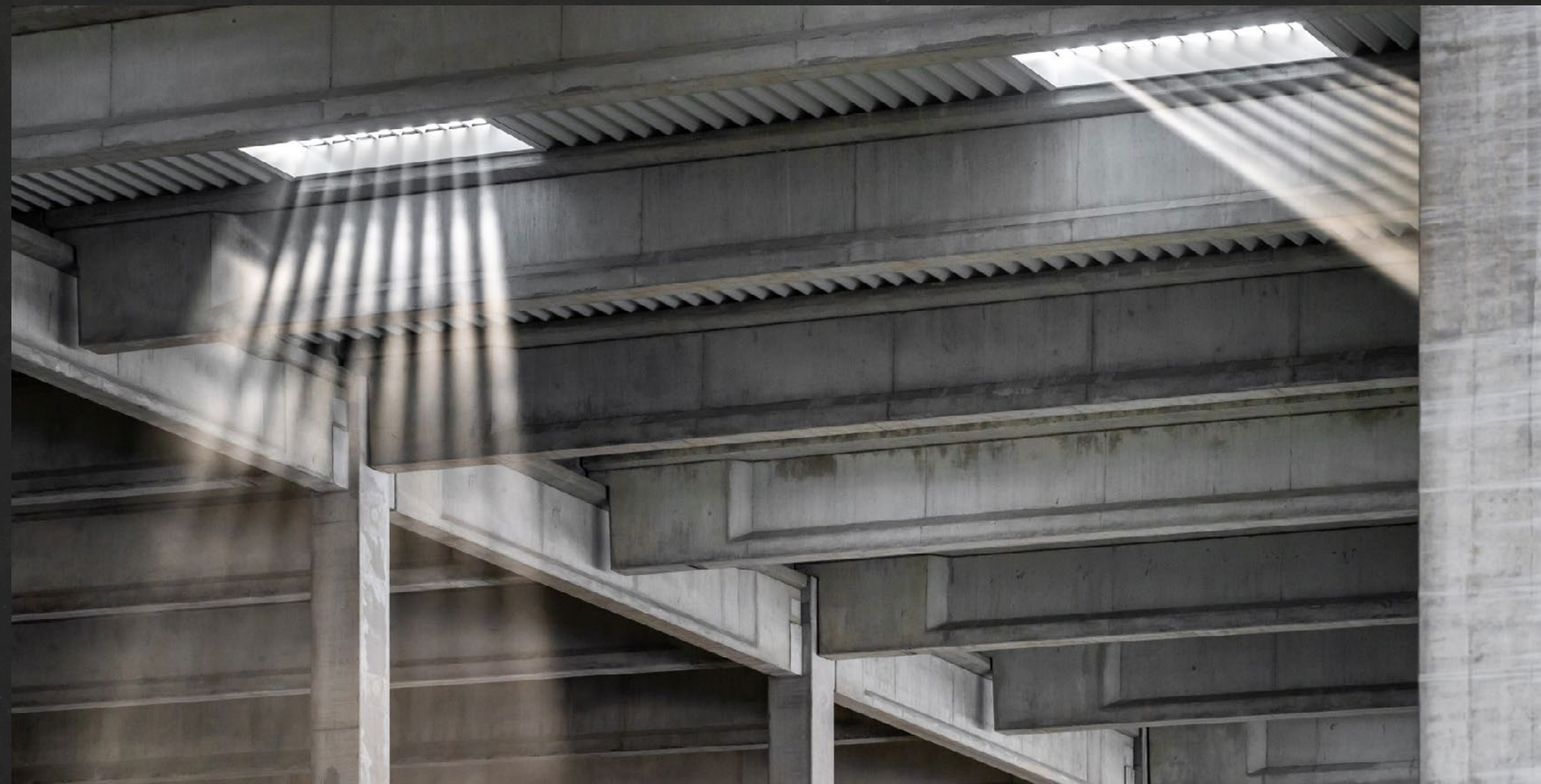
Vilati Zrt. strives to incorporate products containing recycled materials and in some cases (e.g. halogen-free pipes) with eco-labels in its project works. The company is increasingly focusing on assessing how the electrical wholesalers in its supply chain use environmentally conscious solutions in the manufacture of their products. To this end, the company is contacting its partners via e-mail questionnaires in order to gain a better insight into that aspect of the market.

The Group currently has no information on the percentage of recycled input materials.



Increasing emphasis on circularity!

Market Group uses only recycled paper products in its office work, both on projects and at its headquarters. Materials, office furniture and other equipment left over from construction sites are transported to our central logistics warehouse, from where they are reused in other projects. Thereby the Group can effectively tackle unnecessary waste generation.



Reducing material use

In its own investment projects, the Group strives to use as few building materials as possible in the design of buildings. LeanTech Mérnökiroda, the design office of the Group, designs clean, minimalist buildings that require fewer building materials. Significant material savings can be achieved by designing building materials 'design out'. LeanTech's common practice is to omit various interior elements, such as suspended ceilings or plasterboard walls, and to use unpainted concrete interior wall finishes.

By using fewer materials, the buildings built by Market Group significantly reduce their embodied carbon dioxide emissions. The Group expects to achieve BREEAM Excellent or LEED Gold certification for all its own investment projects, with material credits targeted in all cases. This means that 20% of the value of all building materials must contain recycled materials. That also reduces the carbon footprint of buildings. In addition, the Group obtains Environmental Product Declarations (EPDs) for 20 different products used in construction (e.g. plasterboard or insulation materials), which are produced by an independent organisation. The purpose of requesting life cycle analysis declarations is to demonstrate the impact of manufacturing processes on the environment and thus to encourage manufacturers to use cleaner and less polluting production technologies.

Market Group launched its partner programme in 2021, one of the aims of which is to establish a mutual partnership with 120 subcontractors who have worked on Market projects over the years. In the coming years, as part of its sustainability strategy, the Market Group wants to work with companies that value environmental protection and social responsibility. To this end, the Market Group will help by sharing knowledge through its partner programme. The first such resource that Market has shared with partners was the knowledge and toolkit available on its BimForShare platform, which entrepreneurs can use freely and which integrates Market's previous experience. One of the main focuses of the use of BIM (Building Information Modelling) is to increase the efficiency of material use. By using BIM, it is possible to determine more accurately the quantity of materials to be ordered, avoiding the formation of surpluses. Expectations of partners during the procurement process include reducing waste and the return of packaging of building materials by manufacturers.



The Market Group also pays attention to material savings in the construction processes. Materials that are easily damaged by weather conditions, such as plasterboard, various insulation materials and wood-based materials, are stored under cover. Most of the construction waste is packaging material. Returnable packaging materials (pallets, cable trays) are returned to the manufacturers by the subcontractors.

The Group also places great emphasis on quality work. All subcontractors are expected to do the job right the first time, without any repair or additional works, so that no further building materials are used and no badly installed materials are left as waste on the construction site.

On projects where demolition waste is generated, in most cases it is ground on site and some is used as road base or backfill on nearby projects.

Materials left over from construction sites are transported to the central logistics warehouse and used on other projects. Once the projects are finished, office furniture and other equipment is also stored in the logistics centre before being used on other projects.

In 2023, the Waste Reduction Action Group launched a 3-month pilot project focusing on better on-site storage of construction materials at company level. The pilot project resulted in the development of an optimal material storage guide for the most appropriate indoor and outdoor storage of materials used on construction sites. The guide also helps project teams to store materials in the most professional way at project level, resulting in material savings.





Lean methodology for a more sustainable construction industry

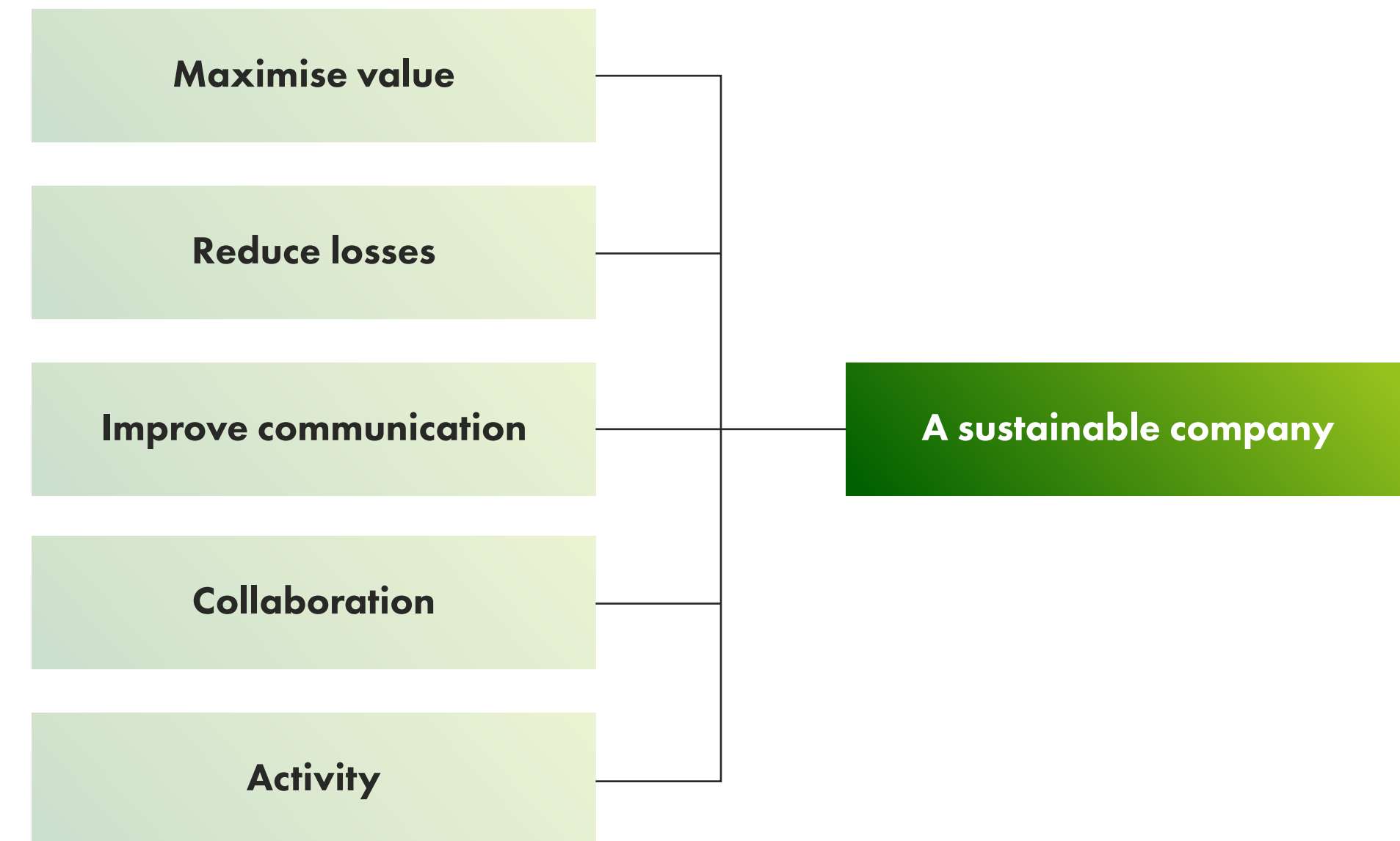
The use of Lean as a corporate governance methodology in an industrial environment has been widely adopted in the past, but the need for Lean and its usefulness have been recognised in the construction industry due to the ever-changing nature of the sector. In the vast majority of construction projects, problems arose that could not be solved by the methods known and used until then, and a solution was needed to achieve optimisation, efficiency gains and waste minimisation. The Lean methodology has a toolbox of nearly 200 tools: visual management tools, performance indicators, process optimisation strategies, inventory management and scheduling methods. All of these tools can be applied to any project to find methods that can be implemented to help progress the execution.

For the construction industry, the most important Lean tool in terms of visibility is scheduling. In several Market projects, we have introduced so-called Lean charts, with the aim of making our processes more efficient, faster and more transparent.

The concept of Lean was first introduced into Market's everyday life in the context of the BMW project in Debrecen, in which the company started to apply it to meet customer needs. Subsequently, the use of Lean became a priority in Market's life and has been implemented on several other projects. We have applied it on BudaPart, Mercedes, Benepack, IPAM, BMW, CATL projects. In addition, the PREbeton plant for the production and assembly of precast reinforced concrete structures is in the process of developing Lean management. Their aim is to monitor production, increase efficiency, review the operational processes of the service units and define standard times. In addition, visualisation tools are being introduced and a 5S-based system is being implemented in the production departments.

One of the key principles of Lean is respect for people and communication, and by applying these principles in meetings, we have been able to achieve more effective dialogue and teamwork in projects. In order for the methodology to be successfully applied by the Group, either for the operation of its member companies or for the more efficient management of projects, it is also needed to develop the training required to provide the necessary skills.

WHAT CAN BE ACHIEVED WITH LEAN?





Responsible water management

[GRI 2-4] [GRI 3-3] [GRI 303-1] [GRI 303-2]

[303-3] [303-4]

The Market Group has a massive impact on water. Increasingly extreme rainfall patterns across Europe, including our country, are driving the need for responsible water management practices in the construction sector. For this reason, the Group's sustainability strategy includes setting guidelines for water use until 2025, developing water saving solutions for its customers, and assessing weaknesses in water consumption and developing strategies to eliminate them.





Water use

The Market Group fully complies with the legal requirements for water management. It applies for a water permit from the relevant official body for all its projects.

Waste water from construction sites is discharged into the existing network. In Budapest, the operator is the FCSM Budapest Sewage Works, while in rural areas the Group contacts the relevant sewage works and the municipalities concerned. Before obtaining the permits, a calculation must be submitted to the authorities regarding the expected water use throughout the construction period. The calculation is based on the number of workers and the use of communal facilities. (There is no data collection process for process water consumption on construction sites.)

The Group as a whole monitors water use on a continuous basis, checking it on a monthly basis and evaluating it annually against the water use in the previous year.

The headquarters and the subsidiary sites and offices (Market Építő Zrt., Moratus Kft., Vilati Szerelő Zrt., OKM Építőipari és Szolgáltató Kft.) have water use and waste water discharge permits. The water consumption values are recorded and monitored monthly in the offices.

PREbeton Zrt. and MCM Beton Kft. are qualified as manufacturers. Accordingly, they have the necessary water permits and review their water use on a monthly basis. For the two member companies, water use depends on the volume of concrete production. Both PREbeton Zrt. and MCM Beton Kft. strive for efficiency in their water use, whereby the water generated from the washing of concrete tanks is reused in the production process.

In the case of OKM projects, groundwater may be released to the surface during soil extraction. The amount of that cannot be controlled and depends on the geological properties of the land. If it is polluted, it is pumped out and transported away, if not, it will infiltrate or is drained away.

COMMUNAL WATER CONSUMPTION FOR EACH MEMBER COMPANY IN 2023 (M³)

OFFICES / SITES	WATER CONSUMPTION (M ³)
Market Építő Zrt.	4 435
OKM Építőipari és Szolgáltató Kft.	15 038
Moratus Kft.	552
Vilati Szerelő Zrt.	573
PREbeton Zrt.	5 026
MCM Beton Kft.	n. a.
Market Épületszerviz Kft.	108
MRKT Padló Kft.	129
Lean Tech Mérnökiroda Kft.	409
Property Market Ingatlanfejlesztő Kft.	160
Total	26 429

**WASTEWATER VOLUME FOR EACH MEMBER COMPANY IN 2023 (M³)**

OFFICES / SITES	WATER CONSUMPTION (M³)
Market Építő Zrt.	16 199
OKM Építőipari és Szolgáltató Kft.	204
Moratus Kft.	293
Vilati Szerelő Zrt.	295
PREbeton Zrt.	5 026
MCM Beton Kft.	n. a.
Market Épületszerviz Kft.	108
MRKT Padló Kft.	129
Lean Tech Mérnökiroda Kft.	155
Property Market Ingatlanfejlesztő Kft.	160
Total	22 569

PROCESS WATER USE FOR EACH MEMBER COMPANY IN 2023 (M³)

OFFICES / SITES	WATER CONSUMPTION (M³)
Market Építő Zrt.	18 540
OKM Építőipari és Szolgáltató Kft.	-
Moratus Kft.	-
Vilati Szerelő Zrt.	-
PREbeton Zrt.	6 301
MCM Beton Kft.	14 430
Market Épületszerviz Kft.	-
MRKT Padló Kft.	910
Lean Tech	-
Property Market Ingatlanfejlesztő Kft.	-
Total	40 181



In the field of water intake and wastewater disposal, we have developed a separate data collection process for the two largest user member companies, Market Építő Zrt. and OKM Építőipari és Szolgáltató Kft. We have separated the use of the own building (headquarters and premises) and the water intake and wastewater disposal during projects.

If the amount of water to be discharged at any one time exceeds the permitted amount, Market Group will ensure that it is retained and that the water right limits are respected. The amount of rainwater from paved surfaces that is discharged into drains on construction sites will be declared in advance for the authorities. The water run-off limits permitted by the authorities must be complied with during the construction works. For this reason, it is often necessary to delay or desiccate the water volume.

All rainwater generated in the parking areas is run through an oil trap before being discharged into the sewers. That practice ensures compliance with the pollution limit of 5ml/litre for hydrocarbon pollution.

In the course of its operations, the Market Group does not discharge any pollutant that is considered hazardous to water bodies, ecosystems or human health and therefore requires special filtration. In 2023, there were no water discharge-related regulatory non-compliances in the Group's operations.

REDUCING WATER USE

The development of a water use policy is part of the Group's sustainability strategy. The permanent offices are already equipped with sanitary fittings to reduce water use, and the refurbishment of the site container offices with water-saving sanitary fittings is underway.

Water as a shared resource

In order to protect water bodies, the Market Group expects all subcontractors using fuel to ensure the use of damage trays during projects. Only workers who have received environmental training are allowed to refuel small and large machinery. The integration of environmental considerations into contracts with partners is currently being developed.

Among the member companies, MCM Beton Kft. and PREbeton Zrt. use larger quantities of well water for concrete production. Since water quality is of paramount importance for concrete production, 87% of the well water used is of drinking water quality. In 2023, PREbeton Zrt. extracted 6,301,000 litres of water, while MCM Beton Kft. extracted 14,430,000 litres of water from drilled wells. Market Group's process water consumption is from public water supply networks, on projects, during construction works. The Group does not carry out construction activities in water stressed areas.

STORMWATER MANAGEMENT

Climate change will alter the annual distribution of rainfall: the temporal pattern of rainfall will become unpredictable and the amount of rainfall that falls at once will in many cases be too much for existing infrastructure to handle. Therefore, stormwater management is of particular importance and will be a key focus for the Market Group from 2021 onwards. That is essentially a design competence, but Market, as a contractor, is also involved in awareness-raising with the help of its experts, and in design reviews and professional forums, it favours sustainable, water-retaining stormwater management over the previous bad practices of run-off management. In that way, rainfall is 'captured' on the roof of buildings by green roofs.



Climate-adaptive rainfall management

One of the biggest urban planning challenges of our time is the inability of paved urban surfaces to properly drain the heavy rainfall that comes with heavy thunderstorms, causing it to flood streets and homes. These flash floods can develop suddenly, in less than an hour, in the wake of an intense thunderstorm, causing considerable material and health damage.

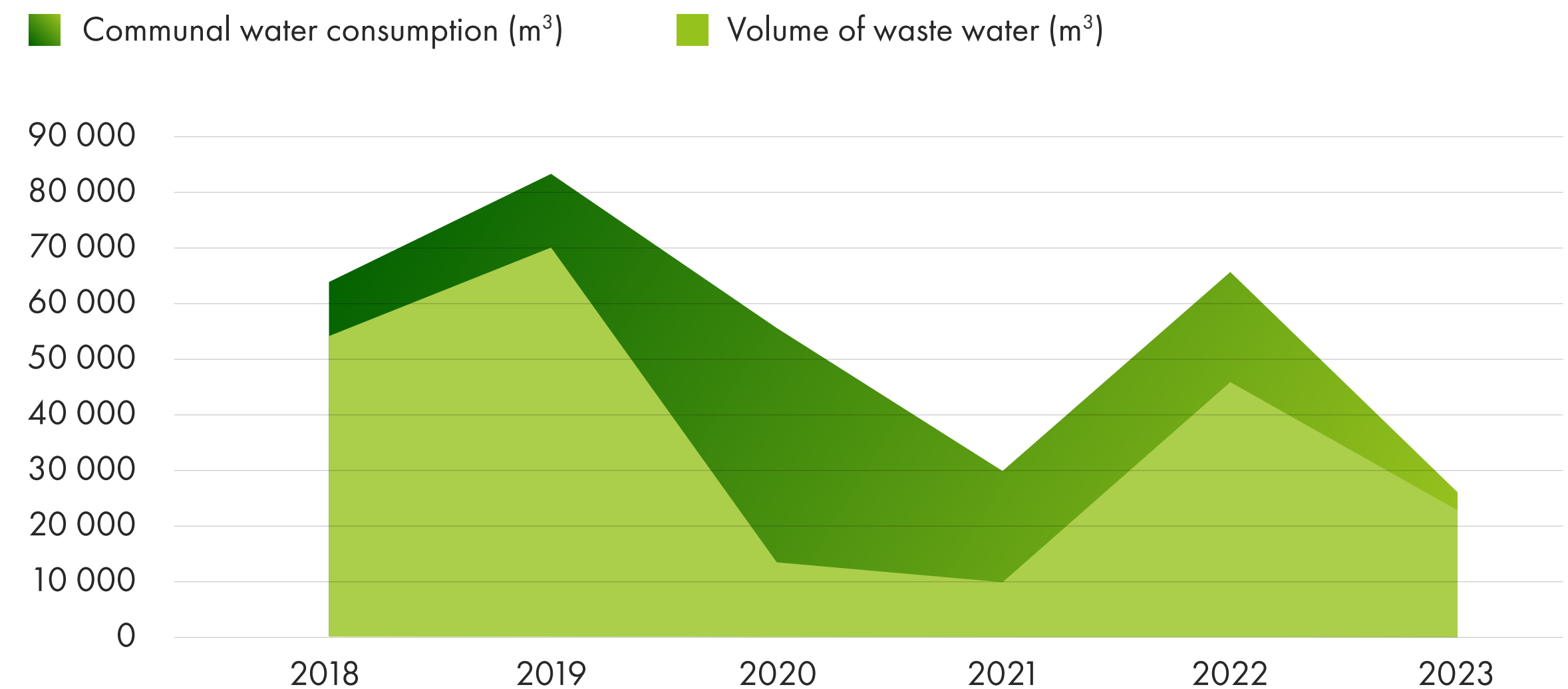
Rain gardens are an excellent nature-based solution to the physical risks of flash floods associated with climate change. Recognising that, the Market Group will in the future deploy more rain gardens, urban tree planting systems that allow for proper water management, and so-called sponge city solutions (e.g. BudaPart). The first rain garden was completed in spring 2023 on the BudaPart - Central Park project site. Market has created a 185 square metre area of vegetation with a drainage layer underneath. A rain garden was also built in the Sárvár project, where a climate-adaptive solution was developed over an area of 70 square metres.

Market Group's communal water use decreased by 59 percent between 2018 and 2023, due to the different water demands of each project.

GROUP LEVEL WATER USE DURING THE REPORTING PERIOD²⁸

WATER USE	2018	2019	2020	2021	2022	2023
Communal (m ³)	64 617	83 791	55 701	29 386	65 607	26 430
Volume of waste water (m ³)	54 224	70 382	12 776	9 479	45 887	22 569

COMMUNAL WATER USE AND WASTEWATER GENERATION BETWEEN 2018 AND 2023



²⁸ In the 2023 Sustainability Report, the scope of the report was extended to MRKT Padló Kft., and therefore the values between 2019 and 2022 were recalculated retroactively.



Protecting biodiversity

[GRI 3-3] [GRI 304-1] [GRI 304-2]

[GRI 304-3] [GRI 304-4]

Climate change and human activity are rapidly reshaping natural habitats and a severe global ecological crisis is unfolding. Construction and building materials production have a significant impact on natural habitats and often negatively affect the activities of native flora and fauna. With that in mind, the Market Group places great emphasis on the protection of biodiversity and is determined to reduce its negative impact on natural habitats.





Natural and established ecosystem services

Natural ecosystems are not typically affected by Market's activities, as its construction activities are carried out in already regulated industrial parks, or as greenfield or brownfield projects. All greenfield investments are not in natural ecosystems, but usually on abandoned arable lands.

The Market Group will create green surfaces, parks, green roofs, green façades and sometimes interior (tropical-subtropical) gardens in the majority of the areas to be constructed. There are very few projects that do not include a landscape gardening component. The Group creates parks, lawns and two-, three- and multi-level (artificial) plant communities ranging from a few hundred square metres to up to 150 hectares of green space. It will plant trees and tree-lined areas that provide a range of ecosystem services: carbon sequestration, oxygen production, dust capture, noise filtering and reduction, shade. During summer heat waves, they can reduce temperatures by several degrees, create a more tolerable microclimate for humans (and many other species such as small mammals, birds, insects), and provide humidification.

All of these are ecosystem services, the impact of which can be measured and quantified with a high degree of accuracy, depending on the species and type of tree, its condition, age and size, and therefore an impact assessment is planned for the coming years.



Manage potential and realised negative impacts

The most significant negative impact at present is the Group's greenfield investments, which essentially transform the existing environment by building on land that was previously untouched or used for agriculture. In such cases, the entire infrastructure usually has to be built out, with the associated noise, vibration, earthmoving and dust emissions. The Market Group is in the process of preparing a protocol to ensure that, in the future, greenfield projects will include the survey, transplantation or at least seedbanking of the more valuable protected plant species that may be found on the site.

The Market Group strives to eliminate or, if that is not possible, reduce negative impacts in its projects. During the plan review process, the Group's specialist consultant will filter out invasive species, have them removed from the plans and try to plant native, indigenous species in the affected areas. The Group's specialist technical advisers will share their knowledge with the project participants, thereby shaping their approach. In doing so, the Market Group also draws attention to the concrete steps to be taken to conserve biodiversity and acts accordingly.

The Group will use part of the displaced humus topsoil in areas affected by the construction within the site during redesign (execution drawings) - thus reducing the environmental impact of transport. If that is not possible, it will try to use it at another construction site or landfill it at the Soroksár plant for further appropriate use.

From 2021, Market Építő Zrt. has started to test the excavated fertile soil from construction activities - in addition to the usual soil test report - according to new criteria. In the past, the quality parameters of the topsoil used in horticultural construction, which is the basis for green infrastructure in urban or industrial environments, were not tested at all, as there are no regulations or standards for that. However, the quality of the green surface that is created depends on it. The rooting and long-term survival of the plants there depend on it, that is why Market Építő Zrt. has contracted an external soil and nutrient management expert in 2021 to test the soil for all projects.

Prior to the afforestation works, Market Group will seek the advice of the local forestry on the species of trees and other technical issues appropriate to the area (soft landscape plan) and will also entrust the implementation of the afforestation to them.

In order to offset the Group's emissions and preserve biodiversity, a tree planting project has been launched, with the basic objective of planting twice the contracted amount of trees for each project at our own cost. Where the project site allows, the Group will plant a biodiverse mini forest. If there is not enough land available at the project site, a small-footprint, fast-growing, native species Miyawaki Forest will be established in an urban environment in consultation with local governments. In the event that neither method is feasible in a given year, the Group will support tree planting in forested areas.





Among the alternatives of the tree planting project, in 2023 we supported forestry tree planting (16 885 saplings or trees) in the Piliscsaba area. The project involved the planting of seedlings of climate-resistant, indigenous species by Pilis Parkerdő Zrt. with the involvement of Market volunteers. It improved the natural condition of the existing forest and started the transformation of the alien tree population, which is not suitable for the growing area. The support contract also stipulates that Pilisi Parkerdő guarantees the short and long-term care and aftercare of the planted forest for 20 years after planting.

As part of the Alba Arena project in Székesfehérvár, Market supported the planting of an additional 223 trees of advanced nursery stocks in the spirit of social responsibility.

In the Corvinus Campus project in Gellért Hill in 2023, the project succeeded in demarcating some areas in a way that preserves the original vegetation. At the end of the project, the Group relocated so-called 'ancestral grass' from this area to the disturbed sites, so that the species living in the demarcated area can more easily reproduce throughout the whole area. Not protected, but the ornamental, lovely plants of the spring aspect, such as barnyard and fingered marigold (*Corydalis cava*, *C. solida*), yellow henbane (*Gagea lutea*) and scented violet (*Viola odorata*) are found in the native plant community.

The Group seeks to reduce or eliminate trade-off effects through careful planning. For example, the planting of different types of forest (e.g. even an energy forest of Paulownia clones) to mitigate climate change was considered, but Market has consciously chosen to plant native species and has started a kind of evergreen forest instead of an industrial plantation.

Protecting birds

The Group pays special attention to the protection of birds. It has several types of burrows in several of its projects. The vegetation planted by the Group also has a number of advantages: thorn bushes provide ideal and protected nesting sites for certain species of birds, and the fruits and berries of many plants provide food, which is particularly important in winter, when birds have a harder time surviving (e.g. the edible fruits of ornamental apples, ornamental pears, ornamental hawthorns, etc., which survive the winter). Insect-pollinated plants are predominantly planted - the flowers of some species attract a wide range of pollinators. There are some projects where the Market Group has already consciously planted a so-called bee-pasture, a wildflower meadow (e.g. Sárvár Hotel), but even without a specific designation, many perennial beds and other flowering vegetation perform the function of bee-pasture for many months. Some species, with their extremely early flowering in late winter, are the only "food source" (e.g. nectar and pollen) for early waking insects, and their planting is of particular importance and positive impact on insect diversity and survival (e.g. *Salix* species, that is willows).





Areas of biodiversity value, species concerned

The Market Group does not operate, own, lease or manage a site in an area of biodiversity value or in the immediate vicinity of such an area (its Soroksár site is located in a former mining pit, a former landfill site on the outskirts of the capital, in an area of low biodiversity value.)

In 2023, the Group has no investments or other activities in or near Natura 2000 sites. The Citadel project, which has been underway in the Gellérthegy Nature Reserve for several years, is a nature conservation concern and is now a protected World Heritage Site and a Site of Outstanding Natural Interest, and is also considered an archaeological site. The project covers an area of approximately 31 560 m². The works will increase the green area to one and a half times the original 20,000 m². A 6,000 m² public park, which will include a pond for visitors, will also be created within the fortress wall. The project area itself is under the jurisdiction of the Danube-Ipoly National Park Directorate, which will periodically monitor the progress of the work and ensure that it is being carried out in accordance with the regulations.

Of the Group's sites, that at Soroksár was built on the site of a former mine pit, a former landfill on the outskirts of the capital, in perhaps the least biodiversity-rich area possible.

The PREbeton plant in Erdőtelek is located near the Hevesi plain, which is classified as a Natura 2000 area, and therefore the member company affected by it will comply with and enforce the regulations and instructions of the competent (nature conservation) authority during the construction and production processes in order to preserve biodiversity.

The Sárvár project's nearly 2-hectare park, which was also built in a backfilled mine pit, was an own investment to create one of the most beautiful gardens in the country. Here, Market has spread the salvaged humus, which is not very permeable due to the local conditions of the slabs that are closed by rainfall. Therefore, the company also designed and built a rain garden in 2023 with biodiverse planting to avoid the negative effects of heavy rainstorms.



Impacts on biodiversity were not measured for either our own operational sites or those of our suppliers. Of the own sites, the PREbeton plant in Erdőtelek has the most significant impact, as the production process itself has significant CO2 emissions.

The Market Group's activities in 2023 did not require the introduction of data collection on IUCN Red List and nationally protected species, such habitat surveys are typically carried out by the investor/client prior to the construction phase. Data on that is not reported to the Group.

At the same time, Market is aware that some of the project sites may contain, but are not limited to, the protected species listed below, and will do its utmost to protect them (e.g. habitat construction: bird protection, bat boxes, hedgehog garages, swallow hotels, feeding and watering stations, etc.):

ANIMAL SPECIES

- ✓ Eastern Hedgehog
- ✓ Bank martin
- ✓ Bee-eater
- ✓ Lark
- ✓ Brown toad (and other amphibians)
- ✓ Great bittern
- ✓ Water snake (and other reptiles)
- ✓ Pannonian lizard
- ✓ Mammoth wasp
- ✓ Bat species
- ✓ Otter
- ✓ Gopher

PLANT SPECIES

- ✓ Ephedra (Gellért Hill)
- ✓ Yellow catchfly (Gellért Hill)
- ✓ Lady orchid
- ✓ Yellow oxeye
- ✓ Yellow flag iris
- ✓ Tufted sedge
- ✓ Summer snowflake
- ✓ Snake's head
- ✓ White-seeded Saw-wort
- ✓ Soft silver tree

Drivers of biodiversity loss: invasive species and pollution

One of the drivers of biodiversity loss is the spread of invasive species, which is mainly seen in the brownfield projects of many of the Market Group's projects. One such example is the BudaPart project, where the Group has been constructing new buildings for several years and will continue to do so for several years to come, while in the staging area and in areas not yet affected by construction activities, invasive species such as the glandular idol tree (*Ailanthus altissima*) and the green maple (*Acer negundo*), which were previously felled under permit, sprout up, become established over the years and start to spread again. The relevant (tree felling) regulation of the competent authority also makes it difficult to manage the situation, as it requires a permit for felling invasive weed trees as if they were dendrologically valuable species.

Invasive species can be introduced when investors order various woody and herbaceous plants for domestic projects from abroad. These can cause the spread of a non-native insect or other pest. Where potentially invasive species are identified, the Market Group will seek to replace them with native or proven non-invasive species.

Pollution is also a driver of biodiversity loss that the Market cannot avoid, but is trying to reduce its extent and its harmful effects. The construction industry is one of the largest emitters of pollutants among all industries, so Market Építő Zrt's activities have an impact on our environment and natural areas, but as a responsible market player, it is committed to sustainability and biodiversity conservation.



Raising awareness on biodiversity conservation

Although halting biodiversity loss is not yet enshrined as a group-wide commitment, discussions and a change of mindset are taking place at all levels of the company.

As a first step in that process, we have identified the communication of the Global Biodiversity Framework 2030 and 2050 global targets to the company's employees, and the related awareness raising material is being developed. The Global Biodiversity Framework is the most significant international agreement to date on biodiversity conservation, adopted by UN member states in 2022. The Framework has 23 targets for 2030 and 4 ambitious targets for 2050. These include, for example, that 30% of degraded land and marine areas should be covered by an appropriate restoration programme by 2030. And Goal 15 of the GBF provides for transparency and disclosure of corporate operations that affect biodiversity.

For suppliers, the Market Group does not yet impose binding instructions to curb biodiversity loss, but in the horticulture and landscape architecture discipline, for example, it is already known to push its designers and specialist contractors (subcontractors) to design and supply native species rather than exotic species. In addition, the Group tries to obtain the plants it intends to plant from local nurseries. The latter is often not an easy task, as it is usually necessary to collect plant material for a project from many places, but it is a more sustainable option than ordering and supplying everything from a large foreign nursery.





Waste management

[GRI 3-3] [GRI 306-1] [GRI 306-2]

[GRI 306-4] [GRI 306-5]



waste generation. Aware of this fact, the Group pays particular attention to waste management and is constantly looking for ways to reduce waste.

In its own projects, its member company Lean Tech Mérnökiroda Kft. carries out the design tasks, keeping in mind that the principle of using the least possible amount of materials is applied in all cases. The most effective way to reduce waste is to minimise the use of materials, which can significantly reduce the amount of waste generated throughout the construction process.

A related strategic goal is for the Group to reduce the amount of waste generated by its operations by 10% by 2025, and to recycle 50% of the waste generated by demolition work at other sites. To integrate a zero waste approach into its corporate culture, both in its office operations and in its projects, and to further develop its hazardous waste inventory system.



Types of waste generated

Four main types of waste are generated during construction:

MATERIAL GENERATED BY EXCAVATION:

displaced soil is generated by excavation of building and structural foundations, the amount of which cannot be reduced. However, 100% reuse of this material is feasible and is standard practice in the Market Group. The storage, testing and transport of humus soil to projects is handled by a dedicated environmental expert within the Group.

DEMOLITION WASTE:

demolition waste is generated during the demolition of buildings. It can only be reduced if the investor reuses the structure of an existing building. On projects where demolition waste is generated, in most cases it is ground on site and a certain part is used as road cover and backfill on the given or nearby projects. The use of recycled inert materials in concrete mixes is not yet widespread in Hungary. That is due to material quality certification reasons, which would affect the structural guarantee of the building. With the increased uptake of circular construction, the use of recycled inert materials (insoluble in water, non-combustible or otherwise physically or chemically non-reactive, non-biodegradable) is expected to become more feasible.

CONSTRUCTION WASTE:

construction waste is generated during the construction process. Most of it is material packaging. Packaging materials are necessary to protect products during transport and storage. The main recyclable packaging materials are returned by subcontractors to manufacturers for recycling. Examples of such packaging materials are pallets, cable drums and metal frames used for the transport of flat glass. At present, packaging materials that cannot be returned to manufacturers are transported from projects as mixed waste with construction and demolition waste. The waste management company further separates the mixed demolition and construction waste for recycling at its site.

The second largest amount of waste is generated by cutting materials to size, during the design of the surfaces to be produced. The Market Group sees an opportunity to reduce this type of waste in the future, both at the design phase and through collaboration with material manufacturers. For example, drywall cutting could be eliminated as a waste type if the height of wall surfaces could be tailored to the size

of the plasterboard. The use of modular elements in construction would also reduce construction waste. Materials that are not properly stored and thus lose their shelf life can also increase waste. Therefore, on construction sites, great attention should be paid to the transport of materials on a 'just in time' basis and to storage, which can avoid the generation of significant amounts of waste.

On the projects in and around Budapest, which account for around 80% of the Group's work, construction and demolition waste is handled by a subcontractor partner. For the remaining rural projects, local waste management companies are contracted.

In the case of **Vilati Zrt.**, the excess length of the cables cut and left over during the connection of the projects is collected and delivered to a metal trader. All that is done with a metal trade licence issued by the National Tax and Customs Administration (NAV). Smaller cable drums, cable trays, protective tubes and pallets are also transported by a dedicated waste recycler from both the construction site and the central warehouse.



COMMUNAL WASTE:

it is typically generated on construction sites and from office use in the headquarters. Separate waste collection has been introduced both at headquarters and in the construction offices.

The largest type of waste generated in the construction and demolition waste sector and at the same time recycled, is subsoil in the case of OKM Építőipari és Szolgáltató Kft., which can be used as backfill material once it is removed from the waste stream. In 2023, its volume amounted to 74 596 tonnes.

The Market Group also uses occasionally crushed concrete at construction projects originating from the break-up of concrete, but the quantity of this material can only be given approximately. Crushed concrete can be reused at Kopaszi-dam with the machines of OKM Építőipari és Szolgáltató Kft.

Materials classified as hazardous waste (around 1 tonne generated at Group level in 2023) (oil derivatives or highly contaminated soil) are not treated or recovered by the Group, they have always disposed of by third parties.

It is standard practice for all Market Group member companies to return reusable pallets and cable barrels to manufacturers and building material dealers for reuse.





Quantity and treatment of waste generated

The partner companies (specialised ones) responsible for waste management in the Market Group undergo the following checks:

1. Verification of waste management capacity
2. Soliciting price offers
3. Requesting waste transportation and waste management permits
4. Requesting/Verification of ISO 14001 certificates
5. Occasional site audits
6. Checking the process of waste related data collection and tracking

In addition, the Group receives monthly data from companies that manage demolition and construction waste.

As of 1 July 2023, MOL Hulladékgazdálkodási Zrt. will be responsible for the collection and management of approximately 5 million tonnes of municipal solid waste in Hungary per year. Among other things, MOL has committed to invest around HUF 185 billion in the next 10 years, to build a new facility for the energy recovery of at least 100,000 tonnes of municipal solid waste per year within five years, to reach a recycling rate of 65% of the current 32% of municipal waste in Hungary by 2040 and to reduce the share of waste going to landfills to 10% from the current 50%. Waste generating businesses and institutions, including several Market Group member companies, were required to register on the MOHU Partner Portal.

Regarding the member companies, large amounts of waste are generated during the operation of Market Építő Zrt. (waste of subcontractors is also accounted for Market) and OKM Építőipari és Szolgáltató Kft. (due to earthworks). The waste generated by the other member companies can be considered marginal in terms of quantity.

²⁹ The 2022 Sustainability Report incorrectly recorded the recycling rate for PREbeton Zrt. The corrected figure is 67%. On this basis, the Group's recycling rate for 2022 is 94.29% (previously reported 94.54%).

DISTRIBUTION OF THE MASS OF NON-HAZARDOUS WASTE AND RECYCLING RATE FOR EACH MEMBER COMPANY

	QUANTITY OF NON-HAZARDOUS WASTE (TONNES)	RECYCLING RATE (%)
Market Építő Zrt.	32 644	79
OKM Építőipari és Szolgáltató Kft.	155 341	100
Moratus Kft.	281	62
Vilati Szerelő Zrt.	38	99
PREbeton Zrt. ²⁹	786	88.4
MCM Beton Kft.	2	13
Market Épületszerviz Kft.	83	15
MRKT Padló Kft.	18	100
Lean Tech Mérnökiroda Kft.	-	-
Property Market Ingatlanfejlesztő Kft.	-	-
Total	189 193	96.23

Waste that cannot be recycled on projects is handed over by Market Group to waste haulage companies for collection and/or recycling. If recycling is not possible for a given quantity, it is sent to landfill.

In 2023, 3.77% of Market Group's total waste was landfilled, equivalent to 7 133 tonnes.



A step towards the circular use of materials: reuse of EPS insulation materials

In 2023, MRKT Padló Kft., a manufacturer of concrete flooring elements, launched an initiative to use the residual EPS (Extruded Polysterene) insulation material from projects as a raw material in the production of lightweight concrete subflooring.

The aim of MRKT Padló is to reuse the EPS insulation material residues collected from projects for the production of concrete floors after grinding. That would prevent the material from entering the waste stream and ending up in landfills. The process is currently in the trial phase. Last year, a total of 300 m³ of EPS was collected from projects, which was ground and used to make subconcrete.

In the next phase, laboratory testing will be required to obtain a declaration of performance for the 'ground product' to be ready for final installation.





Stakeholders



The Market Group considers as stakeholders those groups that have an influence on or an interest in, the achievement of the company's objectives or affected by it. As a first step in the development of its sustainability strategy, Market Group conducted a comprehensive survey to identify their views and gather their suggestions on its sustainability activities. The main stakeholders considered are customers, employees, suppliers and partners, NGOs and members of the future generation.



Stakeholder survey

[GRI 2-29]

In addition to direct contacts, stakeholder engagement took place through a stakeholder survey on sustainability in the summer of 2021. Thereafter, the Market Group will repeat the survey periodically (every two years) to monitor changes in stakeholders' expectations of the Group. Accordingly, a stakeholder survey was conducted again in 2023, involving and interviewing the previously identified stakeholder groups.

In mapping the material topics required for the sustainability report, in addition to the industry expectations arising from its core business and the strategic objectives of the Group, Market also took into account the focal points identified by its stakeholders. Stakeholders were asked to provide their views on various sustainability topics through an online anonymous survey. In the survey, Market wanted to know how its various stakeholders assess the sustainability performance of the Group and what recommendations they have for making the company's operations more sustainable.

The 2023 survey shows that sustainable raw material use, resource efficiency and a low-carbon strategy are the key environmental priorities for the majority of Market Group's stakeholders. Social issues highlighted in the survey include occupational health and safety, social impact on communities and attracting and retaining talent. Along the economic dimension, corporate governance, efficiency and innovation management were also considered important.

Stakeholders found that the Market Group can best contribute to SDG9: Industry, Innovation and Infrastructure, SDG 8: Decent Work and Economic Growth, SDG11: Sustainable Cities and Communities, SDG4: Quality Education, and SDG12: Responsible Consumption and Production. A new element is SDG8, the second most important target in terms of weighted results. Market contributes to all the mentioned goals in the course of its operations. (See the section on the Focus on the UN Sustainable Development Goals).

The Group intends to continue to think and work together with its stakeholders and encourages everyone to share their comments, ideas and opinions at the dedicated address: fenntarthatosag@market.hu.



Staff

[GRI 2-4] [GRI 2-7] [GRI 2-8] [GRI 401-1]

[GRI 401-2] [GRI 401-3]



Work environment

The Group has always strived to build the best possible relationship with its employees, knowing that its success is down to them. Accordingly, it values every employee and strives to provide everyone with room for continuous personal and professional development. It places particular emphasis on providing its employees with a range of opportunities that contribute to their health and well-being.

At the end of 2023, the Market Group had 1477 employees. This number includes full-time and part-time employees, as well as colleagues employed on fixed-term and open-ended contracts. Of these, 1158 are men (77.9% of the total workforce) and 319 are women (22.1% of the total workforce). The proportion of fixed-term and part-time employees is not significant in relation to the total number of employees. In 2023, 34 colleagues worked part-time and 3 had fixed-term contracts. In addition, Market worked with 52 contractors who were not employees of the company.

A total of 354 new employees started their careers in the Group during the year. Market's equal opportunities policy does not discriminate between male and female employees in determining remuneration, which is always based on position and professional skills. New recruits are supported in their integration through an onboarding process. That will familiarise newcomers with the Group, its internal processes, colleagues, the benefits system, and provide them with the tools and training they need to do their job. The Market Group also continuously monitors turnover trends in its member companies. In 2023, the turnover rate was the highest for MRKT Padló Kft.

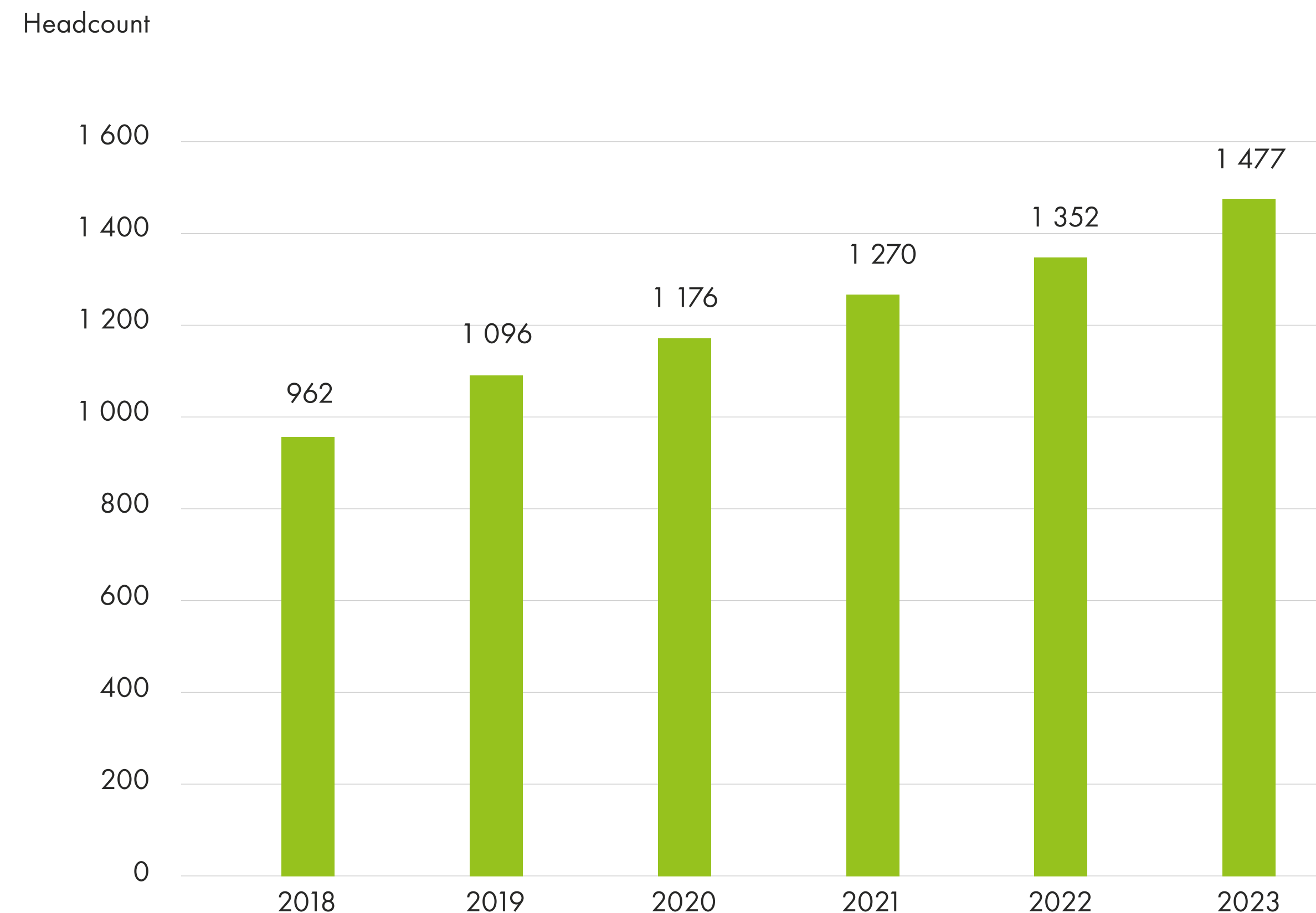


Of the 39 Market Group colleagues who were absent for a longer period due to maternity or childcare leave, 11 returned in 2023. Market counts it a success that 6 of the returning colleagues were still working for the Group after 12 months.³⁰

GENDER DISTRIBUTION OF EMPLOYEES BY MEMBER COMPANY IN 2023

	MALE (PERSON)	MALE (%)	FEMALE (PERSON)	FEMALE (%)	TOTAL
Market Építő Zrt.	389	67.89	184	32.11	573
OKM Építőipari és Szolgáltató Kft.	242	87.68	34	12.32	276
Moratus Kft.	129	86.58	20	13.42	149
Vilati Szerelő Zrt.	93	92.08	8	7.92	101
PREbeton Zrt.	113	80.14	28	19.86	141
MCM Beton Kft.	21	95.45	1	4.55	22
Market Épületszerviz Kft.	89	92.71	7	7.29	96
MRKT Padló Kft.	42	95.45	2	4.55	44
Lean Tech Mérnökiroda Kft.	18	56.25	14	43.75	32
Property Market Ingatlanfejlesztő Kft.	22	51.16	21	48.84	43
Total	1158	77.88	319	22.12	1 477

TRENDS IN THE NUMBER OF EMPLOYEES BETWEEN 2018 AND 2023³¹

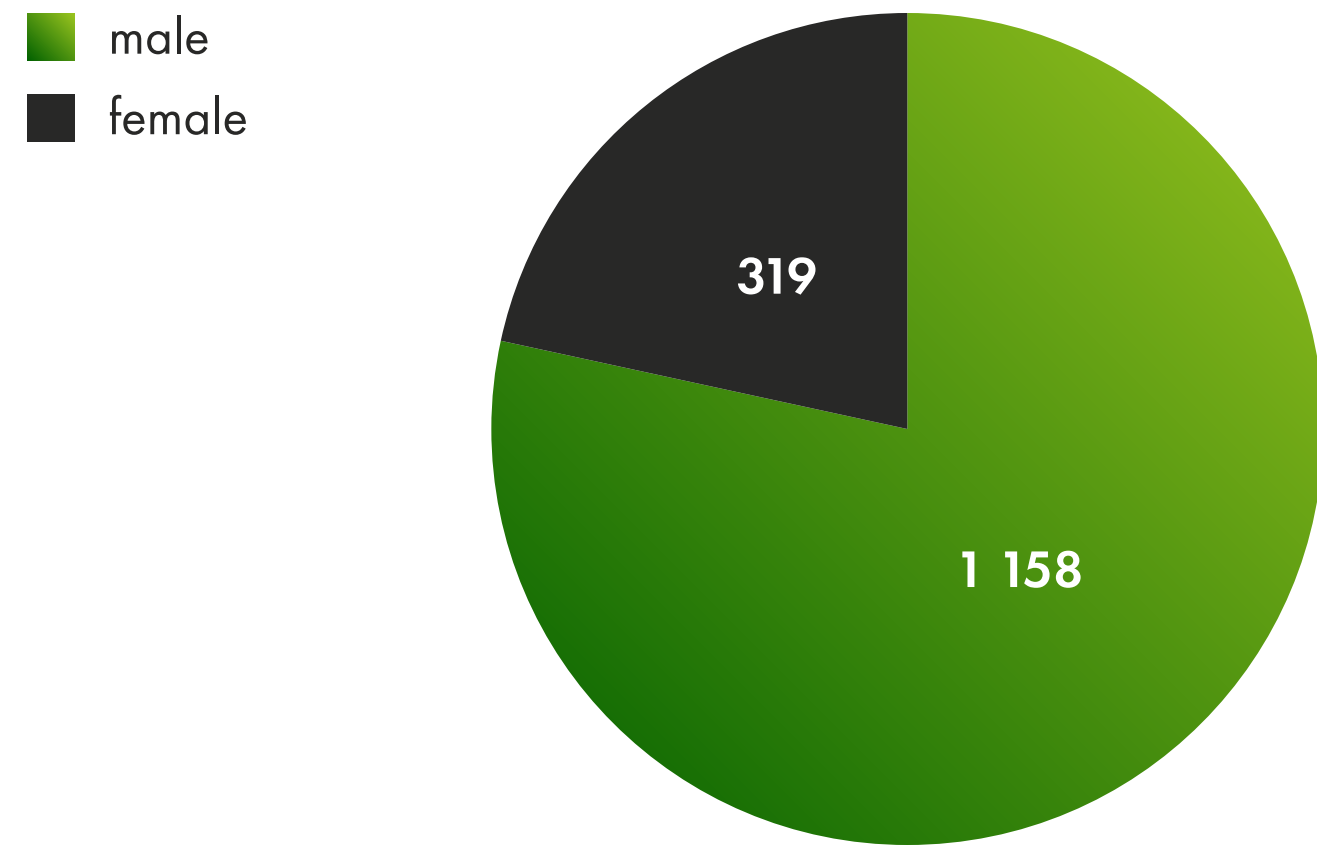


³⁰ In the year under review, the retention rate was 85.7%, meaning that all but one of our colleagues who returned to work after a longer period of time to have children remained with the Market Group 12 months after their return.

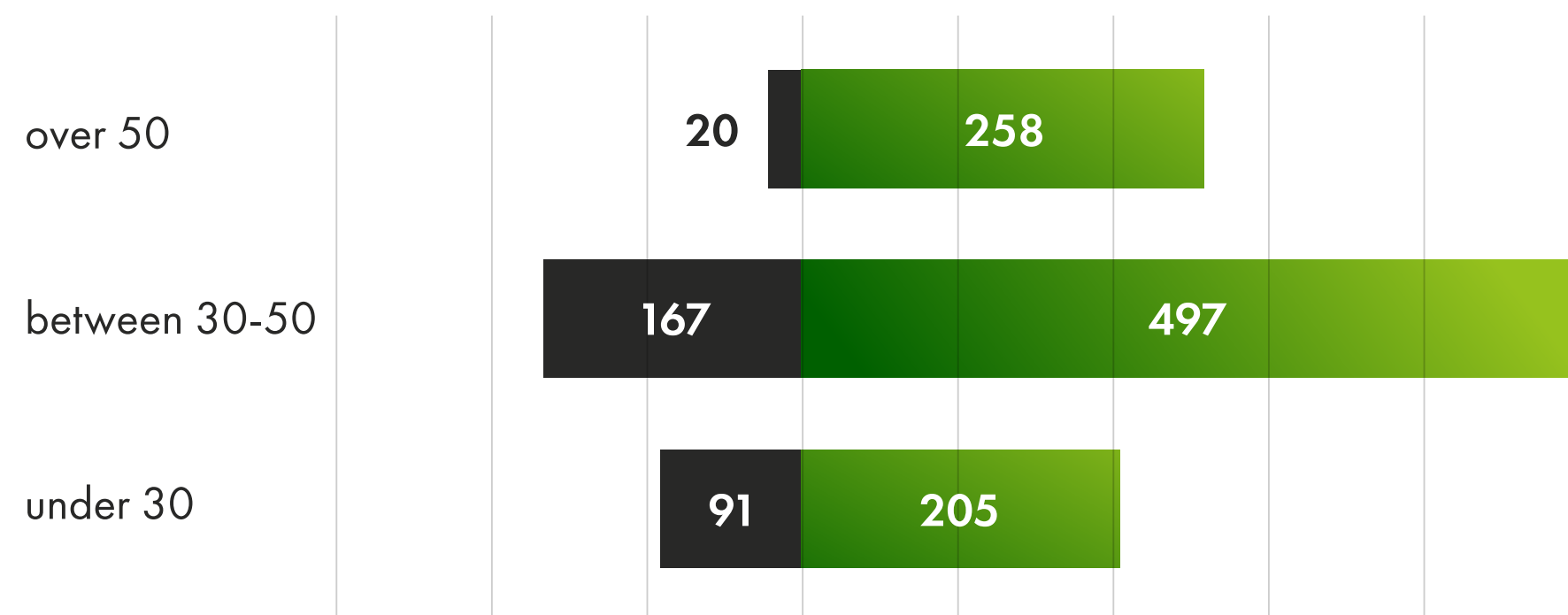
³¹ The aggregated data for the period 2019-2022 have been updated with data from MRKT Padló Kft.



GENDER DISTRIBUTION OF STAFF AT GROUP LEVEL, 2023



MARKET GROUP AGE DISTRIBUTION



Market Építő Zrt. and PREbeton Zrt. saw the largest increases in the number of full-time employees compared to 2022. For Market Építő Zrt., the increase in headcount was mainly due to the growing number and volume of projects, with a significant share of the new employees joining the core business activities of the company. In the case of PREbeton Zrt., the commissioning of the new factory necessitated the increase in staff.

DEVELOPMENT OF THE NUMBER OF FULL-TIME EMPLOYEES (PERSONS)

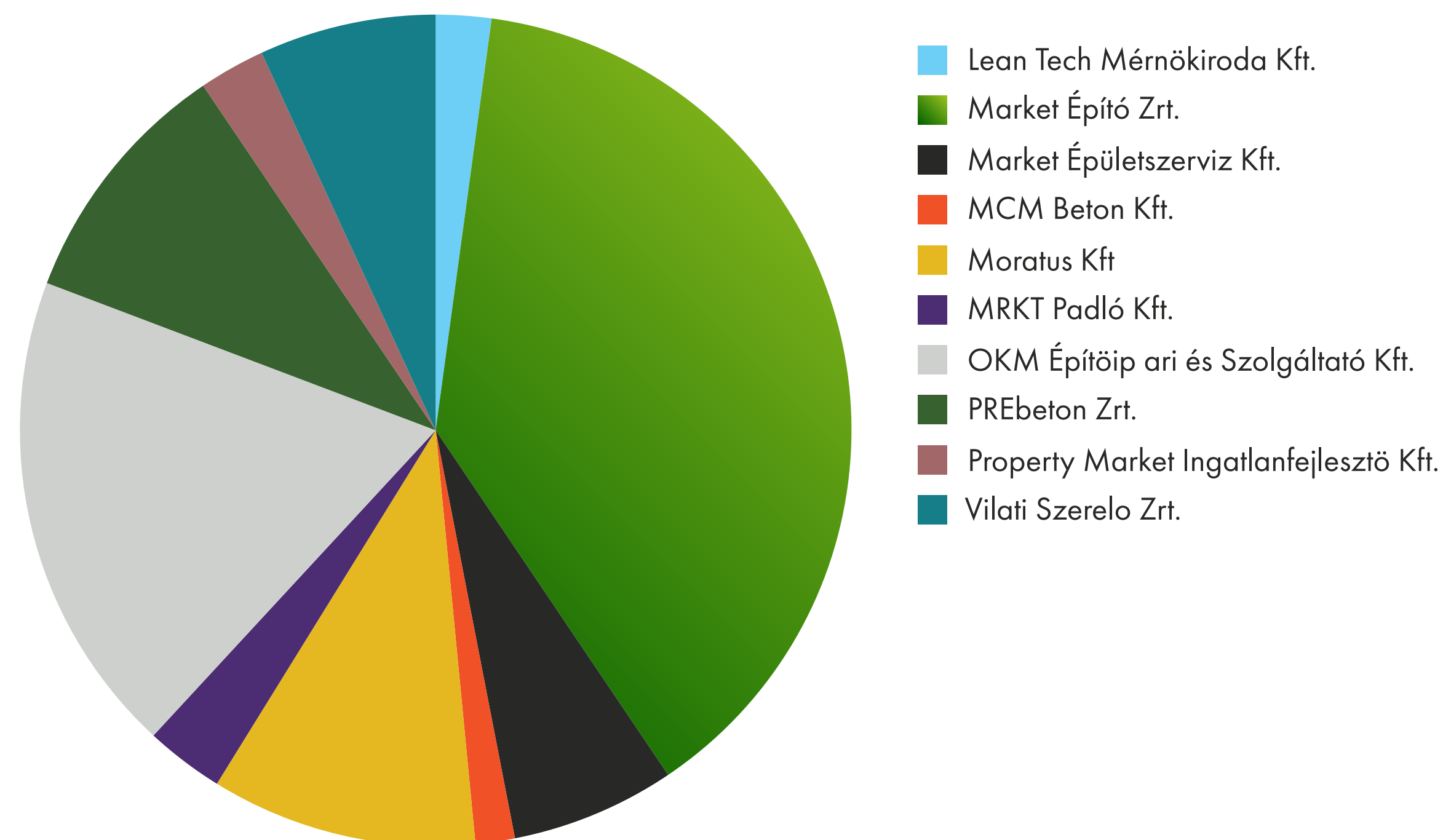
	2018	2019	2020	2021	2022	2023*
Market Építő Zrt.	1355	421	430	482	509	553
OKM Építőipari és Szolgáltató Kft.	234	282	274	285	274	272
Moratus Kft.	182	175	169	159	156	149
Vilati Szerelő Zrt.	60	61	60	73	71	99
PREbeton Zrt.	0	4	81	84	121	141
MCM Beton Kft.	5	9	11	28	29	22
Market Épületszerviz Kft.	67	73	75	82	87	92
MRKT Padló Kft.	0	46	65	55	57	44
Lean Tech Mérnökiroda Kft.	13	15	16	20	27	31
Property Market Ingatlanfejlesztő Kft.	33	39	45	36	39	37
Total	949	1079	1176	1249	1313	1443

* Based on data as of 31 December 2023.



Evolution of the number of full-time employees

Contractual partners are employees who are not directly employed by the Group. The Market Group classifies the following as contractors: elected officers, agency, temporary agency. Compared to 2022, the number of contractors has changed only slightly and, among the member companies, Market Építő Zrt. continues to have the highest number of employees as contractors.



DEVELOPMENT OF THE NUMBER OF CONTRACTUAL PARTNERS (NOT EMPLOYED BY THE GROUP)

	2018	2019	2020	2021	2022	2023
Market Építő Zrt.	21	27	101	27	29	28
OKM Építőipari és Szolgáltató Kft.	6	10	3	2	4	7
Moratus Kft.	25	29	3	6	6	10
Vilati Szerelő Zrt.	0	0	0	0	1	3
PREbeton Zrt.	0	1	1	2	1	1
MCM Beton Kft.	0	1	0	0	0	2
Market Épületszerviz Kft.	1	0	0	0	0	0
MRKT Padló Kft.	n. a.	2	2	3	3	1
Lean Tech Mérnökiroda Kft.	2	2	2	3	0	0
Property Market Ingatlanfejlesztő Kft.*	n. a.	n. a.	n. a.	n. a.	0	0
Total	55	70	110	40	41	52

* There is no retrospective data available for Property Market Ingatlanfejlesztő Kft.



In 2023, the total turnover rate in the Group was 19.64%.

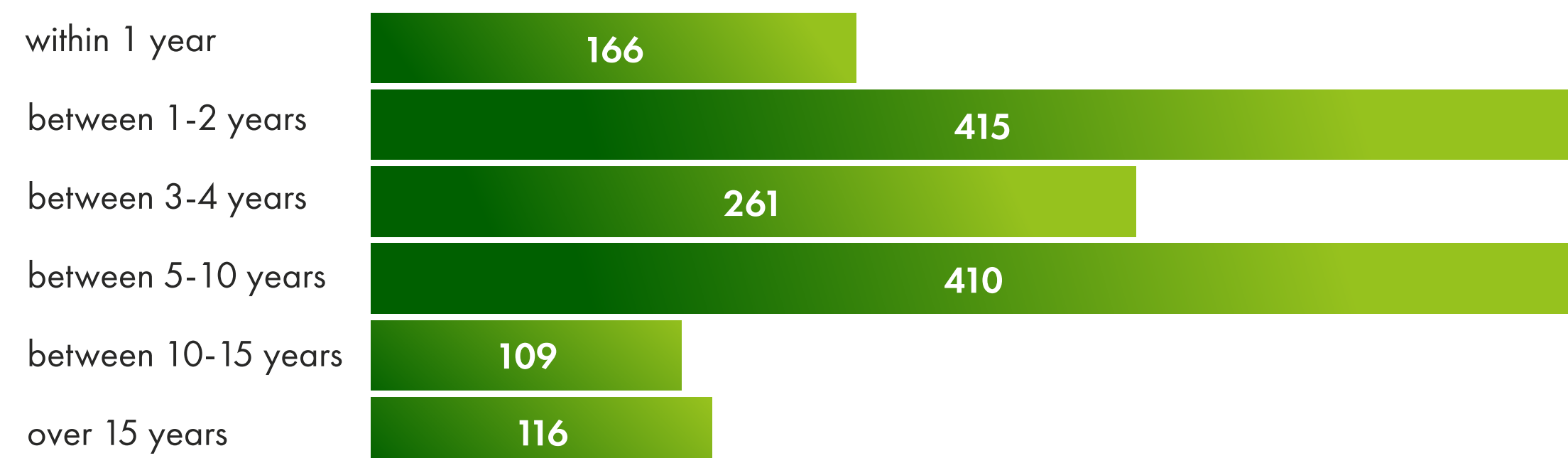
STAFF TURNOVER (%)

	2018	2019	2020	2021	2022	2023
Market Építő Zrt.	9.52%	15.17%	13.99%	9.46%	10.06%	12.31%
OKM Építőipari és Szolgáltató Kft.	32.00%	23.28%	20.84%	20.49%	22.68%	18.37%
Moratus Kft.	71.52%	61.16%	27.98%	25.01%	20.47%	19.77%
Vilati Szerelő Zrt.	12.95%	6.26%	9.88%	8.73%	25.07%	22.69%
PREbeton Zrt.	-	0.00%	115.64%	50.26%	43.45%	30.08%
MCM Beton Kft.	173.42%	147.04%	53.69%	7.37%	21.38%	54.09%
Market Épületszerviz Kft.	13.30%	9.82%	6.70%	1.29%	4.77%	17.02%
MRKT Padló Kft.	-	33.45%	128.4%	109.58%	51.49%	60.06%
Lean Tech Mérnökiroda Kft.	8.35%	7.29%	23.86%	5.40%	17.46%	9.93%
Property Market Ingatlanfejlesztő Kft.	15.89%	19.70%	17.58%	73.06%	23.14%	28.93%

Over the past years, the Market Group has focused on expanding its workforce and is consciously building on that. The professionalism - which the Market Group expects of itself - and the complexity of the projects have made it necessary to increase the number of employees of both Market Építő Zrt. and its subsidiaries year by year. In line with the long-term business strategy, the Group has grown to a higher level with the addition of new affiliates and colleagues. Synergies are maximised, with companies within the Group reinforcing each other. Recent developments have brought with them the need for new types of competences, and the Market Group has expanded accordingly, with new areas such as BIM design, digitalisation and data analytics. These new areas also require skilled manpower, so the growth of the Group is not only in terms of numbers, but also in terms of quality.

In addition to attracting talent, the Market Group also pays special attention to valuing its colleagues who have worked for years or even decades to achieve shared success along the company's values. Market Group is proud that 15% of its colleagues have been with the Group for more than 10 years.

DISTRIBUTION OF MARKET GROUP LOYALTY





Employee health and safety

[GRI 403-1] [GRI 403-2] [GRI 403-3] [GRI 403-4] [GRI 403-5]
[GRI 403-6] [GRI 403-7] [GRI 403-8] [GRI 403-9] [GRI 403-10]

Safety at work is critical to the Market Group. Construction work processes have a number of potential hazards, which must be identified and managed during the execution of projects. Therefore, in addition to regulatory compliance, the Group continuously monitors industry trends and adopts best practices to ensure the safety of its employees at all times. The Market Group's strategic objective is to maximise the number of working days lost due to accidents at 700 days/year. That was 464 in 2022, well below the target.





Safety at work

The Group complies fully with occupational health and safety legislation and the requirements of the MEBIR (Occupational Health and Safety Management System) standard. In hazardous work processes and technologies, where prevention is not sufficient, Market provides its employees with personal protective equipment to protect them against the hazards and to reduce the harmful effects. In all cases, workers are obliged to use the protective equipment issued to them in accordance with its intended purpose and to check its quality and protective capacity on an ongoing basis.

If work equipment, when used as intended, poses a direct risk to the health and safety of workers or could lead to an accident at work, it must be subject to an immediate inspection by the local manager.



SAFETY ON CONSTRUCTION SITES

At Market Group construction sites, the Group provides:

- Individual risk assessment for each site
- Development of a health and safety plan
- Occupational health and safety inspections, provision of an occupational health and safety coordinator in the work area
- Security guarding and access control (check of medical certificate)
- Verification of OSH training certificate

During their health and safety inspections, the occupational safety coordinators assigned by Market draw up daily safety reports (protocols) on the deficiencies they found, and those are sent to the construction management, who draw the attention of the subcontractors concerned to the need to remedy such deficiencies.

Proportioning the number of defects found in the reports, Market produces statistical indicators that are used to monitor the occupational safety performance of construction sites on a continuous basis.



Managing occupational health and safety risks

During the construction activities on the site, Market Group assesses the risks during all work processes. The occupational health service provider is also involved in the process. Risk is calculated by multiplying the severity of an accident by the probability of its occurrence. The level of risk is assessed on a scale of 0 to 400. If the risk is minimal, acceptable, moderate or significant, work may only be started after appropriate protective equipment and training has been provided. If the level of risk is unacceptable, the work must not be started. The Group expects all employees to stop work immediately if an emergency or hazard (malfunction) is detected and to report the emergency to the manager. However, he must eliminate or seek to reduce the emergency as far as he is reasonably expected to do. He must immediately report any accident at work which he has suffered or observed to his immediate superior. Therefore, the employee must not suffer any disadvantage within the Group.

An accident at work is investigated jointly by the manager of the workplace and the head of health and safety. In the course of the investigation, the site, the work equipment, the working conditions, the behaviour of the injured person and his co-workers, and the technical regulations and instructions applicable to the activity in question are reviewed.

Identification of work-related hazards and how to assess risks

In the course of their construction activities at the work site, the employees of Market Zrt. may be exposed to risks (directly or indirectly, in whole or in part) arising from the work processes of subcontractors. The risk assessment of Market Zrt. is carried out with the involvement of the company's occupational health service provider.

The survey is based on the following criteria:

Nature and severity of damage: (S)

- (1) – material damage
- (2) – minor personal injury
- (3) – serious and permanent personal injury
- (4) – fatal accident or life-threatening injury
- (6) – likely
- (10) – almost inevitable

Probability of occurrence: (V)

- (0,1) – impossible
- (0,5) – unlikely
- (1) – minor
- (3) – minor but conceivable






Protection effectiveness: (Ve)

- (0,9) – possibility of exposure to the hazard is very low
- (0,6) – contact hazard unlikely but possible
- (0,3) – likely to come into contact with hazard
- (0,1) – contact with hazard may occur at any time

Risk calculation:

Severity * Probability
Applied protection

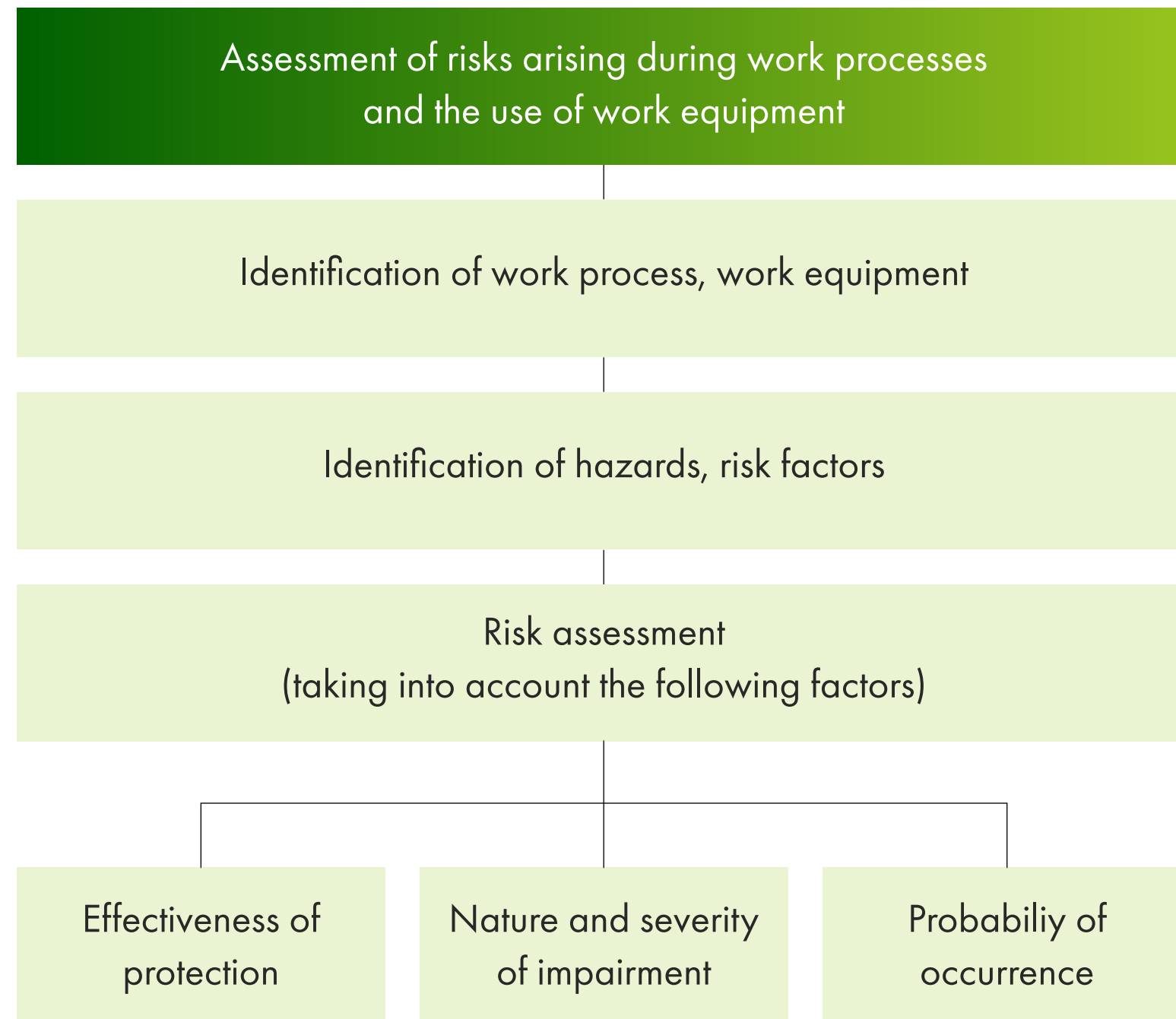
Level of risk: (K)

-  (0 – 20) – minimum
-  (21 – 40) – acceptable
-  (41 – 60) – moderate
-  (61 – 100) – serious
-  (101 – 400) – unacceptable

Measures (processes) taken to minimise hazards and risks associated with work and ensure their quality



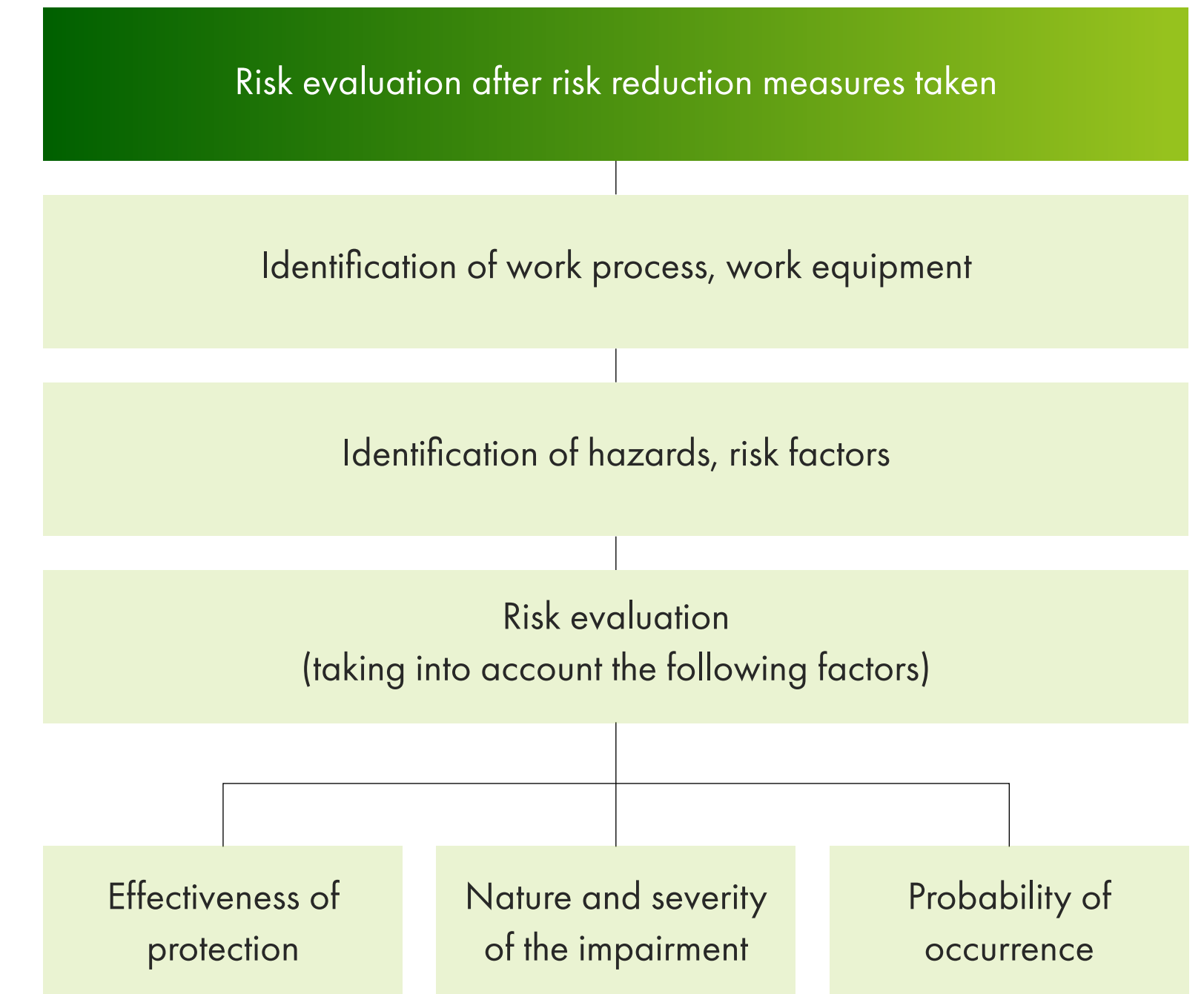
ASSESSMENT OF RISKS ARISING DURING WORK PROCESSES AND THE USE OF WORK EQUIPMENT



MANAGING RISKS



RISK EVALUATION AFTER RISK REDUCTION MEASURES TAKEN





The work safety rules (MVSZ) and rescue plan contain the procedures to be followed in emergency situations. In the subsection on general and special rules for work, the MVSZ stipulates for employees: “In the event of an emergency or danger (malfunction), work must be suspended immediately and the emergency must be reported to the manager. At the same time, such an employee must eliminate or seek to reduce the emergency as far as he is reasonably expected to do. He must promptly report any accident at work which he has suffered or observed to his immediate superior.’

All workers can report dangerous situations through their safety representatives or supervisor. Therefore, an employee must not suffer any disadvantage within the Group. The employees themselves are entitled – in accordance with Section 70 of the Act on Occupational Safety and Health (Mvt.) – to elect an OSH representative from among themselves to exercise their rights in relation to occupational safety.

The safety and health representative is entitled to carry out safety and health inspections in his area of operation (electoral area), to participate in accident investigations, commissioning and start-up procedures, and to initiate safety and health measures. The representative’s initiative must be answered in writing without delay, but within a maximum of eight days, and the necessary action must be taken.

An accident at work is investigated jointly by the manager of the workplace and the head of health and safety. In the course of the investigation, the site, the work equipment, the working conditions, the behaviour of the injured person and his/her co-workers, and the technical regulations and instructions applicable to the activity in question are reviewed.

As a result of the investigation, the causes of the accident, the circumstances and behaviours that caused and contributed to the accident must be identified, and the employer’s measures to prevent similar accidents must be determined. The workers concerned shall be informed by means of refresher training.

Occupational safety and health management system

The following member companies of the Group are ISO 45001 certified: Market Építő Zrt., OKM, Vilati, Épületszerviz, PREbeton. The standard is regularly renewed and the compliance of the member companies is audited annually by a third party.

Certain rules also apply to employees of partners on construction sites (it is necessary to demonstrate medical fitness, checking the employee’s ability to work by the security service, presence of appropriate personal protective equipment, existence of appropriate protection measures in the work areas taken over).

Moratus plans to introduce the OSH Management System (MEBIR) standard in 2023. In the case of Lean Tech Mérnökiroda Kft., the implementation of the standard is not of great importance, as they are doing design work.

Occupational health and safety advocacy

In compliance with the Act on Occupational Safety and Health, Market Group ensures the reconciliation of interests in the field of occupational safety and health and the protection of employees’ interests in occupational safety and health. The Group’s representatives for occupational safety and health are entitled to call upon the services of an expert on topics related to safe and healthy working conditions, subject to prior agreement with the employer, and to discuss them with the occupational safety and health authority.



Occupational health and safety trainings

The Market Group provides mandatory occupational safety and fire protection training for all new colleagues, an onboarding process to help them settle in and information on related learning materials. The participants take a short exam to report on what they have learned during the training. Those who do not achieve a satisfactory grade must review the training package and retake the exam.

Every year, all employees must repeat the training on safety at work and fire safety. If additional training (e.g. a fire safety exam) is required to carry out a job safely, that will always be provided by the company.

Twice a year, there is a performance review, which can suggest areas for improvement, be it professional or competence development.

Finally, managers can request year-round development training for their teams in the form of presentations, training, team building and individual sessions.

Of course, our own colleagues can also contact us for in-school or out-of-school further training. We can offer them a study contract, subject to management approval.

Training courses are put together in two ways. Either we hire an external company and contract them to develop and deliver the training, or we identify colleagues who have expertise in the area and ask them to deliver training to their colleagues.

In the case of an evaluative training, we assess participants' knowledge through feedback sheets and exams, and monitor their progress in the mid-term performance review.

In 2023, we put together a digital education theme for the construction project, including site-specific specialities. In 2024 we will continue testing in a pilot programme.

In 2023, we organised the first ever MARKET OSH Day. The programme was open to all colleagues at headquarters, without any restrictions on numbers or time. In setting up the theme, we complemented the theoretical lectures with interactive practical training – e.g. fire-fighting techniques, first aid.

In 2024, we plan to organise two OSH days, one of which we intend to organise on a construction project.





Occupational Health

The Group carries out an annual fitness for work test, and if the occupational physician finds a limiting factor, he or she sets the next test date (within one year). All colleagues are entitled to a biennial glasses allowance from the contracted partner, and receive an additional permanent discount on all glasses and lenses. Screening tests are carried out annually and eye screenings every two years at the headquarters, which all employees can attend. Confidential medical documents and data are handled by the Group in accordance with GDPR.

There is no risk of occupational disease in the Market Group, and therefore no cases occurred during the reporting period. Welding is also carried out at Prebeton's locksmith plant, where air quality testing is carried out regularly.



29 122

employees on construction sites

2 632 525

hours worked

ISO 45001

(Market Építő Zrt., OKM Építőipari és Szolgáltató Kft., Vilati Szerelő Zrt., Market Épületszerviz Kft., PREbeton Zrt.)

0

fatal accidents





Number of accidents at work* per member company

MEMBER COMPANY	2018	2019	2020	2021	2022	2023
Market Építő Zrt.	2	2	0	1	3	3
OKM Építőipari és Szolgáltató Kft.	3	2	3	2	2	4
Moratus Kft.	4	6	4	5	3	1
Vilati Szerelő Zrt.	1	0	1	0	0	0
PREbeton Zrt.	0	0	1	2	5	7
MCM Beton Kft.	0	1	1	1	1	0
Market Épületszerviz Kft.	0	0	1	3	2	2
MRKT Padló Kft.	0	0	1	0	2	0
Lean Tech Mérnökiroda Kft.	0	0	0	0	0	0
Property Market Ingatlanfejlesztő Kft.	0	0	0	0	0	0
Total	10	11	12	14	18	17
Number of accidents/capita	0.010	0.010	0.010	0.011	0.013	0.012
In a revenue proportional comparison (number of accidents per 100 M HUF)	0.006	0.005	0.005	0.004	0.004	0.004

* Accidents with more than 3 working days of absence.

In 2023, there were no accidents involving 1-3 working days lost.

No data are available on accidents at work sites not involving Market Group's own employees.



Employees' health and well-being

The Market Group, in cooperation with Colonnade Insurance and Dr. Rose Private Hospital, has taken out a group health insurance policy for its employees, with the basic function to provide outstanding protection for its employees in the event of illness, thereby reducing the time spent on sick leave.

Dr. Rose Private Hospital's care management significantly shortens patient journeys, while their fast and professional care helps employees recover more efficiently and stress-free. In contrast to waiting lists of up to several months in the public care system, Dr. Rose arranges healthcare services in up to 10 working days from the time of application.

In addition to the group health insurance, there are compulsory annual check-ups such as ophthalmology (free of charge) and non-compulsory screening tests (dermatology, laboratory, ultrasound), which are covered by Market at half the cost. An online stress management course is also available to colleagues, which anyone can join, and which the Group has launched in response to increased demand following the coronavirus epidemic.

The Market Health Programme has been a great success - now in its fifth year. Colleagues can get medical check-ups on the spot, during working hours, without queuing and without a referral. These will be implemented partly with full support and partly with 50% support. In addition, the Group provided a free spine health check for office workers, after which they have the opportunity to take part in a spinal gymnastics programme.

AS PART OF THE WORK-LIFE BALANCE PROGRAMME, WE HAVE ORGANISED SEVERAL WELL-BEING PROGRAMMES FOR MARKET GROUP EMPLOYEES IN 2023:

-
- ✓ Melanoma screening
 - ✓ Outpatient ophthalmological examination
 - ✓ Ultrasound scan
 - ✓ Blood sampling laboratory test
 - ✓ Good nutrition questionnaire and advice

MARKET GROUP ALSO OFFERS EMPLOYEES A NUMBER OF OPPORTUNITIES TO PARTICIPATE IN SPORTS ACTIVITIES FREE OF CHARGE:

-
- ✓ Fitness room in the headquarters.
 - ✓ Any employee can apply for an All you can move card.
 - ✓ Tennis court rental is available at the at the Római Tennis Court (RTA).
 - ✓ Swimming at the TVE swimming pool.
 - ✓ Participation in BSI events (e.g.: Vivicitta, Balaton cross swimming).
 - ✓ Market Skiing in Murau.
 - ✓ NN Ultrabalaton.



Training and development

[GRI 3-3] [GRI 404-1] [GRI 404-2] [GRI 404-3]

The Market Group is constantly striving to apply new approaches and techniques to help its colleagues develop. It offers a wide range of learning opportunities and is committed to expanding its offer. In the construction industry, it is essential to constantly evolve, innovate and integrate innovation into core business. The obsolescence of workers' knowledge is a serious risk and education and skills development are therefore essential. Increasing the number of training hours is also a target in the sustainability strategy: by 2025, the Group aimed to achieve 30 training hours per employee per year - that target was met in 2023.

In 2023, the Group did not just aim to provide 30 hours of training per person per year – it continuously assessed how the increase in training hours would affect colleagues, the company, the industry and society.

Along the evaluations, Market Group staff realised that a focus on quantity could compromise quality. A focus on volume may require staff to attend training and learning events that are not necessary for their work or development.





THE LEARNING OPPORTUNITIES WERE ASSESSED ACCORDING TO THE FOLLOWING FACTORS:

- ? Is the knowledge gained useful for the colleague?
- ? Does the knowledge that can be acquired help the colleague to improve his technical skills or knowledge?
- ? Does the knowledge that can be acquired help to develop the competences and soft-skills of the colleague?
- ? Does the knowledge that can be acquired help the colleague's career?
- ? Does the knowledge that can be acquired maintain the integrity and quality defined by our company?
- ? Is the knowledge acquired in line with the company's objectives and does it help to achieve the goals set out in the strategy?

In 2024, the Group will further expand training opportunities to ensure that all employees have relevant learning and development opportunities. For the system that will be developed, it remains important that the proposed training and learning pathways support corporate strategies, corporate objectives, career development opportunities, competence development and the filling of knowledge gaps within the company and the industry.

Market Group does that by providing learning opportunities not only for its own workforce, but also for its stakeholders, whether it's industry training through technical training institutes and university courses, or supplier development through the Partner Programme.

Market Group seeks to develop its employees in a wide range of competences, depending on their needs and areas for development. Colleagues have access to training opportunities at all levels of the company.

Market Építő Zrt. offers its employees the opportunity to expand their language skills in 4 different languages. These are English, German, Mandarin and Korean.

The company also offers non-industry related opportunities such as basic IT classes, spreadsheet, office software and stress management. It is open to the concept of lifelong learning and strives to provide a wide range of learning opportunities for its colleagues.

Market workshops help colleagues to improve their communication skills and other soft-skills in trainings. Market Építő Zrt. also strives to ensure that as the company grows, it also trains skilled managers who have the leadership skills to take the company even further, while providing a safe and productive work environment for their employees. To ensure that, we run a Leadership Academy, which consists of 12 modules focused on providing soon-to-be leaders with the tools they need to lead their teams.

Those already in senior management positions receive leadership skills and competency training. Those who want to become leaders or who are identified as leadership candidates will receive a series of training sessions to help them prepare for leadership. These include the Market Leadership Academy and Leadership and Organisation. The Leadership Academy is a series of modules consisting of development sessions for designated prospective leaders or current ones. It covers a wide range of topics (e.g. communication, self-knowledge, project management), all of which have in common that they are related to leadership competences. A series of lectures for top managers in Leadership and Organisation with expert guests. The themes of the lectures are also varied, with topics on market, social and organisational management.

Market Group believes that when colleagues are safe, aware and have no problems in the backyard (i.e. at home), they can focus more on their daily tasks and deliver a higher quality of work. The Group therefore strives to provide a variety of informative e-learning and training courses.

In 2023, the Group developed employee knowledge on cybersecurity and digital identity protection through a 12-part podcast. In addition, first aid training was provided to 250 employees to help them feel safer working on construction sites by ensuring that they have someone on site with the knowledge to keep them stable until paramedics arrive in the event of an accident.

Also in 2023, ESG training will be launched within the Market Group, initially for managers, to provide them with more up-to-date knowledge and insight into what ESG is, what the Group's strategic objectives are, and how they can manage and improve their day-to-day tasks to meet the targets and deadlines set.



For employees, the Group offers additional external opportunities to develop their knowledge and thus further advance their careers. One of these is the opportunity to go on study and research trips abroad, where they can become interested in new techniques and technologies. Many of Market's employees have travelled to the United States, China and the Middle East to learn new ways of working and thereby improve the company's processes. Continuing education in higher education or vocational/industry-specific training is supported by the Market Group in the form of financial support and study leave.

In 2023, as every year, we organised various communication training sessions: some general, some focused on a specific area of communication science (negotiation and argumentation techniques, communication with colleagues and clients).



NUMBER OF TRAINING HOURS PER EMPLOYEE PER MEMBER COMPANY 2021-2023

MEMBER COMPANIES	2021	2022	2023
Market Építő Zrt.	6.5	10.9	40.25
OKM Építőipari és Szolgáltató Kft.	2.2	2.3	25.99
Moratus Kft.	3.7	1.2	34.76
Vilati Szerelő Zrt.	6.9	3	19.08
PREbeton Zrt.	2.5	12.3	12.91
MCM Beton Kft.	n. a. *	n. a. *	5.67
Market Épületszerviz Kft.	3.5	2.9	16.84
MRKT Padló Kft.	n. a. *	n. a. *	9.23
Lean Tech Mérnökiroda Kft.	4.1	16.6	52.11
Property Market Ingatlanfejlesztő Kft.	n. a. *	n. a. *	5.38
Market Group	4.5	7	30.22

* MCM Beton Kft., MRKT Padló Kft. and Property Market Ingatlanfejlesztő Kft. have not kept records on training hours until 2023.



Through the 'This is me' competence development programme, colleagues can identify their strengths and weaknesses and get tips and tricks for their self-development.

Twice a year, colleagues are given suggestions for areas where they can improve, at a performance review. During the performance evaluation, colleagues carry out a self-assessment and it is taken into account in the management appraisal. During the performance appraisal, competences (first semester: 3 competences; second semester: 17 competences) are also assessed in addition to the textual self-assessment, strengths and areas for improvement.

We also make recommendations for promotions based on management reviews. For their personal development, Market always provides them with individual, personalised advice, whether it's professional or competence development.

Managers can request development training for their team throughout the year, which can consist of presentations, trainings, team building and individual sessions. The Market Group also offers the opportunity for employees to approach their supervisors with individual further training needs, both in-school and out-of-school. They are offered study contracts, subject to the approval of their managers.

In 2023, the proportion of employees who received performance appraisals and career management increased significantly compared to the previous year: 858 people were involved in performance appraisals, of whom 142 were women and 716 men. Of the colleagues who participated in the programme, 66% are employees of Market Építő Zrt.

In addition to the above-mentioned trainings, colleagues were also trained in conflict management, time management, presentation and stress management. For those who find it difficult to cope with stress and the difficulties of everyday life, Market also provides mindfulness training.





Diversity and equal opportunity

[GRI 405-1] [GRI 405-2] [GRI 406-1]

Market Group values the diversity of its employees and rejects all forms of discrimination. At the same time, it is important to highlight the fact that the construction sector is characterised by a sector-specific predominance of male employees. Although the real estate development sector has become somewhat more attractive to women in recent years, there is still a significant male predominance. That is also evident for the Group: in 2023, the share of male top executives (defined by the number of Board and top executives) at Group level was 94.2%. However, it is worth highlighting that this represents an increase in the proportion of female managers from 3.9% in 2021 to 5.8%. Among the member companies, Market Építő Zrt. employs the largest number of women, the vast majority in office positions.





NUMBER OF EXECUTIVES ON BOARDS OF MEMBER COMPANIES BY GENDER AND AGE GROUP IN 2023 (%)*

	TOTAL HEADCOUNT	MALE	FEMALE	UNDER 30 YEARS	BETWEEN 30-50	OVER 50
Market Építő Zrt.	6	6	0	0	0	6
OKM Építőipari és Szolgáltató Kft.	2	2	0	0	1	1
Moratus Kft.	2	2	0	0	1	1
Vilati Szerelő Zrt.	1	1	0	0	1	0
PREbeton Zrt.	3	3	0	0	3	0
MCM Beton Kft.	1	1	0	0	1	0
Market Épületszerviz Kft.	1	1	0	0	1	0
MRKT Padló Kft.	0	0	0	0	0	0
Lean Tech Mérnökiroda Kft.	2	2	0	0	0	2
Property Market Ingatlanfejlesztő Kft.	0	0	0	0	0	0

AVERAGE FEMALE SALARY AS A PERCENTAGE OF AVERAGE MALE SALARY IN 2023 (%)

	2018	2019	2020	2021	2022	2023
Market Építő Zrt.	76.7	81.6	103.3	99.7	97.2	96.5
OKM Építőipari és Szolgáltató Kft.	113.1	114.6	102	95.3	95.1	105.7
Moratus Kft.	88.6	93.3	93.1	88.3	108.6	104.3
Vilati Szerelő Zrt.	65.1	72.7	92	99.1	98.2	97.7
PREbeton Zrt.	-*	-*	88.3	91.8	88.2	88.5
MCM Beton Kft.	-*	37	-*	132.7	-*	-*
Market Épületszerviz Kft.	88.7	71.5	78.8	82.2	-*	94.6
MRKT Padló Kft.		-*	-*	-*	-*	-*
Lean Tech Mérnökiroda Kft.	76	84	98.9	93.2	92.7	89.6
Property Market Ingatlanfejlesztő Kft.	-*	149	89.1	86.6	85.9	74

Market Group differentiates between female and male employees in the same position exclusively on the basis of professional experience. For new applicants, the decision to hire is always based on the skills required for the position. At the same time, the Market Group aims to gradually close the pay gap across the Group. In 2023, the average female salary as a percentage of the average male salary was 93.84% at group level.

* No basis for comparison in the given year: men and women in the same job.



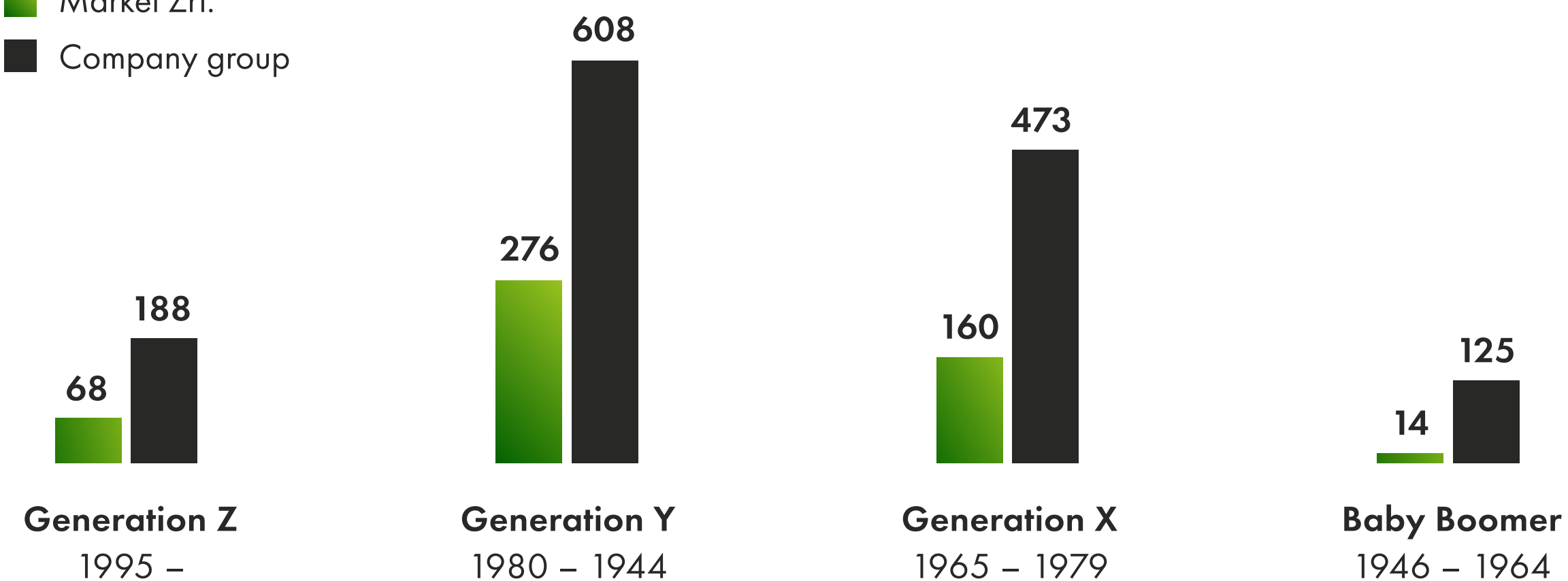
Generations meeting

Market Group pays particular attention to exploiting intergenerational differences. It constantly measures the number of generations and works to align the four generations present in the Group. In 2023, the Group has paid particular attention to understanding Generation Z and integrating the new generation.

In 2023, the Group's internship programme was a key focus. We organised Market's first Career Day to give students an insight into the day-to-day life of Market. The Technical Director, Chief Engineer, chief construction estimation engineer and tendering estimation engineer colleagues gave presentations on engineering activities and Market Group's projects. The Group has had 40-50 trainees in 2023, and the succession planning is based on the programme developed.

DISTRIBUTION OF GENERATIONS IN THE GROUP

■ Market Zrt.
■ Company group



Family-friendly atmosphere

Several of the Group's measures have been aimed at creating a family-friendly workplace that is more conducive to balancing family, personal and work commitments. An integral part of that is the provision of part-time work for colleagues with child care or maternity leave, as and when required. Our family events are the Santa Claus celebrations and Family Day, which are specifically dedicated to children.

Based on their internal referral system, family members and friends of our employees can also apply for open positions if they meet the requirements set out in the vacancy notice.





Clients

[GRI 3-3] [GRI 416-1] [GRI 416-2]



As a major player in the domestic construction sector, Market Group works with a number of clients in parallel, each of whom approaches the Group with specific requirements. Therefore, meeting the expectations of clients at all times is a complex task. However, since its creation, Market has become synonymous with reliability and excellence over the decades. In 2023, 27 of our 35 projects in progress were private and 8 were public. Of our clients in the marketplace, 18 were multinationals and 9 were large domestic companies.

As part of its sustainability strategy, Market Group is progressively adapting its offerings to focus on the sustainable use of materials. It offers its clients options that deliver higher energy efficiency and a lower environmental footprint over the lifecycle of the buildings. The process also includes awareness-raising and involvement of Market's clients: the Group provides ongoing professional assistance on sustainability topics as they arise during the planning and co-design process.



Featured projects 2023

ALBA ARENA, SZÉKESFEHÉRVÁR

The Alba Arena will be the future home of the Hydro Fehérvár AV19 ice hockey team and will function as an event and community centre. It will be able to host 20-25 indoor sports in addition to the sport of ice hockey in Fehérvár and Hungary, and will be able to accommodate even more than 6000 spectators at a given time period. The hall can accommodate up to 6,000 people for ice hockey matches and up to 8,000 for concerts and other events.

The four floors of the facility include next to the hall area offices, service areas, a restaurant and an event room. The ice surface will be available all year round, and will be covered with a thermal insulation layer if it is used by other sports or hosts other types of events.

Lifting in the 1860-tonne steel roof structure of the complex was one of the most spectacular and precision-intensive work processes. A real professional feat in the erection of the structure was when the largest mobile crane in the country was used to lift the 60-metre long and 5-metre high steel lattice structure, which was erected from 3 crane positions in 6 days.

Over 2.5 kilometres of LED lighting on the façade of the hall guarantee a light show: the curved façade strips are made up of individually made-to-measure lamellae, with a total of 5,272 individual lamellae in six rows. The LED glow sticks, which paint the lamellae at the right angle and brightness, are made up of 1204 custom-sized elements. Thanks to the modern lighting controls used, the audience will be able to see spectacular and dynamic light shows.

The project includes not only the construction of the multi-purpose arena, but also the development of infrastructure and utilities in the surrounding areas, as well as the improvement of the environment.

The aim of the project is to stimulate and boost the city's sporting and cultural life and to meet local and regional needs.





DOROTHEA HOTEL, BUDAPEST

In the heart of the downtown of Budapest, in the immediate vicinity of Vörösmarty Square, Vigadó and Váci utca, a few steps from the Danube bank, the five-star Dorothea Hotel, Budapest has opened its doors. The hotel is located in a block of buildings where, following a complete renovation, three separate buildings have been merged into a single unit.

The concept and interior design were created by the renowned Milanese architectural firm Lissoni & Partners, led by Piero Lissoni, in close collaboration with Hungarian co-designers, with particular attention to the preservation and restoration of valuable historic elements. The hotel, which is a combination of Weber, Mahart and Münnich buildings, offers space for modern and innovative design, exemplified by the large glass-roofed atrium with an internal garden next to the restaurant.

History is not only present within the walls of the building: the hotel is named after Archduchess Maria Dorotya, who was a leading public figure in Hungary in the 1800s. Together with her husband, Palatine Joseph, she and her husband were committed to making Budapest a European metropolis and the multicultural centre of Central and Eastern Europe through their epoch-making developments. Their spirit is evident throughout the hotel.

Entering the reception area in the spacious inner courtyard, guests are greeted by a spectacular long drop-shaped glass chandelier, and looking to the right they can see the fully restored historic staircase hidden behind the blue Zsolnay tiles.

The complex of a 216-room hotel, exclusive apartments and service units has been renovated to preserve the historic elements of each building. The hotel was built in compliance with the Hungarian standards as well as with the strict requirements of the nearly 1000-page Marriott Autograph Collection Product Quality Standard.





SK INNOVATION BATTERY FACTORY, IVÁNCSA

In the project, which was launched in May 2021, a battery factory was built on 135 hectares for the South Korean-owned SK Innovation in Iváncsa, Fejér County, by Market Építő Zrt.

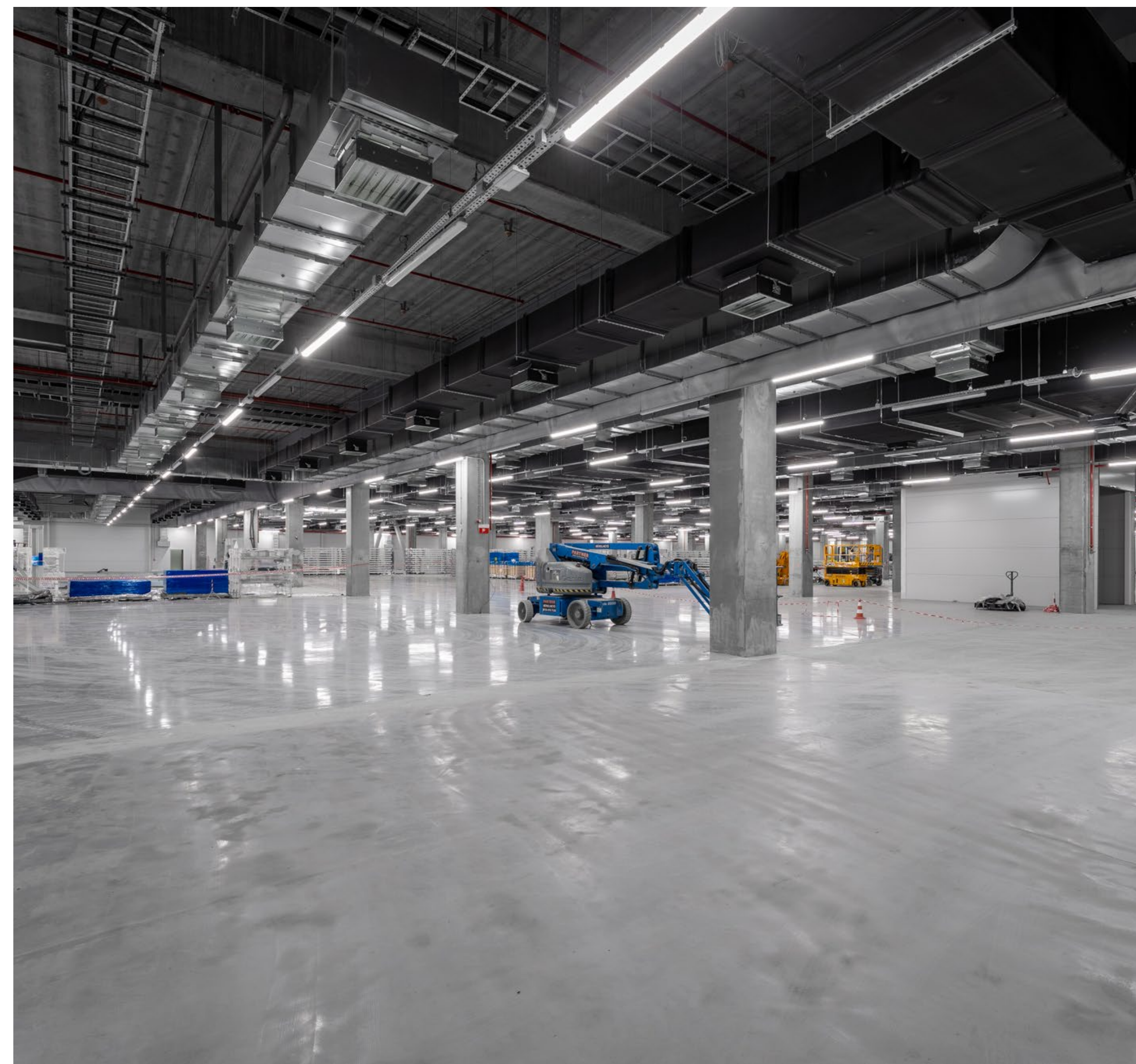
The largest greenfield development in Hungary's history is a special feature of Market's palette in many respects: the unusual volumes, the tight deadlines and the expectations of the dynamically developing industry all posed serious challenges for the experts.

The industrial investment, unique in Hungary, is characterised by exceptional volumes. During the project, on site:

- ✔ 30 buildings were completed,
- ✔ it represents a total built-up area of 130 000 square metres,
- ✔ including all built-up levels, the works carried out on 270 000 square metres by Market.

A particular challenge during the project was the construction of the three-storey production halls with heavy-duty slabs, which required complex design and assembly sequences. The project progressed smoothly and sufficient quantities of concrete were supplied by the largest mobile concrete mixer in the country, which can fill up to 17 mixers per hour.

Thanks to the development, the automotive battery manufacturing capacity of SK Innovation – whose first two overseas factories are located in Komárom – will multiply in a short time, thus enhancing the role of Hungary and Europe in electromobility in the coming years.





CORVINUS GELLÉRT CAMPUS

A true 21st century, future-oriented institution was born with the opening of the new Corvinus Gellért Campus on Ménesi út, where 680 students will be able to study and work at the same time, and its useful area is almost 14 thousand square metres. The building will be filled with cooperative, multifunctional teaching and research rooms and community spaces, and will also include a 300-seat auditorium.

The 1.1-hectare park is even available for outdoor classes. New features on campus include a Data Space supporting data analysis and data visualisation, a Media Studio for storytelling skills and a Makerspace for practising design skills, including 3D printers.

The four-storey, panoramic dormitory part offers 180 students discounted accommodation in 2-3 bedded rooms with separate bathrooms, and six professorial apartments on campus. The multi-purpose sports centre includes an outdoor and an indoor team sports field, a fitness room, four exercise studios and a speciality of the campus will be the room with a climbing wall.





Client health and safety

The health and safety of Clients and of persons who actually use the constructions made for Clients is one of Market Group's fundamental objectives, therefore no fines, penalties or internal warnings were imposed during the period under review.

The safety of the Group's buildings is guaranteed by, among other things, full compliance with legal requirements, built-in process controls and the professionalism of its staff.

Market Group will continue to make every effort to ensure that no such or similar sanctions are imposed and, more importantly that the protection of human life and health during construction and in relation to the construction work is ensured at all times.

The Group takes great care to incorporate materials that are not harmful to health and safety. When using paints, varnishes and adhesives, preference is given to products with low WOC and formaldehyde content. We have installed air handling systems that ensure sufficient fresh air intake into buildings to guarantee proper air quality. Market always uses integrated plumbing systems that do not release harmful substances even in the long run. In the design process, it is always a priority to maximise the amount of natural light entering the interior and to design the buildings in such a way that the users/residents prefer the use of stairs instead of the lifts. In addition, as described in the Climate and Environment Protection chapter, Market devotes special attention to the creation of green areas and surfaces (gardens, roof gardens, interior gardens). This not only helps to promote biodiversity, but also has a positive impact on people's mental health.





Suppliers

[GRI 3-3] [GRI 204-1] [GRI 308-1] [GRI 308-2]

[GRI 414-1] [GRI 414-2]

It is a specific feature of the construction sector that the environmental footprint of the raw materials used in construction is often realised in the supply chain rather than by the property developers. Therefore, efforts should be made to promote responsible and sustainable business practices not only within the Group, but also beyond the company. Accordingly, the reduction of Market Group's socio-environmental impacts along the supply chain will be a key focus, as part of the sustainability strategy in the coming years. The Group will extend its policies to its suppliers and partners. It will develop tender due diligence processes to assess its suppliers against sustainability criteria from 2025.





Responsible supply chain management

The supply chain in the construction industry, including the Market Group, is structured in the usual way: manufacturer – distributor – trader – end user. In most cases, it is not worth transporting building materials in the classical sense from further than a certain distance, which is why the vast majority of the Group's purchases originate in Hungary.

Market Group's expectations of suppliers are currently set at two levels: on the one hand, there are group-wide requirements that are expected of all suppliers, and on the other hand, the member companies also have their own supplier policies for certain cases.

At group level, Market typically relies on its existing industry contacts to select suppliers, and mostly works with stable, reliable partners. The company favours domestic production and by focusing on sustainability guidelines seeks to implement its projects with the smallest possible ecological footprint, that is sourcing closest to the place of use. This is checked by querying CE documents (manufacturer's declaration of conformity required by the product law) and the supplier's declaration of conformity.

In all cases, subcontracts have an annex explicitly referring to compliance with occupational safety regulations. A Health and Safety Plan is drawn up for each work site and its acceptance is mandatory for subcontractors.

For existing suppliers, price competition is ongoing. Goods already ordered and delivered are subject to continuous quality and quantity checks and feedback is given to the supplier in case of discrepancies.

When selecting a new supplier, the first step is always the due diligence process: the vetting team checks the prospective partners and ranks them according to business risk. This is followed by a request for proposals. In addition to the necessary technical datasheets and performance declarations, the documents required for LEED certification (e.g. Environmental Product Declaration, Cradle to Cradle Certification, REACH Declaration) are always requested.

ENVIRONMENTAL PRODUCT DECLARATION:

the environmental product declaration is a sign of the manufacturer's commitment to measuring and reducing its environmental impacts and to disclosing them transparently.

CRADLE TO CRADLE CERTIFICATION:

the certification scheme is a global, cross-industry initiative that brings together brands and manufacturers that are committed to producing their products in a healthy and sustainable way.

REACH DECLARATION:

EU legislation to protect human health and the environment from chemicals that pose a risk. The legislation, which came into force in 2007, provides a framework for the registration, risk assessment and authorisation of chemicals.



The assessment of suppliers and the risks associated with them is carried out at subsidiary level, in addition to group-level measures. That is due to the diversity of subsidiaries and the consequent multiplicity of suppliers. Currently, no comprehensive environmental and social assessment is carried out for any of the member companies, but a complex set of sustainability criteria will be developed as part of the new sustainability strategy until 2025.

MORATUS SZERKEZETÉPÍTŐ KFT.

Moratus selects its suppliers of pine lumber and wood-based plywood on the basis of whether the products it sells are Forest Stewardship Council (FSC) certified, that is whether the raw materials come from sustainably managed forests. When selecting new suppliers, the company takes into account a number of criteria, including the number of years in the market, the ability to provide continuity of service, flexibility, diversity of service, availability of in-house experts, financial stability, delivery times and references.

MARKET ÉPÜLETSZERVIZ KFT.

Due to its role in the Group, Market Épületszerviz Kft. works mainly with suppliers who have been involved in the construction processes of the projects given, as these specialist companies have the necessary professional and on-site knowledge for the work in question. Looking to the future, the recently launched DIGMA (Digital Market) database will greatly contribute to the due diligence and selection processes.

MCM BETON KFT.

MCM Beton Kft. seeks to purchase aggregates from nearby mines in order to reduce the environmental impact of transporting aggregates to its sites, for environmental and economic reasons. For cement, it also seeks to purchase raw materials from nearby factories.

OKM ÉPÍTŐIPARI ÉS SZOLGÁLTATÓ KFT.

In 2023, OKM Építőipari és Szolgáltató Kft. created a subcontractor database to enable it to assess and monitor the performance of its suppliers as efficiently as possible. On the positive side, the environmental commitment of its larger suppliers has become increasingly important in recent years, with the majority of products of major utility companies being made from 100% recycled materials.

PREBETON ZRT.

PREbeton Zrt. seeks to minimise the negative effects of transport, for example by combining orders (have several orders transported at the same time), by organising groupage. In addition, it always pre-screens its suppliers (supplier reputation, reliability, supporting data) and only contracts with ISO-certified companies.

VILATI ZRT.

In the procurement process, Vilati Zrt. strives to implement its projects with the smallest possible ecological footprint, that is by sourcing as close as possible to the place of use. In addition, it prefers domestic production. In the selection of suppliers, preference is given to potential partners where the rolls can be returned and where the least possible amount of packaging material is used in the delivery/storage of the product.



The process of material procurement

As a construction company, the Market Group has a significant environmental impact through the building materials it procures and uses, and therefore pays particular attention to conducting its procurement processes in a transparent manner. The Group as a whole works mostly with domestic and regional suppliers. In 2023, the value share of domestic suppliers was therefore as high as in previous years, 98.84% at Group level.

The Group procures the materials needed for construction works either centrally or through project procurement. The central procurement process involves tendering, comparing bids, selecting the supplier, concluding the contract and filling in the contract register. During the tendering process, three bids are required to proceed to the next phase. The CEO, the Deputy CEO (CFO) and the Procurement Manager have decision-making power in that process.

In the case of project procurement, the first step is to select the subcontractors from which the Group will request bids. As in central procurement, a minimum of three tenders is required to continue the process. If that is done, the Market Group sends out a request for proposal package, evaluates the bids received and, once selected, starts to draw up the final draft contract. In contrast to central procurement, responsibilities are divided within each project, so that project managers, construction estimators and technical advisers have decision-making power.

Sustainability considerations are increasingly important in the tendering process for both procurement methods. The Group will update and restructure its material procurement policy in the second quarter of 2024.

VALUE SHARE OF LOCAL SUPPLIERS	2018	2019	2020	2021	2022	2023
Market Építő Zrt.	98.6%	95.8%	95.0%	96.9%	98.7%	98.72%
OKM Építőipari és Szolgáltató Kft.	99.7%	99.0%	99.9%	99.9%	99.5%	99.65%
Moratus Kft.	100.0%	99.1%	97.9%	99.1%	99.7%	99.57%
Vilati Szerelő Zrt.	99.8%	100.0%	100.0%	100.0%	100.0%	99.96%
PREbeton Zrt.	100.0%	79.2%	71.0%	89.0%	99.1%	99.32%
MCM Beton Kft.	99.8%	99.1%	100.0%	100.0%	100.0%	98.83%
Market Épületszerviz Kft.	99.0%	100.0%	100.0%	100.0%	100.0%	99.96%
MRKT Padló Kft.	n. a. **	99.98%	97.26%	100%	82.44%	83.11%
LeanTech Építőiroda Kft.	93.5%	100.0%	97.0%	99.7%	96.0%	99.93%
Property Market Ingatlanfejlesztő Kft.	n. a. *	n. a. *	n. a. *	99.42%	99.16%	99.76%

* In the marked years, no data collection process had yet been developed.

** The company was founded in 2019, therefore no data for 2018.



Partner Programme

In September 2021, after careful preparations, Market Építő Zrt. launched the Partner Programme initiative, which aims to increase the efficiency of the sector and support priority partners. Currently, the programme involves 120 partners, with regular events, trainings and programmes aimed at vertical development of the industry.



As a responsible economic player, Market Építő Zrt. has been consciously working for a long time to organise its activities in the most rational framework, applying the latest economic, financial and corporate governance innovations. Market's role in the industry requires it to gather stable strategic partners around it, and we would like to encourage these companies to follow the same attention to trends and directions in the construction industry as Market does, and to organise their activities in the light of these trends and directions, while at the same time being prepared for the challenges ahead.

With these ideas in mind, the company launched the Market Partner Programme at the end of 2021, a unique initiative in the construction industry, involving around 120 partners in various specialist trades.

With a completely new approach, Market has taken its cooperation with its key partners to a new level: the company is constantly and actively communicating, sharing ideas, informing about new technologies, changes, innovations, educating, holding targeted discussions or organising presentations and events to support the achievement of its goals. The company also considers it important to develop close relations with selected partners and to help these businesses to be resilient to the difficulties constantly generated by the various environmental impacts.



Results so far

- ✔ Since the launch of the programme, the company has developed a direct relationship with its partners. It provides support to address emerging issues through the active involvement of Market professionals and managers. A large number of enquiries are received in the various specialised areas, and questions can be discussed face-to-face with the company's expert colleagues, and experience can be passed on to them.
- ✔ Market organises events in spring and autumn, with presentations on topical issues. At these events, CEO Sándor Scheer shares his current, forward-looking views, ideas and vision for the future with the audience. An important part of the event is that after the professional part, our partners have the opportunity to talk directly with the top executives of Market Építő Zrt. Taking into account Market's commitment to social responsibility, the selection of biscuits served at the November 2023 event was commissioned from the Nem Adom Fel (Don't Give Up) Foundation.
- ✔ In April 2023, Market Építő Zrt. announced the BAU Munich exhibition, which was visited by the company's employees together with partners interested in the programme. The event is Europe's most important exhibition for the construction industry.
- ✔ Market invites its programme partners to technical presentations and thematic days: BIM-related presentations and a work safety day will be organised to enhance the knowledge of the participants.
- ✔ We send out a monthly newsletter with news and changes that we think are important.

By providing the experience, expertise and knowledge transfer accumulated over many years, Market hopes to help its partners to keep up with innovations and the changing environment, enabling them to evolve or even to move forward more easily and prepared to build a stable company in the event of difficulties.





Future generations

The future of the Market Group lies in the young talents that are studying in higher education. For this reason, it is important for the Group to provide young people with up-to-date and useful professional knowledge as part of their university education, so that they can enter the labour market and contribute to the development of the construction sector. From 2021, the Group has started to work more closely with schools and universities. Not only did it participate in job fairs, but colleagues also gave classes at several universities. It is also working closely with the Chamber on the implementation of the new VET 4.0 dual training system.





Collaboration with MOME - Challenging Futures exhibition supported by Market

Between 20 September and 2 October 2022, the works of the outstanding talents of the Moholy-Nagy University of Art and Design (MOME) who have been awarded the Stefan Lengyel Scholarship of Excellence were exhibited for the first time.

The Stefan Lengyel Scholarship of Excellence was established in 2020 by the Foundation for the Moholy-Nagy University of Arts and Sciences, with a focus on performance-based support, enhancing students' up-to-date industry competences and professional integration. The scholarship programme, named after the internationally renowned Hungarian designer Stefan Lengyel, symbolises MOME's identity, embodies the innovative character of the university and provides meaningful support to students with outstanding achievements. The Challenging Futures - Designing for a Challenging Future exhibition aims to showcase the work of recent scholarship students and their current responses to the challenges of our time. The winners of the Stefan Lengyel Excellence Scholarship explore, among other things, ways to address the sustainability of urbanisation, bridging social gaps and critically interpreting the past through the tools of design, while also looking for directions for the development of the creative industry. The works of students from MOME's Institute of Design, Theory, Architecture and Media explore inescapable questions and possible solutions that can help shape the future ecosystem and the design profession by engaging the visitor in a shared reflection.

In 2022, the scholarship was awarded for the third time to sixteen exceptionally talented MOME students. With the help of Market Építő Zrt. as a partner of MOME, they can also acquire competitive hands-on knowledge in the field of architecture through project-based, research and development courses.

In 2023, the Market Group supported MOME's research and scientific development with HUF 10 million.

Source: <https://miazablogger.hu/challenging-futures-design-egy-kihivasokkal-teli-jovohoz/>

BKSZC Schulek Frigyes Bilingual Construction Industry Technical School

– 21ST CENTURY EDUCATIONAL ENVIRONMENT BORN WITH THE COOPERATION OF THE MARKET GROUP

The Group has undertaken the complete renovation of the IT learning room at the capital's institution, which plays an important role in providing young people with training in the construction industry, for the start of the academic year.

In September 2022, the BKSZC Schulek Frigyes Bilingual Construction Technical School in District VIII, which is at the forefront of training young construction professionals, received a renovated IT learning room thanks to the cooperation of Market Építő Zrt. and its subsidiaries.

The relationship between Market Építő Zrt. and the technical school is not a new one, the company's social responsibility programme has prioritised the support of young people in the construction industry for years, and pays special attention to the development of students oriented towards the profession. In 2021, Market took an active role in the technical school's career orientation day and also supported the school's work with audiovisual equipment and video materials. In 2022, Market was delighted to take the opportunity to transform one of the school's IT learning rooms, which can accommodate 21 students, into an experiential learning environment.

During the renovation works, Market Építő Zrt. and several of its subsidiaries mobilised their forces for success. Market Épületszerviz Kft., LeanTech Mérnökiroda Kft, and Vilati Szerelő Zrt. carried out the specialist works in 28 days, 8 hours a day, with an average of 5 people: painting and wallpapering of the room; painting and replacement of the wall stops; puttying and complete renovation of the windows and doors; construction of a plasterboard drywall; renewal of a cork board, installation of the electrical



network; replacement of electrical switches, plugs and power poles; renovation of the parquet flooring, painting of the heat dissipation devices and cleanliness painting of the school corridor.

Light, the source of light, is the most important element that shapes the atmosphere of a room. With Be Light!, new, modern lighting equipment provides the right light source in the learning room. Market Group's donation package also includes 21 desktop computers, 21 monitors, 21 keyboards, 24 student chairs, a felt-tip board and a projection screen with console.

The learning environment created by Market conveys playfulness, demandingness, creativity and love of the construction profession to students.

In the spring of 2023, the programme gave 20 students the opportunity to take part in a tour of the BMW project, where a chief construction manager gave a demonstration of the workflows. The students' travel was also organised and financed by Market.

Tudásépítő Team

The Tudásépítő Team (Knowledge Building) sectoral training centre was established in 2022 to train construction professionals who can create lasting value in the construction industry using cutting-edge technologies. Participants in the training receive monthly apprenticeship wage of even up to HUF 100,000 net and the Tudásépítő Team also provides them with a contribution towards their meals and appropriate workwear during the training sessions. More information about the project can be found in the Industry Partnerships sub-section.

Within the framework of the Tudásépítő Team Sectoral Training Centre, a total of 250 people participated in vocational training and development projects in Pest County in 2023 at 6 learning sites.





Non-governmental organisations

As a responsible company, the Market Group strives to build good relations with the key civil society organisations in Hungary. Their opinions and comments were assessed in the stakeholder survey in 2021 and taken into account in the formulation of the sustainability strategy. In addition to professional cooperation, the Group also contributes to their operations through donations and financial support. The focus of its cooperation is on NGOs of social orientation (For more details on cooperation with NGOs, see the chapter on Social engagement.)





Social engagement



The commitment to society, the environment and improving people's living conditions is an integral part of Market Group's values. To this end, it provides support to NGOs, ranging from simple material goods and building materials to multi-million donations, equipment and strategic partnerships. It also participates in industry associations that contribute to the development and sustainability of the domestic construction sector.

Support, sponsorship

Since its foundation, Market Group has placed a strong emphasis on embracing initiatives that have a positive impact on the Hungarian society. In its support and sponsorship activities, Market Group is open to supporting organisations in its local area (District III and its building projects). In 2023, it supported the Aquincum Friends of Aquincum's AmfiFeszt event, and it tries to display contemporary artworks as often as possible in its building projects.

The objectives of the Group's support policy are wide-ranging. On the one hand, it believes that responsibility goes beyond marketing communication and is therefore deeply committed to creating social value. On the other, it strives to ensure that as many of the Group's profitable processes as possible are socially and environmentally sustainable. Its aim is to educate its partners and employees, thereby promoting a shift towards responsible operations and behaviour.





The Group tries to involve its employees in as many CSR projects as possible, thus strengthening the social responsibility and culture within the Group. In recent years, Market Group employees have had several opportunities to participate in fundraising activities, both in cash and in kind, and to volunteer in renovation and landscaping projects. By setting a good example, Market also wants to ensure that its colleagues have a high chance of recognising in their own lives cases where they can otherwise provide great help to someone in need with little effort.

THE MARKET GROUP DOES NOT SUPPORT ANY INITIATIVE OR ORGANISATION THAT

- ✘ discriminates on the basis of religion, ethnicity, nationality, age, gender or sexual orientation,
- ✘ offends public morals,
- ✘ disproportionately damages the environment,
- ✘ discriminates against any group of people with disabilities,
- ✘ the recognisable purpose of which is to avoid the financial bankruptcy of the applicant (e.g. a company in liquidation),
- ✘ is intended to support a political programme, party or organisation associated or affiliated with them, or any event organised by them.

MARKET GROUP PRIORITISES THE FOLLOWING VALUE-CREATING ACTIVITIES IN ITS SUPPORT POLICY DECISIONS:

- ✔ Preservation of universal values, protection of cultural values of the built environment.
- ✔ Health institutions with a special focus on supporting healthcare workers.
- ✔ Promoting equal opportunities (helping the disadvantaged, people living in poverty).
- ✔ Recognition of professional knowledge related to the construction industry.
- ✔ Supporting the talents of the rising generations linked to the construction industry, and nurturing the next generation.
- ✔ Support in or affecting the environment of projects.
- ✔ Supporting cultural initiatives and contemporary Hungarian artists.
- ✔ Well-being, healthy lifestyle, sport (wellbeing).
- ✔ A commitment to sustainable development and protection of the environment.



Strategic partnerships

BÁTOR TÁBOR FOUNDATION

In 2006, Market Group was among the first companies to commit itself to the work of the Bátor Tábor Foundation, and in 2021 it signed a new long-term support agreement with the organisation. In the framework of the strategic partnership, the charitable organisation, which provides assistance to seriously ill children and their families, will be supported by the Group until 31 December 2023 with HUF 57.5 million in various construction, renovation, maintenance and execution works. In addition, we have committed to the Foundation for a further three years, to the tune of HUF 35 million per year. In 2022, the Foundation used the grant to maximise the environmental awareness and sustainability of its activities.



Thanks to Market support, the following sustainability investments could be implemented at Bátor Tábor in 2022-2023:

- ✓ In 2022, solar collectors were installed on the roofs of the 7 children's houses, providing a significant proportion of hot water from renewable energy sources.
- ✓ In 2023, a heat pump system was installed in the dining room of the main building, which, in addition to significantly reducing gas consumption, increases the comfort of the campers in both hot and cold seasons.
- ✓ In 2023, the heating efficiency of the building of biggest floor area was increased by replacing the main building's gas boiler and installing a complex zone control system.
- ✓ In 2023, the hot water supply of the main building was also be supplemented by a solar collector system, which provides a significant support for the hot water needs of the kitchen in particular.
- ✓ Ensuring and optimising stable sources of revenue is an important element of economic sustainability. An important tool for that is the implementation of the Salesforce CRM system in 2023 (worth about 10 M HUF gross), which will allow the Bátor Tábor to better optimise revenues and is expected to increase efficiency thanks to the built-in automations.

Bátor Tábor is committed to sustainable development, which has led to the introduction of a number of energy efficiency measures in recent years. The foundation has set the ambitious goal of achieving climate neutrality in its operations by 2030.



MOSOLY (SMILE) FOUNDATION

For many years, the Mosoly Alapítvány (Smile Foundation) and Market Építő Zrt. have been working together for the smiles of ill children. The Mosoly Foundation, which was 25 years old in 2022, has come a long way since its foundation. Providing an exciting experience for chronically and seriously ill children at its formation, the Foundation has grown over the past quarter of a century to become a recognised therapeutic professional organisation.

Market has been a committed strategic supporter of Mosoly for nearly 6 years and in 2022 was the first company to place further trust in the organisation as a key strategic partner by supporting the work of Mosoly with HUF 10,000,000 per year for 4 years.

In 2023, the number of Smile Therapies increased to 984 (437 in 2020, 784 in 2021 and 763 in 2022).

The background work required for the increased therapeutic volume, new projects and expanded specialist staff has increased significantly at Mosoly. Maintaining professional quality and a safe therapeutic framework is a priority for us, which is not being addressed by increasing the administrative staff but by restructuring operational systems and increasing efficiency. A number of improvements have been introduced and tested to ensure that the inflow of funding to Mosoly can help more children and families while maintaining therapeutic quality.

PARTICIPATION IN THE FUNDRAISING CAMPAIGN OF THE HUNGARIAN INTERCHURCH AID – FOLYTATÁSI ALAP (CONTINUATION FUND)

The institutions of the Interchurch Aid help thousands of families in need and in crisis, providing food, shelter and a chance for those in need. With energy prices soaring and food prices skyrocketing, the organisation's work has been made extremely difficult, so a Folytatási Alap (Continuation Fund) has been set up and Market has joined it with a grant of HUF 5 million in 2023.





ROM VÁNDOR (RUIN ROVER) PROGRAMME

The ROM Vándor is Market Építő Zrt's multi-year social responsibility programme that promotes the quality rehabilitation of these spaces with their unique atmosphere. The particular interest and value of the programme lies in the fact that, in addition to the involvement of renowned experts, the related tasks – from preparation to implementation – are carried out by Market Építő Zrt.'s volunteer staff.

There are hundreds of historic ruins throughout the country, enriching the cultural map of our environment. Thanks to their magical atmosphere, many of these ruins are frequently visited by hikers and explorers. The aim of the ROM Vándor (Ruin Rover) Programme is to preserve, highlight, represent, care for, conserve and restore the quality of that part of the architectural heritage, in order to offer an alternative to the most diverse age groups and a quality leisure programme.

Market Group treats the ruins with respect in every intervention, making every addition in keeping with the historical legacy, with a proportionate, stylish architectural gesture, respecting the inherited details of the building. It strives to create a renewed aesthetic that ensures the rehabilitation and survival of these spaces with their unique atmosphere. The programme also fits in with popular trends of recent years such as ecotourism, microcation, zero waste, slow or the urbex movement.



THE SECOND PROJECT COMPLETED: THE CHURCH RUIN IN KÖVESD

After the renovation of the ruin church in Tök in 2022, Market restored the ruins of the church in Kövesd in 2023, in Aszófő, in the Balaton Highlands, with a budget of nearly HUF 50 million. During the renovation of the 13th century building, several unique scientific discoveries were made.

The renewal of the church ruins in Kövesd, including the preparatory works, took about a year. The project has delivered:

- ✓ the conservation and restoration of structures of outstanding architectural value (carved cornices, reinforcement of plastered surfaces),
- ✓ conservation work on the stone wall, the necessary demolition work associated with that, and the correction of errors made during the restoration in the 1960s,
- ✓ a bench for contemplation in the spiritual interior,
- ✓ environmental landscaping around the ruins,
- ✓ and a 160-metre-long hand-woven wattle fence around the building, rebuilt along its original path.

The church ruin in Kövesd and its surroundings are part of the Natura 2000 ecological network, which ensures the conservation of biodiversity through the protection of natural habitat types of community importance and contributes to the maintenance and restoration of their favourable conservation status. For this reason, the area around the ruins is also considered an enhanced tourist destination.



HISTORICAL TREASURE TROVE

The ruin stood in the now-defunct village of Kövesd. The village was named after the area of Roman buildings between Aszófő and Örvényes, which was probably ruined and stony in the Árpád period.

The church ruins are the remains of a Romanesque single-nave church built around 1260. With its elaborately carved ornamentation, it is of outstanding value among the village churches. The main façade of the sacral building, which has been rebuilt over several periods, was once decorated with a fresco depicting St. Christopher, the patron saint of travellers.

The heterogeneous wall fabric hides about 14 different types of stone, and the variety of stone material incorporated is a characteristic feature of the ruin church. In 1552, during the Turkish campaign, the settlement of Kövesd was destroyed together with the church.

UNEXPECTED SCIENTIFIC DISCOVERIES IN THE RENEWAL PROCESS

As a prelude to the renewal, ground-penetrating radar surveys were carried out on a total area of around 7,500 square metres around the church ruins in Kövesd, during which the Romanesque building complex on which the 13th century church was built was surveyed. The church was built on the trichore* of an earlier cell, probably of Roman date, and its walls coincide with the orientation of the earlier building. The measurements also identified the medieval church's perimeter wall, which partly cuts the Roman building and partly uses its walls. This building of three apses is associated with a large Roman building, details of which were previously known, but the survey revealed new, previously unknown details to the south. The central space of the building with three apses was once connected on three sides by a semicircular apse. That type of building was originally a popular spatial design in Roman imperial architecture (mainly baths), and later became a typical form of ancient Christian churches.

Thanks to the surveys, the layout of a large Roman building complex, measuring 120 x 65 metres, was identified, and several details of the complex were revealed during the research. The most striking feature is the remains of the bathing building in the southern part of the site, where traces of a Roman aqueduct leading from the north to the site have been identified.

A comparison of the diurnal motion of the sun and the orientation of the church, which was part of the design, also produced unparalleled results. During the vernal and autumnal equinoxes, the sun shining through the stone windows of the façade in the late afternoon falls on the high altar. In reference to that, a metal ring with a Latin inscription "SOL OMNIBUS LUCET" ("the sun shines for everyone") was placed in the inlay of the window opening. The ring was paired with a mark on the main altar frontage to indicate the location of the equinox spot. The two endpoints brighten up at the same time on the special days.





The theoretical reconstruction has been refined in the course of the architectural research, which has superseded many of the earlier presumed details.

In 2023, we inaugurated the ruins of the church in Kövesd as part of the ROM Vándor Programme, and the Group organised a family day around this event. The tranquil surroundings, the beautiful view of Lake Balaton and the Tihany peninsula are impressive in themselves, but it becomes even more special when colleagues can participate in volunteer, traditional and experiential programmes. After the lángos (deep fried flat bread) eating, they could help with fence weaving, basket weaving and stone carving. After the active programmes, guests could take a boat trip on Lake Balaton at Balatonfüred.





Supporting local communities

CIVIL IMPACT KÖZHASZNÚ NONPROFIT KFT.

Market regularly provides the organisation with the space it needs to hold its events to a high standard. As in the previous year, in 2023 Market has provided a venue for companies in District III that are open to sustainability and CSR, socially responsible and supportive of the causes that improve the District.



Other subsidies

JÁRÓKELŐ KÖZHASZNÚ EGYESÜLET

The Járókelő Public Benefit Association, which now has 35,000 registered users, received special support in 2023 from Market Építő Zrt. The Association operates a public area defect reporting system.

In 2022, Market Építő Zrt. has backed an unprecedented social initiative, which, in addition to showing significant results in the improvement of our built environment, also serves to strengthen a responsible approach.

The Járókelő Public Benefit Association is a public space problem reporting site that since 2012 has been helping city dwellers to report potholes, torn trash cans, worn down crosswalks, crashed stops, abandoned cars and many other problems they experience in public spaces. By running an online platform, it gives residents the opportunity to actively participate in shaping their environment and to establish an effective dialogue with authorities and service providers.

The Járókelő works for a world in which public spaces are healthy, safe, liveable, clean and tidy, and in which citizens, service providers and public authorities actively and collaboratively participate in their development and preservation.



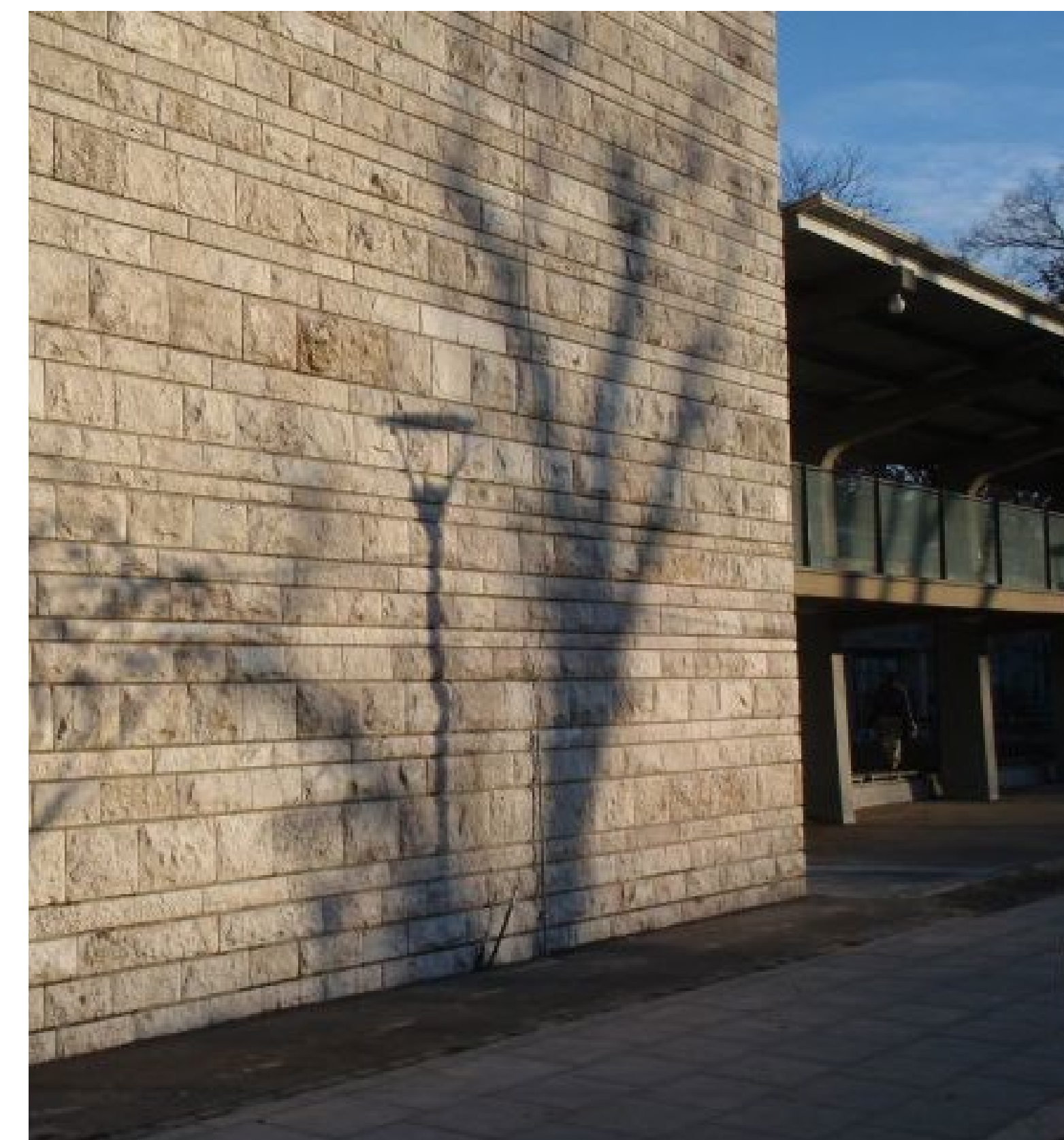
INFRASTRUCTURE DEVELOPMENT AROUND BUDAPART - BUDAPART HAS WON THE WORLD'S BEST NEIGHBOURHOOD DEVELOPMENT AWARD

The BudaPart project has won the FIABCI World Prix d'Excellence International Real Estate Development Excellence Award in Paris for the best neighbourhood development. The BudaPart project is the first neighbourhood development in the three-decade history of the competition to win a prize for Hungary. The jury of the FIABCI, considered to be the Oscar Academy of the real estate trade, gave high marks to BudaPart's response to environmental challenges and its eco-awareness.

In 2023, for the second time, BudaPart CITY office building was awarded one of the highest levels of the international LEED building certification system, the GOLD certification, for its environmentally conscious solutions, this time in the building operation category.

GRAFFITI REMOVAL IN BUDAPEST

Market Épületszerviz Kft. has removed graffiti from 52,500 m² of wall surfaces more than 5,000 times since 2010, as part of its social responsibility. Among the many areas and objects cleaned were the Nagykörút (Grand Boulevard), Chain Bridge, Árpád Bridge, Elisabeth Bridge, Váci utca and Vigadó Square.





Industry associations

[GRI 2-28]



NATIONAL FEDERATION OF HUNGARIAN BUILDING CONTRACTORS

The National Federation of Hungarian Building Contractors (ÉVOSZ) was founded in October 1989. It currently has around 210 member organisations - including Market Építő Zrt. ÉVOSZ is a key player in the Hungarian construction sector, with a large number of small and medium-sized enterprises among its members, in addition to Hungary's largest construction companies. Its tasks include representing the interests of Hungarian construction contractors at home and abroad, maintaining contacts and exchanging information between its member organisations and national and international organisations (chambers, associations, authorities). It comments on legislation and initiatives affecting the construction industry and informs member organisations about the opportunities offered by the European Union.

Sándor Scheer, founder-co-owner and CEO of Market Építő Zrt., is a member of the board of the association.

TUDÁSÉPÍTŐ TEAM

The Market Group, through Market Építő Zrt., is the owner of Tudásépítő Team Sectoral Training Centre Nonprofit Zrt., an organisation created by the collaboration of Market Építő Zrt., Bayer Construct Zrt. and KÉSZ Group. Its mission is to provide vocational training for students and professional training for adults. In addition to the transfer of modern technological knowledge, studies are also supported by a student salary of HUF 100,000, meal contributions and work clothes. Once the vocational education and training (VET) contract is signed, the training starts with a course of vocational training, the acquisition of the necessary professional skills and a successful vocational examination. Following a successful vocational examination, job offers are made to help newly qualified people to find employment and professional fulfilment.



BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT IN HUNGARY (BCSDH)

The Business Council for Sustainable Development in Hungary (BCSDH) is a sub-organisation of the World Business Council for Sustainable Development. The Hungarian organisation was founded in 2007 and has 124 companies among its members, including Market Építő Zrt. The Business Council for Sustainable Development in Hungary actively promotes the implementation and application of the three pillars of sustainable development – economic efficiency, ecological balance and social quality of life – in the economic practice of its member companies, thus increasing their competitiveness with new and innovative solutions and contributing to the sustainable development of the Hungarian economy and society.

HUNGARY GREEN BUILDING COUNCIL (HUGBC)

The Group is a member of the Hungary Green Building Council (HuGBC), a professional platform and community covering all areas of the infrastructure economy. The association provides professional advocacy on current and future issues related to the implementation of a sustainable built environment and, as a member of the World Green Building Council international community, it provides a knowledge base, conducts awareness-raising and educational activities based on forward-looking international practices and the knowledge, experience and innovative solutions of our members.

ÉPÍTÉSTUDOMÁNYI EGYESÜLET (ÉTE) - SCIENTIFIC SOCIETY FOR BUILDING

The objective of the Society – of which Market Építő Zrt. is a member – is to inform its members, to increase their knowledge on professionally related topics, and to be a professional platform for common thinking on issues affecting the construction industry.

KÖRFORGÁSOS GAZDASÁG TECHNOLÓGIAI PLATFORM (CIRCULAR ECONOMY TECHNOLOGY PLATFORM)

The Circular Economy Technology Platform is a new professional, consultative and advocacy forum led by the National Research, Development and Innovation Office (NKFIH) under the ITM (Ministry of Innovation and Technology), but with the broad involvement of economic actors. Its main objective is to accelerate the transition to a circular economy in Hungary, in line with Hungarian and European strategies.

The platform's board member is Sándor Scheer, CEO of Market Építő Zrt.





Responsible corporate governance



Market Group is committed to responsible and transparent governance and to strengthening fair business practices. In addition to the efficient organisational structure already in place, well-defined responsibilities and compliance with legal requirements, Market has integrated also sustainability into its corporate governance processes. That includes making the company's operations more transparent, but in order to provide more comprehensive information to stakeholders, the company publishes an annual sustainability report in line with the GRI Standards from 2022.

Corporate governance structure

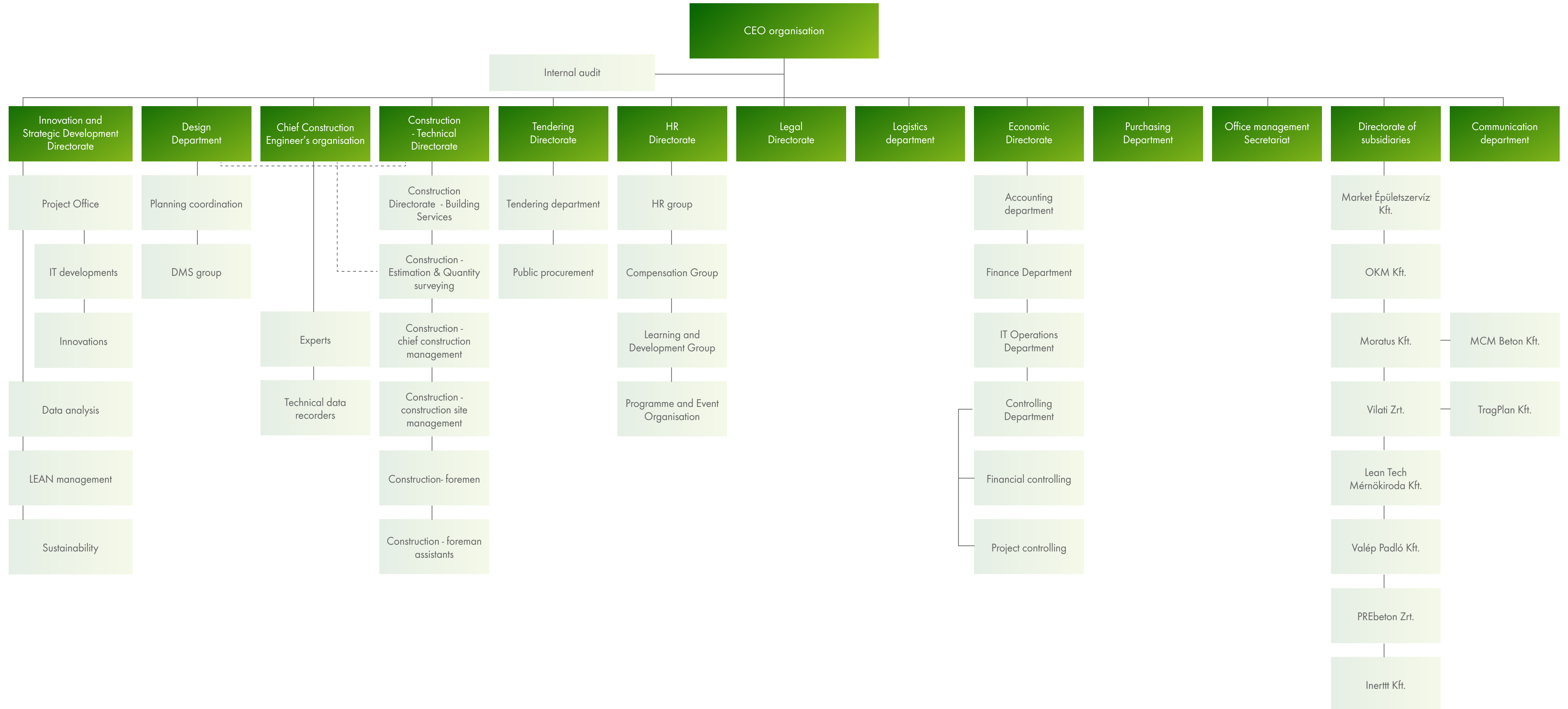
[GRI 2-9] [GRI 2-10] [GRI 2-11] [GRI 2-12]

The governance structure of Market Építő Zrt. is described in the company's Articles of Association and its Rules of Organisation and Operation, last renewed in August 2020. The due revision of the latter document started in 2022 and the group-wide process is expected to be completed in the first half of 2024.

The General Meeting is the highest governance body of the company, which exercises the supervisory and decision-making rights of the owners in a unified manner.

The Board of Directors is the managing body of the company, directs the company's economic management and defines its business concept. The Board of Directors is composed of three members, and the Chairman of the Board also performs operational tasks as Chief Executive Officer. The members of the Board of Directors are elected by the General Meeting on the basis of their professional qualifications and experience. In 2022, the respective positions were held by Sándor Scheer (owner, Chairman of the Board of Directors, CEO), Péter Csicsáky (independent) and Zsolt Ikrényi (independent). There are no dedicated areas of expertise on the Board of Directors, decisions are always taken by three members.

The Supervisory Board controls the management of the company. In this context, the Supervisory Board is obliged to examine the proposals submitted to the General Meeting and to present its position on them at the General Meeting. The members of the Supervisory Board are independent and do not include Market employees. In 2022, the positions were held by Dr. Péter Telek, László Tamássy and Zsolt Bencze.





The company is managed by the CEO, who is also the Chairman of the Board of Directors. He exercises his rights and duties within the limits of the law and the Articles of Association and in accordance with the decisions of the General Meeting and the Board of Directors. The CEO is the operational manager of the operations and is responsible, together with the Board of Directors, for reviewing and taking decisions on the economic, environmental and social impacts of the company's operations. The CEO is assisted in that function by the Chief Financial Officer and the Deputy CEO for Innovation and Strategic Development.

The subsidiaries **Moratus Kft.**, **OKM Építőipari és Szolgáltató Kft.** and **Vilati Szerelő Zrt.** have the same governance structure as described in the Organisational and Operational Rules, but the difference in their case is that the General Meeting of Members is the highest governance body, which exercises the supervisory and decision-making rights of the owners in a unified manner.

The companies are governed and controlled by the managing directors and the Deputy CEO in charge of the subsidiaries, who are the operational managers of the operations. The managing directors of each subsidiary are selected by the Board of Directors of Market Építő Zrt. based on their professional qualifications and experience.

The member companies do not have a supervisory board, but the supervisory board of the majority owner Market Építő Zrt. controls the management of each company. The internal auditor of Market Építő Zrt. is also competent to control their operations.

The Organisational and Operational Rules have not been issued at other member companies of the Market Group, and in respect of these subsidiaries, the articles of association of the companies regulate the organisational structure of the companies in a general manner within the framework provided for in the provisions of the Civil Code, with Market Építő Zrt. playing an important role as the owner in the development of the respective corporate strategy and in the control of operations in their case as well.





Management of economic, environmental and social impacts

[GRI 2-12] [GRI 2-13] [GRI 2-14] [GRI 2-16]

The highest level of decision-making authority in managing the economic, environmental and social impacts of the Market Group is vested in the executive top management. For each sustainability-related area, responsibilities are decentralised. Sustainability topics are addressed at the highest level of corporate governance by the Board of Directors on the basis of quarterly reports. Sustainability topics are presented to the executive senior management on a monthly basis, which are managed by the Deputy Chief Executive Officer for Development and Innovation.

Sustainability Strategy

Deputy CEO level

Environment and climate protection

Deputy CEO level

Safety at work

Chief Engineer level

Ethics

Legal Director level

Talent Management

HR Director level

Diversity

HR Director level

Innovation

Deputy CEO level

Social engagement

CEO level

Supply chain management

Chief Engineer level

Customer Relations

Deputy CEO level



Climate change risk assessment

As part of its sustainability strategy, the Group has, in line with its commitment, assessed industry-specific climate risks in 2023 and mapped areas where intervention may be needed in the coming years, either in its operational processes or in its real estate development activities.

The assessment analysed the actual and potential physical, migration and biodiversity risks and opportunities in the short, medium and long term, in terms of the expected impact on costs and revenues.³² From a business perspective, the analysis classified the positive or negative impacts on products (buildings, reinforcing steel products), on design and construction, and on internal and external resources according to the probability of occurrence and the intensity of the impact. The evaluation also considered the scale and manageability of each impact.

From a cost perspective, the major risks for industry players include in the short term rising insurance premiums, and in the medium term the market penetration of lower carbon services, rising energy prices and resource scarcity. In the longer term, the sector will have to prepare for an increase in the frequency and intensity of extreme weather events that threaten the health of workers and the integrity of equipment, changes in the climate affecting construction processes and the consequent disruptions in the supply chain.

In terms of revenue, a significant increase in risk is expected in the medium to long term due to the market penetration of lower carbon services, growing market demand for sustainable solutions and inadequate responsiveness to financier valuations.

After mapping the risks associated with climate change and the intensity of their impact, the Market Group starts preparations in order to minimise the expected negative impacts while continuing to offer services of the highest quality in line with changing needs.

Compliance with the EU Taxonomy Regulation

The European Green Deal aims to make the EU economy climate neutral by 2050. The two main pillars of the plan are the efficient use of resources and the protection and restoration of biodiversity by reducing environmental pollution. The Green Deal sets out the investments and financing instruments needed to achieve these goals, so that the transition to a climate-neutral economy can be achieved in a fair way, with the involvement of Member States.

Achieving climate-neutral goals is also supported by the EU's Sustainable Finance Action Plan (SFAP), which has created a single classification system for sustainable activities. As part of that, the EU Taxonomy Regulation came into force on 12 July 2020, with reporting obligations for the Market Group from 2025.

Under the Taxonomy Regulation, from 2022, companies will have to disclose the extent to which their activities are linked to specific environmentally sustainable activities, presented through the financial dimension of associated revenue and capital expenditures (CAPEX) and operating expenditures (OPEX).

In 2023, the Market Group has begun preparations to comply with the Taxonomy Regulation and to issue a fully compliant Group Taxonomy Report in 2025. In the first phase, the Group will carry out an assessment of the scope of activities for the projects of Market Építő Zrt. to establish internal processes, and will extend the assessment to the whole Group from 2025.

³² Short term: given financial year. Medium term: period of 1-5 years. Long term: 5+ year period.

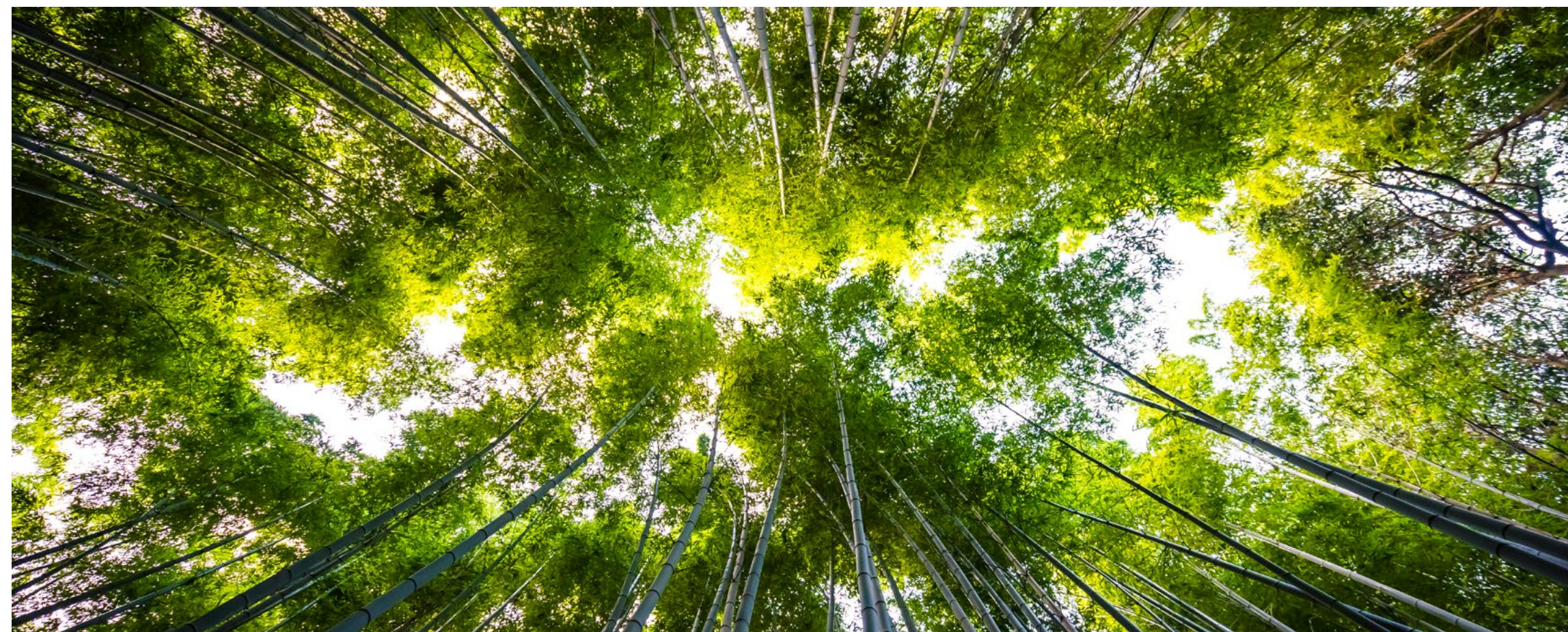


National and EU regulatory environment

On 13 December 2023, the Hungarian Parliament adopted a proposal to amend the rules on corporate social responsibility (CSR) and other related laws, known as the ESG Act, which aims to promote sustainable financing and unified corporate responsibility, taking into account environmental, social and societal aspects.

The new legislation aims to lay the foundations for domestic sustainability reporting and supply chain due diligence obligations and to comply with EU sustainability guidelines such as the CSRD, the CSDDD (the EU's Corporate Sustainability Due Diligence Directive) and the LkSG (the German Supply Chain Due Diligence Act).

The provisions of the adopted law cover two main areas: the introduction of due diligence obligations for sustainability purposes and the preparation for the implementation of the CSRD.



UNDER THE NEW RULES, BUSINESSES WILL FACE THE FOLLOWING OBLIGATIONS:

- ✓ Establishing a risk management system
- ✓ Ensuring a complaints handling procedure
- ✓ Developing an internal responsibility strategy and system
- ✓ Conduct regular risk analyses
- ✓ Identification of preventive and corrective actions
- ✓ Compliance with ESG reporting obligations
- ✓ Declaration by direct suppliers of the risks involved
- ✓ Annual ESG report on the due diligence activity carried out in the previous year and its results

The CSRD (Corporate Sustainability Reporting Directive), which entered into force on 1 January 2023 and which in some respects is an extension of the NFRD, aims to ensure that companies disclose appropriate information on the sustainability risks and opportunities they face in their operations and their impact on society and the environment (based on the principle of double materiality). The Directive requires that sustainability reporting in this way should be comparable, reliable and easy for users to find and use using digital technologies.

Companies will be required to use a single sustainability reporting standard, the European Sustainability Reporting Standards (ESRS), when reporting under the Directive. The new sustainability reporting standard aims to ensure compliance with the requirements of a wide range of stakeholders and to standardise the diverse and often incomparable reporting practices.

In 2023, in preparation for the double materiality assessment, the Market Group will start preparing to comply with the ESG law and EU regulations by carrying out a climate risk assessment.



Business ethics

[GRI 2-12] [GRI 2-13] [GRI 2-14] [GRI 2-16]

The Code of Ethics serves as a map to the internal regulations in force within the Group, while complementing their content with the general expectations required in the course of day-to-day work. Accordingly, most chapters of the Code of Ethics contain a reference to the relevant internal rules and regulations, which provide details of Market Group's specific expectations. In all cases, the Code of Ethics also identifies the organisational units that have the most comprehensive knowledge of the relevant topic and can therefore assist in the interpretation and implementation of the Code of Ethics and related regulations.

MAIN TOPICS COVERED IN THE CODE OF ETHICS:

- ✓ Conduct towards business partners and other third parties
- ✓ Rights granted to employees and their limits
- ✓ Sustainable development
- ✓ Fair and lawful market conduct
- ✓ The role of managers in complying with the Code of Ethics





The explicit aim of the Code of Ethics is to increase the number of ethical violations detected by employees, and the Group has therefore placed great emphasis on reviewing and simplifying the whistleblowing procedure. Accordingly, as of 1 December 2021, a whistleblower protection lawyer will assist in the detection of ethical violations, to whom employees may write even if they do not wish to disclose their identity to the Market Group. The whistleblower protection lawyer acts on behalf of Market Építő Zrt. but handles the personal data of employees as attorney-client privileged information.

Compliance with the Code of Ethics is monitored by the four-member Ethics Council, whose permanent members are the Chairman of the Board of Directors, the internal auditor of the Group, the Legal Director of the Market Group and the HR Director of the Group.

The person responsible for the periodic review of the Code of Ethics is the Legal Director, but the Ethics Council and the top executives of the Group may also initiate an extraordinary review at any time.

Anti-corruption action

[GRI 3-3] [GRI 205-1] [GRI 205-2] [GRI 205-3]

The Market Group condemns all forms of active and passive corruption. The principles of its anti-corruption policy are set out in its internal regulations and in its Code of Ethics.

Considering that the selection of partners to work on a project is, as a rule, decentralised within the Market (the technical director in charge of the project decides which subcontractor will carry out the work), the Group considers the main risk to be that partners may offer an undue advantage to their colleagues in exchange for accepting contractual terms favourable to them. Accordingly, the internal rules require Market Group employees to notify gifts of a value exceeding HUF 55 000 (or EUR 150) to the employer's supervisor for prior approval. Similarly, if any employee of the Market Group contracts with our partner, he or she must also notify us.

In 2023, no specific anti-corruption training was provided to members of the governance bodies or other employees of the Market Group. Such training was provided to employees in the context of the training related to the implementation of the Code of Ethics, which took place in January 2023 and was attended by 98.7% of employees who have computers.



Remuneration policy

[GRI 2-19]

The Market Group does not discriminate between male and female employees, and bases the remuneration of colleagues solely on professional experience and internal salary scales.

Executive top management earns fixed and supplementary bonuses. There are currently no fringe benefits other than salaries. The variable pay rate is high and depends on individual and group performance. A bonus/malus scheme based on sustainability performance has not yet been introduced and is part of the Group's longer-term plans.

The Board of Directors has a fixed remuneration.

Policy implementation

[GRI 2-24] [GRI 2-26]

Market Group considers it important that the policies adopted are actually implemented within the timeframes foreseen and that the appropriate human and material resources are provided for this purpose.

The Group's commitments are codified in binding internal regulations and CEO directives. These regulations are available to all employees, who are obliged to take them into account in the performance of their duties.

Market Group provides its employees with a number of training courses to learn and apply the operational principles (policies) in practice. The staff of the Legal Department regularly hold further legal trainings, as does the IT Department, which regularly educates colleagues on the technical conditions for secure data and information handling and on the risks to data security.

The Group regularly reviews the success and implementation of new policies (regulations). The review period for policies is typically 1-2 years.



Respect for human rights

[GRI 3-3] [GRI 408-1] [GRI 409-1]

Market Group respects the human rights enshrined in the Fundamental Law and international legal conventions. The Group will not contract with any company that does not ensure that its employees or agents are bound by these constitutional principles. At the same time, as part of its commitment to society, it actively supports the advancement of the rights of all of us as human beings, both at home and abroad.

The Group pays particular attention to quality of life at work. It ensures that its employees can work in a relaxed working environment, free from distractions, discrimination and practices that infringe their privacy rights. Market Group has confirmed its commitment to that through its Code of Ethics.

Market believes that in all aspects of our lives, including work, we must be 'Nothing about you without you!' which means that measures, developments or other processes relating to people with disabilities should only be carried out with their involvement.

Market has no operations or suppliers where there is a risk of child labour, exposure of young workers to hazardous work or even forced labour. Almost all of the Group's partners are companies operating in the European Union.





Tax policy

[GRI 3-3] [GRI 207-1] [GRI 207-2] [GRI 207-3]

The Market Group places a high priority on the prompt and complete settlement of tax liabilities in accordance with applicable laws, directives, treaties and court rulings. The Accounting Department is responsible for filing tax returns, liaising with tax authorities and other relevant entities on tax matters. The Chief Financial Officer represents the highest level of management in the tax area within the Group, directs and controls tax-related activities, is responsible for the correct application of professional knowledge and changes in legislation in practice.

Market has a group-wide risk management process that includes the effective and appropriate management of tax risks. This ensures that tax risks are identified, analysed, assessed, monitored and minimised. Processes in place and regularly monitored in the tax area ensure that all areas for which this is essential for the day-to-day operation of the business are aware of tax legislation and changes to it.

Market Group's relationship with the tax authorities has been balanced for many years. The Group is treated as a priority taxpayer, which is why it has a personal contact at the tax authority with whom it can discuss all tax-related matters. It is important to underline that this contact is bidirectional, with the authority contacting Market through the chief accountant, should any questions arise.

Taxation is basically dealt with by the Accounting Department, but there are specific topics related to controlling. Tax issues relating to customers are dealt with directly by the Chief Accountant. The Group's suppliers can also send their tax-related queries via their technical contacts to the accounting area, where in most cases the further processing is also guided by the Chief Accountant.

According to Hungarian tax legislation, there is a real-time link between the authority and the taxpayer in the case of invoicing systems, which also works in the case of Market. In addition, the usual return forms are submitted and processed electronically between the actors.

The transparency of Market Group's operations is fully guaranteed to the Authority, which can verify that through comprehensive investigations.





Data protection

[GRI 418-1]

Market Group handles personal data on a limited basis, as its clients are almost exclusively companies. Accordingly, the personal data available to the Group are mainly employee data and data of the access control system at the construction site.

The member companies act as joint data controllers, the details of which are set out in a separate agreement between the parties. A list of the companies concerned is available at the link below:

<https://www.market.hu/adatkezeles>

Although the Market Group is not obliged to appoint a Data Protection Official, we have appointed a Data Protection Officer to ensure compliance with national and Community law (primarily the GDPR). The Group has set up a dedicated email address (gdp@market.hu) to receive requests and notifications regarding data processing, to which no complaints were received in 2023.

Within the Market Group, we have a number of policies on data management, and data management information is distributed to employees. Information on data management at the construction site can be downloaded from <https://www.market.hu/dokumentumkategoria/2/aszf> but there is also a signboard with the same content at the points of entry.

In 2023, the National Authority for Data Protection and Information Security did not initiate any proceedings involving the Market Group. During the reporting period, a data protection incident occurred, during which the correspondence of an employee of Market Építő Zrt. reached unauthorised persons as a result of a virus attack. The incident was reported to the National Authority for Data Protection and Information Security.





GRI inventory guide



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION										
GRI 2: General disclosures	GRI 2-1 Organisational details	About the Market Group	2	The headquarters of Market Group (Market Építő Zrt.) is located in Budapest (1037 Budapest, Bojtár u. 51.) Area of operation: Hungary	-										
	GRI 2-2 Entities included in the organisation's sustainability reporting	About the report	15	<p>Companies covered by the report:</p> <table border="0"> <tr> <td>Market Építő Zrt.</td> <td>MCM Beton Kft.</td> </tr> <tr> <td>OKM Építőipari és Szolgáltató Kft.</td> <td>Market Épületszerviz Kft.</td> </tr> <tr> <td>Moratus Kft.</td> <td>MRKT Padló Kft.</td> </tr> <tr> <td>Vilati Szerelő Zrt.</td> <td>Lean Tech Mérnökiroda Kft.</td> </tr> <tr> <td>PREbeton Zrt.</td> <td>Property Market Ingatlanfejlesztő Kft.</td> </tr> </table> <p>The sustainability report presents the activities of the companies covered by the report at group level. Where we had information at member company level that helps one better understand the Group's operations and impacts, or may be relevant to our stakeholders, we have included it separately. In parallel, we have generally sought to disclose data on a company-by-company basis for each topic, and where that was not possible, the rationale is provided in a note.</p> <p>The objectives of the Sustainability Strategy and the material topics were defined at group level.</p> <p>Market Építő Zrt. has a majority or sole ownership stake, and therefore operational influence, in all of the companies covered by this report.</p>	Market Építő Zrt.	MCM Beton Kft.	OKM Építőipari és Szolgáltató Kft.	Market Épületszerviz Kft.	Moratus Kft.	MRKT Padló Kft.	Vilati Szerelő Zrt.	Lean Tech Mérnökiroda Kft.	PREbeton Zrt.	Property Market Ingatlanfejlesztő Kft.	-
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GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-3 Reporting period, frequency and contact point	About the report	15	<p>Coverage: Market Group</p> <p>Reporting period: 01.01.2023 – 31.12.2023 Reporting standard: GRI Standards 2021 - 'In accordance with' Reporting period: annual Information and contact: fenntarthatosag@market.hu</p> <p>Market Építő Zrt. published its financial report 'Consolidated Financial Statements and Independent Auditor's Report' on 29 June 2024</p> <p>The company's financial (business) year covers the period from 1 January to 31 December, with the reporting period from 1 January 2023 to 31 December 2023.</p> <p>Date of issue of the 2023 Sustainability Report: July 2024</p>	-
	GRI 2-4 Restatements of information	-	-	Market Group's Sustainability Report 2023 includes clarifications on a number of topics compared to previous periods. In all cases, these are indicated in the chapters as well as in the GRI content index.	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-5 External assurance	-	-	<p>In order to ensure the credibility and transparency of our Sustainability Report, the Market Group has again commissioned an experienced and respected external, independent third party to evaluate our sustainability report for 2024. The purpose of the evaluation process is to identify the adequacy, credibility, completeness, structure, support and traceability of the content of the Sustainability Report.</p> <p>The report was audited by Deloitte Könyvvizsgáló és Tanácsadó Kft., which has commented on the reliability of the information contained therein.</p> <p>In addition to GRI 1, GRI 2 and GRI 3 compliance, the GRI 2 indicators and 3 focus topics were evaluated, namely:</p> <ul style="list-style-type: none">- Scope 1-2 (direct and indirect) emissions (GRI 305-1 and GRI 305-2)- Local suppliers' value share (GRI 204-1)- Average annual training hours per capita (GRI 404-1)	-
	GRI 2-6 Activities, value chain and other business relationships	About the Market Group	2	<p>The Market Group is active in the construction sector. Throughout its history, it has grown to become one of the leading players in the Hungarian construction industry, combining professionalism, dedication and experience.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION																																																																								
	GRI 2-7 Employees and other workers	Stakeholders – staff members	82	<p>The total number of Market Group employees: 1477.³³</p> <p>Distribution of employees by gender among member companies</p> <table border="1"> <thead> <tr> <th></th> <th>MALE (PERSONS)</th> <th>MALE (%)</th> <th>FEMALE (PERSONS)</th> <th>FEMALE (%)</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr> <td>Market Építő Zrt.</td> <td>389</td> <td>67.89%</td> <td>184</td> <td>32.11%</td> <td>573</td> </tr> <tr> <td>OKM Építőipari és Szolgáltató Kft.</td> <td>242</td> <td>87.68%</td> <td>34</td> <td>12.32%</td> <td>276</td> </tr> <tr> <td>Moratus Kft.</td> <td>129</td> <td>86.58%</td> <td>20</td> <td>13.42%</td> <td>149</td> </tr> <tr> <td>Vilati Szerelő Zrt.</td> <td>93</td> <td>92.08%</td> <td>8</td> <td>7.92%</td> <td>101</td> </tr> <tr> <td>PREbeton Zrt.</td> <td>113</td> <td>80.14%</td> <td>18</td> <td>19.86%</td> <td>141</td> </tr> <tr> <td>MCM Beton Kft.</td> <td>1</td> <td>95.45%</td> <td>1</td> <td>4.55%</td> <td>22</td> </tr> <tr> <td>Market Épületszerviz Kft.</td> <td>89</td> <td>92.71%</td> <td>7</td> <td>7.29%</td> <td>96</td> </tr> <tr> <td>MRKT Padló Kft.</td> <td>42</td> <td>95.45%</td> <td>2</td> <td>4.55%</td> <td>44</td> </tr> <tr> <td>Lean Tech Mérnökiroda Kft.</td> <td>18</td> <td>56.25%</td> <td>14</td> <td>43.75%</td> <td>32</td> </tr> <tr> <td>Property Market Ingatlanfejlesztő Kft.</td> <td>22</td> <td>51.16%</td> <td>21</td> <td>48.84%</td> <td>43</td> </tr> <tr> <td>Market Group</td> <td>1158</td> <td>77.88%</td> <td>319</td> <td>22.12%</td> <td>1477</td> </tr> </tbody> </table>		MALE (PERSONS)	MALE (%)	FEMALE (PERSONS)	FEMALE (%)	TOTAL	Market Építő Zrt.	389	67.89%	184	32.11%	573	OKM Építőipari és Szolgáltató Kft.	242	87.68%	34	12.32%	276	Moratus Kft.	129	86.58%	20	13.42%	149	Vilati Szerelő Zrt.	93	92.08%	8	7.92%	101	PREbeton Zrt.	113	80.14%	18	19.86%	141	MCM Beton Kft.	1	95.45%	1	4.55%	22	Market Épületszerviz Kft.	89	92.71%	7	7.29%	96	MRKT Padló Kft.	42	95.45%	2	4.55%	44	Lean Tech Mérnökiroda Kft.	18	56.25%	14	43.75%	32	Property Market Ingatlanfejlesztő Kft.	22	51.16%	21	48.84%	43	Market Group	1158	77.88%	319	22.12%	1477	-
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³³ Throughout the report, including the GRI Content Index, the total number of employees is expressed in headcount.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
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Number of employees with fixed-term and open-ended contracts at group level, by gender

	MALE	FEMALE	TOTAL
Fixed term contract	0	3	3
Open-ended contract	1 158	316	1 474

Number of part-time and full-time employees at group level, by gender

	MALE	FEMALE	TOTAL
Part-time	11	23	34
Full-time	1 147	296	1 443



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
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Non-typical forms of employment by gender and by member companies

	FIXED-TERM CONTRACT		PART-TIME	
	MALE	FEMALE	MALE	FEMALE
Market Építő Zrt.	0	3	6	14
OKM Építőipari és Szolgáltató Kft.	0	0	1	3
Moratus Kft.	0	0	0	0
Vilati Szerelő Zrt.	0	0	2	0
PREbeton Zrt.	0	0	0	0
MCM Beton Kft.	0	0	0	0
Market Épületszerviz Kft.	0	0	0	1
MRKT Padló Kft.	0	0	0	0
Lean Tech Mérnökiroda Kft.	0	0	0	1
Property Market Ingatlanfejlesztő Kft.	0	0	2	4
Total	0	3	11	23



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION																																																																																				
	GRI 2-8 Workers who are not employees	Stakeholders – Staff	82	<p>umber of workers who are not employees of the company</p> <table border="1"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Market Építő Zrt.</td> <td>21</td> <td>27</td> <td>101</td> <td>27</td> <td>29</td> <td>28</td> </tr> <tr> <td>OKM Építőipari és Szolgáltató Kft.</td> <td>6</td> <td>10</td> <td>3</td> <td>2</td> <td>4</td> <td>7</td> </tr> <tr> <td>Moratus Kft.</td> <td>25</td> <td>29</td> <td>3</td> <td>6</td> <td>6</td> <td>10</td> </tr> <tr> <td>Vilati Szerelő Zrt.</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>1</td> <td>3</td> </tr> <tr> <td>PREbeton Zrt.</td> <td>0</td> <td>1</td> <td>1</td> <td>2</td> <td>1</td> <td>1</td> </tr> <tr> <td>MCM Beton Kft.</td> <td>0</td> <td>1</td> <td>0</td> <td>0</td> <td>0</td> <td>2</td> </tr> <tr> <td>Market Épületszerviz Kft.</td> <td>1</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>MRKT Padló Kft.</td> <td>n. a.</td> <td>2</td> <td>2</td> <td>3</td> <td>3</td> <td>1</td> </tr> <tr> <td>Lean Tech Mérnökiroda Kft.</td> <td>2</td> <td>2</td> <td>2</td> <td>3</td> <td>0</td> <td>0</td> </tr> <tr> <td>Property Market Ingatlanfejlesztő Kft.*</td> <td>n. a.</td> <td>n. a.</td> <td>n. a.</td> <td>n. a.</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>55</td> <td>70</td> <td>110</td> <td>40</td> <td>41</td> <td>52</td> </tr> </tbody> </table>		2018	2019	2020	2021	2022	2023	Market Építő Zrt.	21	27	101	27	29	28	OKM Építőipari és Szolgáltató Kft.	6	10	3	2	4	7	Moratus Kft.	25	29	3	6	6	10	Vilati Szerelő Zrt.	0	0	0	0	1	3	PREbeton Zrt.	0	1	1	2	1	1	MCM Beton Kft.	0	1	0	0	0	2	Market Épületszerviz Kft.	1	0	0	0	0	0	MRKT Padló Kft.	n. a.	2	2	3	3	1	Lean Tech Mérnökiroda Kft.	2	2	2	3	0	0	Property Market Ingatlanfejlesztő Kft.*	n. a.	n. a.	n. a.	n. a.	0	0	Total	55	70	110	40	41	52	-
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The legal relationships counted are as follows:

- elected official
- engagement contract
- temporary employment

In the Market Group, 33 men and 19 women were employed in one of the above-mentioned jobs in 2023.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-9 Governance structure and composition	Responsible corporate governance – Corporate governance structure	132	<p>The governance structure of Market Építő Zrt. is described in the company's Articles of Association and its Rules of Organisation and Operation, last renewed on 1 August 2020.</p> <p>The General Meeting is the highest governance body of the company, which exercises the supervisory and decision-making rights of the owners in a unified manner.</p> <p>The Board of Directors is the managing body of the company, manages the company's finances and defines its business concept. The Board of Directors is composed of three members, the Chairman of the Board also performs operational tasks as Chief Executive Officer. The members of the Board of Directors are selected on the basis of their professional qualifications and experience.</p> <p>The Supervisory Board controls the management of the company. In this context, the Supervisory Board is obliged to examine the proposals submitted to the General Meeting and to present its position on them at the General Meeting.</p> <p>The company is managed by the CEO, who is also the Chairman of the Board of Directors. He exercises his rights and duties within the limits of the law and the Articles of Association and in accordance with the decisions of the General Meeting and the Board of Directors. The CEO is the operational manager of the operations and is responsible, together with the Board of Directors, for reviewing and making decisions on the economic, environmental and social impact of the company's operations. The CEO is assisted in that function by the Chief Financial Officers and the Deputy CEO for Innovation and Strategic Development.</p> <p>Other deputy CEOs and directors, who act as executive employees, also play an active role in the governance of the company.</p> <p>The members of the governance body are appointed for an indefinite period.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
				<p>Moratus Kft., OKM Építőipari és Szolgáltató Kft. and Vilati Szerelő Zrt. have Organisational and Operational Rules (not the other members of the Group.)</p> <p>Market Zrt. exercised majority or sole ownership rights over the other member companies of the Market Group.</p> <p>The member companies are managed and controlled by the Managing Directors and the Deputy CEO responsible for the subsidiaries, who are the executive managers of the operations. The managing directors of each subsidiary are selected by the Board of Market Építő Zrt. on the basis of their professional qualifications and experience.</p>	
	GRI 2-10 Selection and nomination of the Highest Governance Body	Responsible corporate governance – Corporate governance structure	132	<p>The composition of the Board of Directors has remained unchanged since the end of 2014, with members delegated by the owners. The most important selection criteria are the existence of appropriate competences and trust.</p> <p>The Market Group’s sustainability strategy includes increasing the proportion of women in senior management, and the selection of members of the top management body is based on competencies, existing experience and independence.</p>	-
	GRI 2-11 Chairman of the Highest Governance Body	Responsible corporate governance – Corporate governance structure	132	<p>The Chairman of the Board of Directors is founder and CEO, Sándor Scheer. In management, he concentrates also the principal, entrepreneurial and technical governance functions. As founder of Market Építő Zrt., Sándor Scheer has a 49 percent stake in the company.</p> <p>The independence of the chairman of the highest governance body and the topic of conflict of interest is ensured by internal procedures.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-12 Role of the Highest Governance Body in Overseeing the Management of Impacts	Responsible corporate governance – Corporate governance structure; Managing economic, environmental and social impacts	132 135	<p>The Board is a strategic decision-making body, with no operational tasks. Its tasks are governed by the Rules of Procedure of the Board of Directors. They focus mainly on the regulated, planned, measurable and verifiable operation of the Group, as well as on the control of risks, high-value, special expenses and investments.</p> <p>Operational management is responsible for ensuring the regulated, lawful and efficient operation of the Group as defined in the business plans approved by the Board of Directors.</p> <p>Market's top management can be divided into two dimensions in terms of functionality. The Board of Directors and the Supervisory Board are responsible for strategic tasks, while the Chief Executive Officer and the Deputy Chief Executive Officers are responsible for the executive operations. The Deputy CEOs are:</p> <ul style="list-style-type: none">• Róbert Mikusi, Deputy CEO responsible for tendering - in charge of participating in tenders and obtaining jobs.• András Wolf, Chief Technical Officer - responsible for the execution of construction projects.• János Suga, Deputy CEO responsible for Subsidiaries – in charge of the control and operation of the subsidiaries.• Balázs Báthory, Deputy CEO for Development and Innovation - responsible for sustainability, development and innovation.• Balázs Sütő, Chief Financial Officer - responsible for the general operation of the company and its economic tasks. <p>The highest governance body has absolute decision-making power on matters affecting the operation of the sustainability area, and the CEO's approval is always required to launch related projects. The CEO also participates in the work of the sustainability area, proposing initiatives and lines of action. The CEO receives quarterly progress reports on the sustainability strategy from the Head of the Directorate for Innovation and Strategic Development.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-13 Delegation of responsibility for managing impacts	Responsible corporate governance – Management of economic, environmental and social impacts	135	The highest level of decision-making authority in managing Market Group's economic, environmental and social impacts rests with the operational senior management. For each sustainability-related area, responsibilities are decentralised. Sustainability issues are addressed at the highest level of corporate governance by the Board of Directors on the basis of quarterly and monthly reports. Sustainability topics are presented to the executive top management on a weekly basis, which are tackled by the Deputy Chief Executive Officer for Development and Innovation.	-
	GRI 2-14 The role of the Highest Governance Body in Sustainability Reporting	Responsible corporate governance – Management of economic, environmental and social impacts	135	In 2023, sustainability activities were reviewed by the responsible Deputy CEO in consultation with top management. In 2022, Market Építő Zrt. established a governance body responsible for reviewing information related to sustainability and defining relevant topics. This document has been approved by them.	-
	GRI 2-15 Conflicts of interest	Responsible Corporate Governance – Business Ethics	138	The Board of Directors receives monthly reports on the transactions of the so-called critical actors and the range of them. These reports also cover the members of the Board of Directors and other interests of the owners.	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-16 Communication of critical concerns to the Highest Governance Body	Responsible corporate governance – Management of economic, environmental and social impacts	135	If a significant problem or concern arises, it will almost immediately go to the top management if it cannot be resolved locally. We do not have precise data on the nature and number of those, if any, but they are always treated as a priority. Eventual damages or complaints can be reported by anybody to Market's official complaint reporting e-mail address, where they will be handled by the competent colleagues.	The Market Group currently has no data on the number of cases to be reported.
	GRI 2-17 Collective knowledge of the Highest Governance Body on sustainability issues	-	-	Board members and the top management regularly attend lectures on sustainability and view sustainability presentations on a quarterly basis. The presentations are given by external experts and the topics are tailored to suit the needs of the audience, but are always related to sustainability and the environment. A presentation is understood to be a thorough one on a specific topic, lasting approximately 1 hour.	-
	GRI 2-18 Evaluation of the performance of the Highest Governance Body	-	-	The performance of the highest governance body is currently not assessed from an environmental, economic and social perspective. The evaluation of the achievement of the strategic sustainability goals can start in the coming years, mainly at the level of the Deputy CEOs.	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-19 Remuneration policies	Responsible Corporate Governance – Business Ethics	140	<p>The Board of Directors has a fixed remuneration. The executive top management has a fixed income plus variable salary/bonus remuneration. There are currently no benefits other than wage-type remunerations. The variable salary rate is high and depends on individual and group performance.</p> <p>When assessing the activities of the top executives in charge, their performance on sustainability issues also counts.</p>	-
	GRI 2-20 The process to determine remuneration	-	-	<p>In matters of remuneration, the decision is taken by the CEO, taking into account the proposal of the HR department. Where relevant to a position, the comments and interests of stakeholders may also be taken into account when determining remuneration.</p> <p>No external experts (e.g. remuneration consultants) are involved in the remuneration process.</p> <p>The shareholders of the Group (51% majority shareholder and parent company GARHARTT Invest 2014 Zrt.; 49% minority shareholder LMCS Vagyonkezelő és Tanácsadó Kft.) vote on the dividend for the given year.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	2022		2023	
					ANNUAL OVERALL REMUNERATION RATE	ANNUAL GROWTH RATE OF THE TOTAL REMUNERATION RATE	ANNUAL OVERALL REMUNERATION RATE	ANNUAL GROWTH RATE OF THE TOTAL REMUNERATION RATE
	GRI 2-21 Annual total compensation ratio	-	-					
				Market Építő Zrt.	2063%	193%	1959%	95%
				OKM Építőipari és Szolgáltató Kft.	450%	60%	657%	146%
				Moratus Kft.	722%	114%	675%	93%
				Vilati Szerelő Zrt.	413%	91%	325%	79%
				PREbeton Zrt.	569%	107%	437%	77%
				MCM Beton Kft.	318%	146%	278%	88%
				Market Épületszerviz Kft.	666%	158%	503%	76%
				MRKT Padló Kft.	n. a.	n. a.	129%	70%
				Lean Tech Mérnökiroda Kft.	186%	73%	641%	357%
				Property Market Ingatlanfejlesztő Kft.	648%	64%	750%	116%

The total annual remuneration ratio shows the ratio between the highest paid top manager and the median of total remuneration of all employees for 2023.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-22 Statements on Sustainable Development Strategy	CEO's welcome address; Sustainability Strategy	12 20	-	-
	GRI 2-23 Policy commitments	-	-	<p>The Market Group sets out its general and specific policy expectations for responsible and sustainable business activity, binding on its employees, in internal regulations and CEO directives. The Code of Ethics, which is available on the Group's internal network, plays a prominent role among them.</p> <p>The Market Group communicates its internal regulations to third parties only on an occasional and exceptional basis, however, they are accessible to their employees on the internal network (intranet) without restriction.</p> <p>The Market Group ensures respect for fundamental human rights for its employees and partners in accordance with the relevant chapter of the Code of Ethics.</p> <p>Group-wide policies will be extended to suppliers and partners in the coming years.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-24 Embedding policy commitments	Responsible Corporate Governance –Business Ethics	140	<p>Market Group’s commitments are codified in binding internal regulations and CEO directives. Those regulations are available to all employees and must be taken into account by them in the performance of their duties. That is a contractual obligation of our colleagues, which can be held accountable by their immediate superiors and the person exercising the employer’s authority.</p> <p>The Market Group provides its employees with several training courses to learn and apply the operating principles (policies) in practice. The staff of the Legal Department regularly hold further legal trainings, as does the IT Department, which regularly educates colleagues on the technical conditions for secure data and information handling and on the threats to data security.</p>	-
	GRI 2-25 Processes to remediate negative impacts	-	-	<p>The Market Group is committed to creating value and avoiding all forms of harm in its activities. Accordingly, any negative impacts (e.g. environmental) arising from its activities will never exceed the limits required by legal regulations or industry standards.</p> <p>In cases where, for whatever reason, a third party is harmed for reasons attributable to the Market Group, the Group will make every effort to repair the negative effects and restore the original condition.</p> <p>Market Group has set up a dedicated e-mail address and a web interface for the reporting of construction site incidents: https://www.market.hu/karjelento and karesemeny@market.hu respectively. This ensures that the responsible Market Group employees are directly informed about negative impacts (damage incidents) and that the claims handling is initiated as soon as possible.</p> <p>The Market Group is continuously improving these processes, taking into account changes in the legal environment (e.g. new data protection requirements) and feedback and complaints from harmed parties.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-26 Mechanisms for seeking advice and raising concerns	Responsible Corporate Governance - Business Ethics	138	<p>The Market Group considers it important to ensure that the policies adopted are actually implemented within the timeframes foreseen and that the appropriate human and material resources are provided for this purpose.</p> <p>The Market Group will only investigate ethical misconduct if it is done in writing and the identity of the individual is disclosed. Ethical misconduct can be reported to the employer or the legal representative of the organisation (1), to the heads of the supporting departments (HR, Internal Audit, Legal) (2), to the Director of Security (3) or by sending an e-mail to etikaikodex@market.hu (4). If the whistleblower does not wish to disclose his/her identity to the Market Group, he/she may also make his/her disclosure to the Market Group's contracted whistleblower protection lawyer (5), who will not disclose the whistleblower's identity unless he/she gives his/her specific consent.</p> <p>In all cases, the person who receives the notification shall forward the request without delay to the Legal Director, who shall inform the HR Director in full.</p> <p>The investigation of a whistleblowing case is coordinated by the Legal Director, who is obliged to keep confidential information about the content of the whistleblowing case and the persons involved in it until the investigation is closed or formal prosecution is initiated as a result of the investigation, and to disclose it only if it is essential for the investigation of the facts.</p> <p>The Market Group will investigate the notification within 30 days, which may be extended by up to 60 days in justified cases.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-27 Compliance with laws and regulations	-	-	In the period under review, the Market Group operated in accordance with the legal and other regulatory requirements, and no circumstances arose in connection with its activities that could call into question its lawful operation.	-
	GRI 2-28 Membership associations	Social engagement - Industry associations	129	National Federation of Building Contractors (ÉVOSZ) Tudásépítő Team Sectoral Training Centre Business Council for Sustainable Development in Hungary (BCSDH) Hungary Environmental Building Association HuGBC Scientific Society for Building (ÉTE) Circular Economy Technology Platform Hungarian CIO Association (VISZ) Chamber of Engineers in Bács-Kiskun County Chamber of Engineers in Békés County Chamber of Architects in Budapest Chamber of Engineers in Budapest and Pest County Chamber of Architects in Pest County Chamber of Engineers in Szabolcs-Szatmár-Bereg County Chamber of Engineers in Veszprém County Chamber of Engineers in Fejér County Chamber of Engineers in Komárom-Esztergom County Hungarian Association of General Contractors	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 2-29 Approach to stakeholder engagement	Stakeholders - Stakeholder survey	81	The Market Group conducted an online survey with stakeholders in autumn 2023 to support the preparation of the Sustainability Report. The identification of appropriate target groups was carried out through multiple consultations. During the process, the following groups were identified: employees, clients, NGOs, members of the next generation. The relevant stakeholder organisations and stakeholders identified were researched. Stakeholder groups were engaged and their views on sustainability were sought with the aim of ensuring that Market's future sustainability efforts take into account the interests and suggestions of the affected groups.	-
	GRI 2-30 Collective Bargaining Agreements	-	-	Until its termination, Market Group employees were covered by a collective bargaining agreement in the construction sector, which can be accessed via the link below: https://www.evosz.hu/hirek/2-bejegyzesek/62-epitoipari-agazati-kollektiv-szerzodes-eaksz	-
GRI 3: Material topics	GRI 3-1 Process to determine material topics	About the report - Material topics	16	<p>Market Group's materiality analysis helps to identify the sustainability issues that are important and topical for the Group and its stakeholders, and to guide stakeholder interests through business processes and strategic objectives. Our key stakeholders are customers, employees, suppliers and partners, NGOs and members of the next generation.</p> <p>In identifying and prioritising the material topics the Market Group has taken into account the results of the stakeholder survey and the objectives of the sustainability strategy prepared in 2021 and launched in 2022, combined with a risk analysis identifying risks and opportunities for the industry and the Group.</p> <p>The topics listed were classified as high, medium or low priority based on their score.</p> <p>The Market Group also conducted a double materiality test for the first time in its 2023 Annual Report, which began its preparation for reporting under the CSRD - ESRS standards.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER			
	GRI 3-2 List of material topics	About the report - Material topics	19	<p>Market Group's materiality rating of sustainability topics, 2023</p> <table border="0"> <tr> <td style="vertical-align: top;"> <p>HIGH PRIORITY</p> <ul style="list-style-type: none"> Waste management (+9) Sustainable use of raw materials (+6) Responsible corporate governance (-2) Resource savings and resource efficiency (+20) Sustainable operations (+30) Continuous staff training, awareness raising (+3) Health and safety at work (+7) Customer satisfaction (+25) </td> <td style="vertical-align: top;"> <p>MEDIUM PRIORITY</p> <ul style="list-style-type: none"> Sustainability in the supply chain (-2) Supplier relations (+21) Innovative, sustainable service for Customers (+23) Climate strategy (-7) Local purchases (+19) Operational eco-efficiency (-11) Corporate Compliance (+14) Innovation for sustainability (+20) Building materials (-13) Innovation Management (-14) Cooperation on environmental and social issues (+5) Environmental policy and management systems (+7) Sustainable coordination (+10) Attracting and retaining talent (-13) Information for customers (-4) Human rights (-5) </td> <td style="vertical-align: top;"> <p>LOW PRIORITY</p> <ul style="list-style-type: none"> Social impacts on communities (-5) Low carbon strategy (-8) Risk management (+7) Risk and crisis management (-10) Social inclusion, dialogue (+13) Fleet management (-5) Involving staff in the area of social engagement (+10) Human capital development (-) Stakeholder engagement (-12) Gender equality (-12) Sustainable financing (-8) Energy mix (-11) Transport and distribution (-11) Raw material procurement (-13) </td> </tr> </table>	<p>HIGH PRIORITY</p> <ul style="list-style-type: none"> Waste management (+9) Sustainable use of raw materials (+6) Responsible corporate governance (-2) Resource savings and resource efficiency (+20) Sustainable operations (+30) Continuous staff training, awareness raising (+3) Health and safety at work (+7) Customer satisfaction (+25) 	<p>MEDIUM PRIORITY</p> <ul style="list-style-type: none"> Sustainability in the supply chain (-2) Supplier relations (+21) Innovative, sustainable service for Customers (+23) Climate strategy (-7) Local purchases (+19) Operational eco-efficiency (-11) Corporate Compliance (+14) Innovation for sustainability (+20) Building materials (-13) Innovation Management (-14) Cooperation on environmental and social issues (+5) Environmental policy and management systems (+7) Sustainable coordination (+10) Attracting and retaining talent (-13) Information for customers (-4) Human rights (-5) 	<p>LOW PRIORITY</p> <ul style="list-style-type: none"> Social impacts on communities (-5) Low carbon strategy (-8) Risk management (+7) Risk and crisis management (-10) Social inclusion, dialogue (+13) Fleet management (-5) Involving staff in the area of social engagement (+10) Human capital development (-) Stakeholder engagement (-12) Gender equality (-12) Sustainable financing (-8) Energy mix (-11) Transport and distribution (-11) Raw material procurement (-13)
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GRI 201: Economic performance	GRI 201-1: Direct Economic Value Generated and Distributed	-	237	-			



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 201-2: Financial impacts and other risks and opportunities due to climate change	-	-	<p>As part of its sustainability strategy, the Group has assessed the industry-specific climate risks in 2023 and identified areas where intervention may be needed in the coming years, either in its operational processes or in its real estate development activities.</p> <p>In addition, the Group has begun preparations to comply with the Taxonomy Regulation and has completed the first double materiality assessment, including a financial impact assessment and a financial assessment of risks, as part of the preparation for CSRD compliance.</p>	-
	GRI 201-3: Defined benefit plan obligations and other retirement plans	-	-	<p>The Market Group continuously analyses the age of its employees in order to plan the retirement costs of those who will reach retirement age in a few years.</p> <p>There are no benefits related to pension fund membership and health insurance membership in the Group.</p> <p>To keep workers healthy, a health insurance benefit allows them to receive the necessary medical services at a private clinic.</p>	-
	GRI 201-4: Financial assistance received from government	-	244	-	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 202: Market presence	GRI 202-1: Ratios of standard entry level wage by gender compared to local minimum wage	-	-	<p>The Market Group provides its employees with a basic wage that is significantly higher than the minimum wage. The salary of new entrants is determined by taking into account the salary of the employees in the given job, with respect to the internal salary structure. It shall bear in mind the principle of equal pay for equal work.</p> <p>There is no gender differentiation for new entrants, with an internal wage bracket determining the offer.</p>	-
	GRI 202-2: Proportion of senior management hired from the local community	-	-	<p>Market Group's top managers are exclusively Hungarian citizens in all member companies. The Group does not define who is 'local' or what percentage of senior managers must be Hungarian citizens. The members of the Board of Directors, the CEO and the Deputy CEOs are considered to be top management.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 203: Indirect economic impacts	GRI 203-1: Infrastructure investments and services supported	-	-	<p>Support for the Járókelő Public Benefit Association</p> <p>Working with supporters to make our living environment more liveable, healthier and better.</p> <p>Since 2012, the Járókelő.hu website has been a public space reporting site that helps city dwellers to report potholes, torn trash cans, worn-down crosswalks, crashed stops, abandoned cars and many other problems they experience in public spaces. By operating an online platform, it gives residents the opportunity to actively participate in shaping their environment and to establish an effective dialogue with both public authorities and service providers.</p> <p>Infrastructure development around BudaPart - BudaPart has won the world's best neighbourhood development award</p> <p>The BudaPart project has won the FIABCI World Prix d'Excellence International Real Estate Development Excellence Award in Paris for the best urban district development. The BudaPart project is the first neighbourhood development in the three-decade history of the competition to win a prize for Hungary. The jury of the FIABCI, considered to be the Oscar Academy of the real estate trade, gave high marks to BudaPart's response to environmental challenges and its eco-awareness.</p> <p>In 2023, for the second time, BudaPart CITY office building was awarded one of the highest levels of the international LEED building certification system, the GOLD certification, for its environmentally conscious solutions, this time in the building operation category.</p> <p>Graffiti removal in Budapest</p> <p>Market Épületszerviz Kft. has removed graffiti from 52,500 m² of wall surfaces more than 5,000 times since 2010, as part of its social responsibility. Among the many areas and objects cleaned were the Nagykörút (Grand Boulevard), Chain Bridge, Árpád Bridge, Elisabeth Bridge, Váci utca and Vigadó Square.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 203-2: Significant - indirect economic impacts		-	<p>The Market Group</p> <ul style="list-style-type: none">• will continue to support industry-wide improvements in production efficiency, with digitisation as one of the pillars. (It operates its own BIM organisation, whose primary task is to apply BIM technology to construction.)• Support the digitalisation of on-site storage of building materials in collaboration with several construction partners.• It runs a Partner Programme to further train 120 high-priority suppliers across the supply chain, including transfer of the best practices in organisational development, tender management, digitalisation and sustainability efforts.• It seeks sustainable sources of raw materials, continuously analysing the options available and conducting its own internal experiments on more sustainable raw materials.• By organising work efficiently, promoting prefabrication, and requiring strong preparation and planning, the aim is to reduce the amount of human labour employed.• It aims to marginalise the grey economy.• It aims to involve the most marginalised social strata in work.• Strengthening vocational training is an industry goal, in which the Group is actively participating by setting up the Tudásépítő Sectoral Training centre with 2 competitors. <p>In 2021, in the course of developing its sustainability strategy, the Market Group carried out a comprehensive trend survey with the involvement of a third party, which examined the sustainability-related activities of domestic and international industry players. In addition, the Group actively monitors the regulatory environment both in Hungary and the EU, and conducts press review of competitors in Hungary.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 204: Procurement practices	GRI 3-3: Management of Material topics	Our Stakeholders - Suppliers	109	<p>Looking ahead, Market has made sustainability in the Group's supply chain a high priority. Linked to, but not limited to, this goal, it is continuously increasing the proportion of local suppliers in its supply chain and publishes data on an annual basis in a breakdown by member companies.</p> <p>The high proportion of local suppliers is a very important indicator not only from an environmental, but also from an economic and social point of view, not only for the Market's operation, but also at a national level. As a major customer, Market has a positive impact on the country's economy by favouring local suppliers and contributes to better working conditions for employees in the industry.</p> <p>The Group currently does not conduct any related impact assessments.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION																																																																													
	GRI 204-1: Proportion of spending on local suppliers	stakeholders - Our suppliers	109	<p>VALUE RATIO OF LOCAL SUPPLIERS³⁴</p> <table border="1"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Market Építő Zrt.</td> <td>98.6%</td> <td>95.8%</td> <td>95.0%</td> <td>96.9%</td> <td>98.7%</td> <td>98.7%</td> </tr> <tr> <td>OKM Építőipari és Szolgáltató Kft.</td> <td>99.7%</td> <td>99.0%</td> <td>99.9%</td> <td>99.9%</td> <td>99.5%</td> <td>99.7%</td> </tr> <tr> <td>Moratus Kft.</td> <td>100.0%</td> <td>99.1%</td> <td>97.9%</td> <td>99.1%</td> <td>99.7%</td> <td>99.6%</td> </tr> <tr> <td>Vilati Szerelő Zrt.</td> <td>99.8%</td> <td>100.0%</td> <td>100.0%</td> <td>100.0%</td> <td>100.0%</td> <td>100%</td> </tr> <tr> <td>PREbeton Zrt.</td> <td>100.0%</td> <td>79.2%</td> <td>71.0%</td> <td>89.0%</td> <td>99.1%</td> <td>99.3%</td> </tr> <tr> <td>MCM Beton Kft.</td> <td>99.8%</td> <td>99.1%</td> <td>100.0%</td> <td>100.0%</td> <td>100.0%</td> <td>98.8%</td> </tr> <tr> <td>Market Épületszerviz Kft.</td> <td>99.0%</td> <td>100.0%</td> <td>100.0%</td> <td>100.0%</td> <td>100.0%</td> <td>100%</td> </tr> <tr> <td>MRKT Padló Kft.</td> <td>n. a. **</td> <td>100%</td> <td>97.3%</td> <td>100%</td> <td>82.4%</td> <td>83.1%</td> </tr> <tr> <td>Lean Tech Mérnökiroda Kft.</td> <td>93.5%</td> <td>100.0%</td> <td>97.0%</td> <td>99.7%</td> <td>96.0%</td> <td>99.9%</td> </tr> <tr> <td>Property Market Ingatlanfejlesztő Kft.</td> <td>n. a. *</td> <td>n. a. *</td> <td>n. a. *</td> <td>99.4%</td> <td>99.2%</td> <td>99.8%</td> </tr> </tbody> </table>		2018	2019	2020	2021	2022	2023	Market Építő Zrt.	98.6%	95.8%	95.0%	96.9%	98.7%	98.7%	OKM Építőipari és Szolgáltató Kft.	99.7%	99.0%	99.9%	99.9%	99.5%	99.7%	Moratus Kft.	100.0%	99.1%	97.9%	99.1%	99.7%	99.6%	Vilati Szerelő Zrt.	99.8%	100.0%	100.0%	100.0%	100.0%	100%	PREbeton Zrt.	100.0%	79.2%	71.0%	89.0%	99.1%	99.3%	MCM Beton Kft.	99.8%	99.1%	100.0%	100.0%	100.0%	98.8%	Market Épületszerviz Kft.	99.0%	100.0%	100.0%	100.0%	100.0%	100%	MRKT Padló Kft.	n. a. **	100%	97.3%	100%	82.4%	83.1%	Lean Tech Mérnökiroda Kft.	93.5%	100.0%	97.0%	99.7%	96.0%	99.9%	Property Market Ingatlanfejlesztő Kft.	n. a. *	n. a. *	n. a. *	99.4%	99.2%	99.8%	-
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MCM Beton Kft.	99.8%	99.1%	100.0%	100.0%	100.0%	98.8%																																																																												
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MRKT Padló Kft.	n. a. **	100%	97.3%	100%	82.4%	83.1%																																																																												
Lean Tech Mérnökiroda Kft.	93.5%	100.0%	97.0%	99.7%	96.0%	99.9%																																																																												
Property Market Ingatlanfejlesztő Kft.	n. a. *	n. a. *	n. a. *	99.4%	99.2%	99.8%																																																																												

In 2023, the value ratio of local suppliers was as high as in previous years, 98.84% at group level.

Local: all suppliers with a registered office and tax number in Hungary.

The Market Group's subsidiaries are companies operating in Hungary, where all suppliers are examined in the process of determining the local sourcing rate for each member company, so 'main operating locations' as a categorisation or narrowing is not relevant for this report.

³⁴ The values are rounded to 1 decimal place in the table, so where 100% is given, there may be a few hundredths of a point of negative sign deviation compared to the actual values.

* In the marked years, no data collection process had yet been developed.

** The company was founded in 2019, so there is no data for 2018.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 205: Anti-corruption action	GRI 3-3: Management of Material Topics	Responsible Corporate Governance - Business Ethics	138	The Market Group condemns all forms of active and passive corruption. The principles of its anti-corruption policy are set out in its internal rules and Code of Ethics.	-
	GRI 205-1: Operations assessed for risks related to corruption	Responsible Corporate Governance - Business Ethics	139	<p>In 2023, no targeted corruption risk survey was conducted within the Group, and no incidents are known to have occurred in 2023 or earlier years.</p> <p>Considering that the selection of partners to work on a given project is, as a rule, decentralised within the Market (the technical director in charge of the project decides which subcontractor will carry out the work), the Group considers the greatest risk to be that partners may offer their colleagues an undue advantage in exchange for accepting contractual terms favourable to them. Accordingly, the internal policy requires Market Group employees to notify gifts of a value exceeding HUF 55,000 (or EUR 150) to the employer's superior for prior approval. Similarly, if any employee of the Market Group contracts with a partner, he or she must also notify the company about it.</p>	-
	GRI 205-2: Communication and Training about Anti-Corruption Policies and Procedures	Responsible Corporate Governance - Business Ethics	139	<p>The Bribery Prevention and Anti-Fraud Policy 2021/63/1 was published throughout the Market Group, is applicable to Market Építő Zrt. and all its subsidiaries, and is available to all employees.</p> <p>The Market Group's anti-corruption policy and procedures are not communicated to third parties and are not public.</p> <p>In the year 2022, no members of the management bodies or other employees of the Market Group received anti-corruption training. Employees received such training in the context of the training related to the implementation of the new Code of Ethics, which was held in January 2023 and attended by 98.7% of employees with computer skills.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 205-3: Confirmed incidents of corruption and actions taken	Responsible Corporate Governance - Business Ethics	139	In 2023, no targeted corruption risk survey was conducted within the Group, and no incidents are known to have occurred in 2023 or earlier years.	-
GRI 206: Anti-competitive behaviour	GRI 206-1: Legal actions for anti-competitive behaviour, antitrust and monopoly practices	Responsible Corporate Governance - Business Ethics	-	During the period covered by the report, there were no circumstances relating to Market Group's activities that would have indicated anti-competitive behaviour, so no competition proceedings were initiated and no fines were imposed.	-
GRI 207: Tax	GRI 3-3: Management of Material topics	Responsible corporate governance - Taxation policy	142	The Market Group places a high priority on the prompt and full settlement of tax liabilities in accordance with applicable laws, directives, contracts and court rulings.	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 207-1: Approach to tax	Responsible corporate governance - Taxation policy	142	<p>The Accounting Department is responsible for filing tax returns, liaising with tax authorities and other relevant organisations in tax matters. The Chief Financial Officer represents the highest management level in the tax field within the Group, directs and controls tax-related activities, and is responsible for the proper practical application of professional knowledge and changes in law.</p> <p>Taxation is currently not in connection with the organisation's business and sustainable development strategy.</p>	-
	GRI 207-2: Tax governance, control and risk management	Responsible corporate governance - Taxation policy	142	<p>Market has a group-wide risk management process, which includes the effective and appropriate management of tax risks. It ensures that tax risks are identified, analysed, assessed, monitored and minimised. Processes in force and regularly monitored in the tax field ensure that all areas that are indispensable for daily operation are familiar with tax-related legislation and its possible changes</p> <p>The Code of Ethics includes a description of business practices related to tax and is linked to a whistleblowing system that also covers tax-related incidents.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 207-3: Stakeholder engagement and management concerns related to tax	Responsible corporate governance - Taxation policy	142	<p>Market Group's relationship with the tax authority has been balanced for years. The Group is a major taxpayer and therefore it has a personal contact at the tax authority with whom it can discuss all tax-related matters. It is important to underline that this contact is bidirectional, with the authority contacting Market through the Chief Accountant should any questions arise.</p> <p>Taxation is basically dealt with by the Accounting department, but there are specific topics related to controlling. Tax issues relating to customers are dealt with directly by the Chief Accountant. The Group's suppliers can also send their tax-related queries via their technical contacts to the Accounting area, where in most cases the further processing is also guided by the Chief Accountant.</p> <p>According to Hungarian tax legislation, there is a real-time link between the tax authority and taxpayers in the case of invoicing systems, which also works in the case of Market. In addition, the usual return forms are submitted and processed electronically between the actors.</p> <p>The transparency of Market Group's operations is fully guaranteed to the Authority, which can verify that through comprehensive investigations.</p>	The Market Group currently has no system in place to collect stakeholders' views and concerns.
GRI 301: Materials	GRI 3-3: Management of Material topics	-	-	In its own investment projects, the Group aims to use as few building materials as possible in the design of buildings. LeanTech Mérnökiroda Kft., the design office of the Group, designs clean, minimalist buildings that require fewer building materials. Significant material savings can be achieved by applying building material 'design out'. LeanTech's standard practice is to omit various interior elements, such as suspended ceilings or plasterboard walls, and to use unpainted concrete interior wall finishes.	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 301-1: Materials used by weight or volume	Climate and environment - Sustainable use of materials	57	<p>Market Group uses a wide range of materials in its construction activities, typically grouped according to the specific activities of each member company. The construction materials procured are delivered to project sites and warehouses in different types and packaging according to the type and make of material. The packaging and bundling of these products is carried out by the manufacturer or distributor of the product concerned. Market Group procures all raw materials from external sources. Exceptions to that are the precast reinforced concrete elements of PREbeton Zrt. and the concrete produced by MCM Beton.</p> <p>Reinforcing steel is one of the most important and centrally sourced products. In 2023, Market sourced 18,762 tonnes of reinforcing steel fibre and 2597 tonnes of reinforcing steel coils at Group level. The Group is moving towards a circular economy by using recycled scrap metal in all its products. At the project sites, scrap metal is collected selectively and recycled into rebar or other steel products.</p>	-
	GRI 301-2: Recycled input materials used	Climate and environment - Sustainable use of materials	57	<p>On projects where demolition waste is generated, in most cases it is ground on site and some of it is used as road base or fill on nearby projects.</p> <p>Materials left over from construction sites are transported to the central logistics warehouse and used on other projects. At the end of projects, office furniture and other equipment are also stored in the logistics centre before being used on other projects.</p>	The Group does not currently have information on the percentage of recycled input materials.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 301-3: Reclaimed products and their packaging materials	-	-	-	The indicator is not meaningful for the Market Group's operations and is therefore not relevant.
GRI 302: Energy	GRI 3-3: Management of Material topics	Climate and environment - Energy	53	40 percent of the European Union's energy consumption comes from the operation of buildings. The dramatic increase in energy prices in recent years has made it increasingly important for operators to improve the energy efficiency of buildings. For the Market Group, that need has a double relevance: on the one hand, it has to reduce the energy costs of the buildings it constructs for its clients and, on the other hand, it has to reduce the energy costs of the buildings it uses itself.	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION																																																								
	GRI 302-1: Energy consumption within the organisation	Climate and environment - Energy	53	<p>Direct energy consumption is made up of four items: electricity consumption, gas consumption, district heating and fuel oil.</p> <p>Development of energy use on an itemised basis between 2018 and 2023³⁵</p> <table border="1"> <thead> <tr> <th>ENERGY USE</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Electricity consumption [MWh]</td> <td>8 415</td> <td>6 941</td> <td>8 765</td> <td>10 502</td> <td>6 305</td> <td>6 581</td> </tr> <tr> <td>of which renewable energy:</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>122</td> <td>1 610</td> </tr> <tr> <td>Gas consumption [GJ]</td> <td>3 487</td> <td>3 255</td> <td>1 727</td> <td>4 710</td> <td>3 274</td> <td>2 642</td> </tr> <tr> <td>Energy consumption for district heating [GJ]</td> <td>9 806</td> <td>10 487</td> <td>17 113</td> <td>25 214</td> <td>9 279</td> <td>10 650</td> </tr> <tr> <td>Energy consumption for district cooling [GJ]</td> <td>n. a.</td> <td>n. a.</td> <td>85</td> <td>32</td> <td>0</td> <td>14</td> </tr> <tr> <td>Fuel oil [litres]</td> <td>n. a.</td> <td>n. a.</td> <td>n. a.</td> <td>185 286</td> <td>5002</td> <td>0</td> </tr> <tr> <td>Total [GJ]</td> <td>43 587</td> <td>38 730</td> <td>50 481</td> <td>76 086</td> <td>35 420</td> <td>36 999</td> </tr> </tbody> </table>	ENERGY USE	2018	2019	2020	2021	2022	2023	Electricity consumption [MWh]	8 415	6 941	8 765	10 502	6 305	6 581	of which renewable energy:	0	0	0	0	122	1 610	Gas consumption [GJ]	3 487	3 255	1 727	4 710	3 274	2 642	Energy consumption for district heating [GJ]	9 806	10 487	17 113	25 214	9 279	10 650	Energy consumption for district cooling [GJ]	n. a.	n. a.	85	32	0	14	Fuel oil [litres]	n. a.	n. a.	n. a.	185 286	5002	0	Total [GJ]	43 587	38 730	50 481	76 086	35 420	36 999	-
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	GRI 302-2: Energy consumption outside the organisation	-	-	-	The Market Group does not currently have such a data collection process.																																																								

³⁵ The scope of the report has changed (MRKT Padló Kft.), therefore the related data have been retroactively amended.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION																					
	GRI 302-3: Energy intensity	-	-	<p>Market Group has committed to reduce the energy consumption of new buildings under its own investment below 80 kWh/m²/year. As energy consumption in a given year is project-dependent (the more energy-intensive projects the Group works on, the higher the increase in energy consumption), a comparison of energy use between years does not give a realistic picture of energy efficiency. To this end, Market Group monitors its energy efficiency by using energy efficiency indicators as a percentage of revenue.</p> <p>Market Group uses two indicators to monitor its energy efficiency: electricity consumption as a percentage of revenue and gas consumption as a percentage of revenue.</p> <table border="1"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Electricity consumption in proportion to revenue (MWh/100 M HUF)³⁶</td> <td>4.7</td> <td>2.9</td> <td>3.7</td> <td>2.8</td> <td>1.6</td> <td>1.5</td> </tr> <tr> <td>Gas consumption in proportion to revenue (MWh/100 M HUF)</td> <td>1.9</td> <td>1.3</td> <td>0.7</td> <td>1.3</td> <td>0.8</td> <td>0.6</td> </tr> </tbody> </table>		2018	2019	2020	2021	2022	2023	Electricity consumption in proportion to revenue (MWh/100 M HUF) ³⁶	4.7	2.9	3.7	2.8	1.6	1.5	Gas consumption in proportion to revenue (MWh/100 M HUF)	1.9	1.3	0.7	1.3	0.8	0.6	-
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GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 302-4: Reduction of energy consumption	Climate and environment - Energy	53	<p>In summary, energy use at group level continued to decrease in 2023, in line with the targets set in the sustainability strategy.</p> <p>The Group has developed different scenarios to reduce its energy consumption in the future, supporting energy efficiency improvements:</p> <ul style="list-style-type: none"> • Use of fuel-efficient hybrid or electric cars: in 2023, we acquired 1 additional electric vehicle, while the number of hybrid vehicles increased by 68%. • Use of renewable energy sources: in 2023, 222 MWh of renewable energy was generated by on-site solar systems installed during 2022, and the Group acquired an additional 1 388 MWh of green energy (GoO). • Preference for energy-efficient and low or zero carbon machinery in all high-value machinery purchases. • Continuous monitoring and optimisation of consumption in the office building. 	-
	GRI 302-5: Reductions in Energy Requirements of Products and Services	Climate and environment - Energy	53	<p>In the construction industry, it is not easy to make a product* energy efficiency commitment, as its fulfilment and outcome do not depend only on the Market Group. However, it is possible to influence the client through appropriate and targeted communication and proposals during the consultations.</p> <p>If the client expresses a need for a LEED or BREEAM certified building, but aims for a lower level rating of certification, Market will try to convince the client to contract for a higher level of certification at the design stage. Market will provide technical studies to demonstrate how much the energy efficiency of the building would increase if, for example, it were to aim for Gold rather than LEED Silver. It also proposes concrete technological solutions to achieve that.</p> <p>Provided clients are open to this approach, good results can be achieved. Market managed to convince its clients in a number of cases, who were satisfied with the final result after the project was completed.</p>	No exact data on the reduction in energy demand for products and services is available to the Market Group at this time.

* In answering that indicator, we considered the completed building as a product.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 303: Water and wastewater effluents	GRI 3-3: Management of Material Topics	Climate and environmental protection - Water management	63	Market Group, as a construction actor, has a massive impact on water. The increasingly extreme distribution of rainfall throughout Europe, including Hungary, makes it more and more necessary to spread responsible water management practices in the construction sector. For this reason, the Group's sustainability strategy includes defining guidelines for water use until 2025, developing water saving solutions for its clients, and assessing and developing strategies to eliminate water consumption weaknesses. It also commits to reducing group-wide water consumption by 10% by 2025 compared to 2019.	-
	GRI 303-1: Interactions with Water as a Shared Resource	Climate and environmental protection - Water management	63	<p>The Market Group fully complies with the legal requirements for water management. In case of all its projects it applies for a water permit from the relevant official body.</p> <p>Wastewater generated on construction sites is discharged into the existing network. In Budapest, the operator is the Budapest Sewage Works (FCSM), in the countryside the Group would approach the relevant sewer works and the municipalities concerned. Before obtaining permits, a calculation must be made to the authorities of the expected water use throughout the construction period. The calculation is based on the number of workers and the use of communal facilities. (We do not have a data collection process in place for the process water consumption at construction sites.)</p> <p>The Group as a whole monitors water use on a continuous basis, checking it on a monthly basis and evaluating it annually against the the water use in the previous year.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 303-2: Management of water discharge-related impacts	Climate and environmental protection - Water management	63	<p>The headquarters and the subsidiary sites and offices (Market Építő Zrt., Moratus Kft., Vilati Szerelő Zrt., OKM Építőipari és Szolgáltató Kft.) have water use and waste water discharge permits. The water consumption values are recorded and checked monthly in the offices.</p> <p>PREbeton Zrt. and MCM Beton Kft. are considered as manufacturers. Accordingly, they have the necessary water permits and they review their water use on a monthly basis. For the two member companies, water use depends on the volume of concrete production. Both PREbeton Zrt. and MCM Beton Kft. use water sparingly, as the water generated from the washing of concrete tanks is reused in the production process.</p> <p>In the case of OKM projects, groundwater may be released to the surface during soil extraction. The amount of that cannot be controlled and depends on the geological properties of the soil. If polluted, it is pumped out and transported away, if not, it infiltrates or is drained away.</p>	-
	GRI 303-3: Water withdrawal	Climate and environmental protection - Water management	63	<p>Among the member companies, MCM Beton Kft. and PREbeton Zrt. use larger quantities of well water for concrete production. Since water quality is of paramount importance for concrete production, 87% of the well water used is fresh water of drinking water quality. In 2023, 6,301,000 litres of water were extracted from drilled wells for PREbeton Zrt. and 14,430,000 litres for MCM Beton Kft.</p> <p>100% of the water used is fresh water, which comes from subsurface groundwater.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION																																																																																											
	GRI 303-4: Water discharge	Climate and environmental protection - Water management	63	<p>For water intake and wastewater disposal, two of the largest user member companies, Market Építő Zrt. and OKM Építőipari és Szolgáltató Kft., have established separate data collection processes. We have separated the water use of the own building (headquarters and premises) and the water intake and wastewater disposal during projects.</p> <table border="1"> <thead> <tr> <th>WASTE WATER (m³)³⁷</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Market Építő Zrt.</td> <td>53 276</td> <td>67 529</td> <td>111 406</td> <td>5 310</td> <td>33 107</td> <td>16 199</td> </tr> <tr> <td>OKM Építőipari és Szolgáltató Kft.</td> <td>75</td> <td>1 788</td> <td>86</td> <td>394</td> <td>151</td> <td>204</td> </tr> <tr> <td>Moratus Kft.</td> <td>283</td> <td>436</td> <td>591</td> <td>216</td> <td>252</td> <td>293</td> </tr> <tr> <td>Vilati Szerelő Zrt.</td> <td>320</td> <td>341.2</td> <td>305.6</td> <td>485</td> <td>344.77</td> <td>295</td> </tr> <tr> <td>PREbeton Zrt.</td> <td>0</td> <td>0</td> <td>n. a.</td> <td>2 432</td> <td>11 406</td> <td>5026</td> </tr> <tr> <td>MCM Beton Kft.</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Market Épületszerviz Kft.</td> <td>239</td> <td>182</td> <td>137</td> <td>191</td> <td>248</td> <td>108</td> </tr> <tr> <td>MRKT Padló Kft.</td> <td>0</td> <td>69</td> <td>148</td> <td>132</td> <td>126</td> <td>129</td> </tr> <tr> <td>Lean Tech Mérnökiroda Kft.</td> <td>31</td> <td>37</td> <td>56</td> <td>210</td> <td>118</td> <td>155</td> </tr> <tr> <td>Property Market Ingatlanfejlesztő Kft.</td> <td>n. a.</td> <td>n. a.</td> <td>47</td> <td>109</td> <td>133</td> <td>160</td> </tr> <tr> <td>Total (m³)</td> <td>54 224</td> <td>70 382</td> <td>12 776</td> <td>9 479</td> <td>45 887</td> <td>22 474</td> </tr> <tr> <td>Total (megalitres)</td> <td>54.2</td> <td>70.4</td> <td>12.8</td> <td>9.5</td> <td>45.9</td> <td>22.5</td> </tr> </tbody> </table>	WASTE WATER (m ³) ³⁷	2018	2019	2020	2021	2022	2023	Market Építő Zrt.	53 276	67 529	111 406	5 310	33 107	16 199	OKM Építőipari és Szolgáltató Kft.	75	1 788	86	394	151	204	Moratus Kft.	283	436	591	216	252	293	Vilati Szerelő Zrt.	320	341.2	305.6	485	344.77	295	PREbeton Zrt.	0	0	n. a.	2 432	11 406	5026	MCM Beton Kft.	0	0	0	0	0	0	Market Épületszerviz Kft.	239	182	137	191	248	108	MRKT Padló Kft.	0	69	148	132	126	129	Lean Tech Mérnökiroda Kft.	31	37	56	210	118	155	Property Market Ingatlanfejlesztő Kft.	n. a.	n. a.	47	109	133	160	Total (m³)	54 224	70 382	12 776	9 479	45 887	22 474	Total (megalitres)	54.2	70.4	12.8	9.5	45.9	22.5	-
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There are no drinking water quality discharges, and the Market Group does not operate in an area of water stress.

In the course of its operations, Market Group does not discharge any pollutants that would be considered hazardous to water bodies, ecosystems or human health and therefore require special filtration.

³⁷ The scope of the report has changed (MRKT Padló Kft.), therefore the related data have been retroactively amended.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION																																																																																											
	GRI 303-5: Water consumption	Climate and environmental protection - Water management	63	<p>WATER USE (COMMUNAL) (m³)</p> <table border="1"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Market Építő Zrt.</td> <td>60 153</td> <td>66 124</td> <td>52 896</td> <td>8 260</td> <td>37 767</td> <td>4 435</td> </tr> <tr> <td>OKM Építőipari és Szolgáltató Kft.</td> <td>3 490</td> <td>16 552</td> <td>145</td> <td>12 245</td> <td>13 731</td> <td>15 038</td> </tr> <tr> <td>Moratus Kft.</td> <td>289</td> <td>396</td> <td>447</td> <td>804</td> <td>747</td> <td>552</td> </tr> <tr> <td>Vilati Szerelő Zrt.</td> <td>388</td> <td>404.5</td> <td>294.5</td> <td>935</td> <td>860.06</td> <td>573</td> </tr> <tr> <td>PREbeton Zrt.</td> <td>0</td> <td>0</td> <td>1 639</td> <td>2 432</td> <td>11 406</td> <td>5 026</td> </tr> <tr> <td>MCM Beton Kft.</td> <td>n. a.</td> <td>n. a.</td> <td>n. a.</td> <td>n. a.</td> <td>n. a.</td> <td>n. a.</td> </tr> <tr> <td>Market Épületszerviz Kft.</td> <td>239</td> <td>182</td> <td>137</td> <td>191</td> <td>248</td> <td>108</td> </tr> <tr> <td>MRKT Padló Kft.</td> <td></td> <td>69</td> <td>148</td> <td>132</td> <td>126</td> <td>129</td> </tr> <tr> <td>Lean Tech Mérnökiroda Kft.</td> <td>59</td> <td>64</td> <td>28</td> <td>561</td> <td>590</td> <td>409</td> </tr> <tr> <td>Property Market Ingatlanfejlesztő Kft.</td> <td>n. a.</td> <td>n. a.</td> <td>47</td> <td>109</td> <td>133</td> <td>160</td> </tr> <tr> <td>Total (m³)³⁸</td> <td>64 617</td> <td>83 791</td> <td>55 701</td> <td>29 386</td> <td>65 607</td> <td>26 429</td> </tr> <tr> <td>Total (megalitres)</td> <td>64.6</td> <td>83.7</td> <td>55.7</td> <td>29.4</td> <td>65.6</td> <td>26.4</td> </tr> </tbody> </table>		2018	2019	2020	2021	2022	2023	Market Építő Zrt.	60 153	66 124	52 896	8 260	37 767	4 435	OKM Építőipari és Szolgáltató Kft.	3 490	16 552	145	12 245	13 731	15 038	Moratus Kft.	289	396	447	804	747	552	Vilati Szerelő Zrt.	388	404.5	294.5	935	860.06	573	PREbeton Zrt.	0	0	1 639	2 432	11 406	5 026	MCM Beton Kft.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	Market Épületszerviz Kft.	239	182	137	191	248	108	MRKT Padló Kft.		69	148	132	126	129	Lean Tech Mérnökiroda Kft.	59	64	28	561	590	409	Property Market Ingatlanfejlesztő Kft.	n. a.	n. a.	47	109	133	160	Total (m³)³⁸	64 617	83 791	55 701	29 386	65 607	26 429	Total (megalitres)	64.6	83.7	55.7	29.4	65.6	26.4	-
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³⁸ The communal water use has been updated retroactively (2019-2022), taking into account the inclusion of MRKT Padló Kft. in the scope of the Sustainability Report



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
				Process water use for each member company in 2023 (m³)	
				OFFICES / LOCATIONS	WATER CONSUMPTION (m³)
				Market Építő Zrt.	18 540
				OKM Építőipari és Szolgáltató Kft.	-
				Moratus Kft.	-
				Vilati Szerelő Zrt.	-
				PREbeton Zrt.	6 301
				MCM Beton Kft.	14 430
				Market Épületszerviz Kft.	-
				MRKT Padló Kft.	910
				Lean Tech	-
				Property Market Ingatlanfejlesztő Kft.	-
				Total	40 181



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 304: Biodiversity	GRI 3-3 Management of Material Topics	Climate and environment - Protecting biodiversity	68	crisis is unfolding. Construction and building materials production have a significant impact on natural habitats and often negatively affect the activities of native flora and fauna. With that in mind, the Market Group places great emphasis on the protection of biodiversity and is determined to reduce its negative impact on natural habitats.	-
	GRI 304-1: Operational sites owned, leased, managed or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Climate and environment - Protecting biodiversity	68	<p>In 2023, the Group's activities do not affect any Natura 2000 sites.</p> <p>It is not necessary for us to determine the intangible value of biodiversity, but for various reasons, the intangible value of trees affected by construction execution in a project may need to be determined.</p> <p>The identification of the intangible value of trees on the basis of the Radó type tree evaluation method, has been developed by the Hungarian Association of Arboriculture, which calculates the basic nursery price by an age multiplier (no longer directly proportional to the age of the plant in the case of older trees), taking into account the growth vigour of the species and the habitat. In addition to the tree nursery price and the age multiplier, we also take into account the location of the tree and its possible protection status, the condition of the crown and the general health of the plant, and a modifier based on the dendrological value of the species.</p> <p>The PREbeton plant in Erdőtelek is located near the Hevesi plain (Natura 2000), therefore during the construction and production processes we have complied with the regulations and instructions of the competent (nature conservation) authority in order to protect biodiversity.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER
	GRI 304-2: Significant impacts of activities, products and services on biodiversity	Climate and environment - Protecting biodiversity	68	<p>The most significant negative impact currently comes from the Group's greenfield investments, which essentially transform the existing environment by incorporating previously undisturbed land or land used for agriculture. In such cases, the entire infrastructure usually has to be built out, with associated noise, vibration, earthmoving and dust emissions. The Market Group is in the process of preparing a protocol which will ensure that, in the future, in the case of greenfield projects, the more valuable protected plant species that may be found on the site are surveyed, transplanted or at least collected in a seed bank.</p> <p>The Market Group strives to eliminate or, if that is not possible, reduce negative impacts in its projects. During the plan review process, the Group's specialist consultant will filter out invasive species, have them removed from the plans and seek to plant native, indigenous species in the affected areas. The Group's specialist technical advisers will share their knowledge with the project participants, thereby shaping their approach. In doing so, the Market Group also draws attention to the concrete steps to be taken to conserve biodiversity and acts accordingly.</p> <p>The Group will use part of the displaced humus topsoil in the areas affected by the construction within the site during redesign (execution drawings) - thus reducing the environmental impact of transport. If that is not possible, it will try to use it at another construction site or landfill at the Soroksár site for further appropriate use.</p> <p>From 2021 onwards, Market Építő Zrt. has started to test the soil excavated during construction activities - in addition to the usual soil test report - according to new criteria, and has concluded a contract with an external soil testing and nutrient management expert, who will test the soil in all projects.</p> <p>Prior to the afforestation works, Market Group will seek the advice of the local forestry on the species of trees and other technical issues appropriate to the area (soft landscape plan) and will also entrust the implementation of the afforestation to them.</p>



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER
				<p>In order to offset the Group's emissions and preserve biodiversity, a tree planting project has been launched, with the basic objective of planting twice the contracted amount of trees for each project at our own cost. Where the project site allows, the Group will plant a biodiverse mini forest. If there is not enough land available at the project site, a small-footprint, fast-growing, native species Miyawaki Forest will be established in an urban environment in consultation with local governments. In the event that neither method is feasible in a given year, the Group will support tree planting in forested areas.</p> <p>Among the alternatives of the tree planting project, in 2023 we supported forestry tree planting (16 885 saplings or trees) in the Piliscsaba area. The project involved the planting of seedlings of climate-resistant, indigenous species by Pilis Parkerdő Zrt. with the involvement of Market volunteers. That improved the natural condition of the existing forest and started the transformation of the alien tree population, which is not suitable for the growing area. The support contract also stipulates that Pilisi Parkerdő guarantees the short and long-term care and aftercare of the planted forest for 20 years after planting.</p> <p>In the Alba Arena project in Székesfehérvár, Market supported the planting of an additional 223 hectares of advance nursery stocks in the spirit of social responsibility.</p> <p>In the Corvinus Campus project on Gellért Hill in 2023, the project succeeded in demarcating some areas in a way that preserves the original vegetation. At the end of the project, the Group relocated so-called 'ancestral grass' from that area to the disturbed sites, so that the species living in the demarcated area can more easily reproduce throughout the whole area. Not protected, but the ornamental, lovely plants of the spring aspect, such as barnyard and fingered marigold (<i>Corydalis cava</i>, <i>C. solida</i>), yellow henbane (<i>Gagea lutea</i>) and scented violet (<i>Viola odorata</i>) are found in the native plant community.</p> <p>The Group seeks to reduce or eliminate trade-off effects through careful planning. For example, the planting of different types of forest (e.g. even an energy forest of Paulownia clones) to mitigate climate change was considered, but Market has consciously chosen to plant native species and has started a kind of evergreen forest instead of an industrial plantation.</p>



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 304-3: Habitats Protected or Restored	Climate and environment - Protecting biodiversity	68	In 2023, the Group has no investments or other activities in or near Natura 2000 sites. The Citadel project, which has been underway in the Gellértheagy Nature Reserve for several years, is a nature conservation concern and is now a protected World Heritage Site and a Site of Outstanding Natural Interest, and is also considered an archaeological site. The project covers an area of approximately 31 560 m ² . The works will increase the green area to one and a half times the original 20 000 m ² .	-
	GRI 304-4: IUCN Red List Species and National Conservation List Species with Habitats in Areas Affected by Operations	Climate and environment - Protecting biodiversity	68	<p>Market Group’s activities, such habitat surveys are typically carried out by the developer/client prior to the construction phase. Data on that is not reported to the company.</p> <p>At the same time, Market is aware that some of the project sites may contain, but are not limited to, the protected species listed below, and will do its utmost to protect them (e.g. habitat construction: bird protection, bat boxes, hedgehog garages, swallow hotels, feeding and watering stations, etc.):</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Animal species:</p> <ul style="list-style-type: none"> • Eastern Hedgehog • Bank martin • Bee-eater • Lark • Brown toad (and other amphibians) • Great bittern • Water snake (and other reptiles) • Pannonian lizard • Mammoth wasp • Bat species • Otter • Gopher </div> <div style="width: 45%;"> <p>Plant speciesk:</p> <ul style="list-style-type: none"> • Ephedra (Gellért Hill) • Yellow catchfly (Gellért Hill) • Lady orchid • Yellow oxeye • Yellow lag iris • Tufted sedge • Summer snowflake • Snake’s head • White—seeded Saw-wortHungarian gargle • Soft silver tree </div> </div>	-



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GRI 305: Emissions	GRI 3-3 Management of Material Topics	Climate and environment - Atmospheric emissions	43	Reducing Market Group's emissions efficiently and as quickly as possible is the starting point of the Group's sustainability strategy. In developing that strategy, Market Group has developed a GHG inventory and has based its emissions reduction targets on that inventory.	-																																																																																											
	GRI 305-1: Direct (Scope 1) GHG emissions	Climate and environment - Atmospheric emissions	43	<p>AGGREGATE EMISSIONS (MARKET GROUP)³⁹</p> <table border="1"> <thead> <tr> <th>UNIT OF MEASUREMENT</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Scope 1</td> <td>tCO_{2e}⁴⁰ 4543.0</td> <td>7063.1</td> <td>5444.6</td> <td>8645.0</td> <td>8556.2</td> <td>8801.9</td> </tr> <tr> <td>SCOPE 1</td> <td>2018</td> <td>2019</td> <td>2020</td> <td>2021</td> <td>2022</td> <td>2023</td> </tr> <tr> <td>Market Építő Zrt.</td> <td>909.6</td> <td>971.1</td> <td>807.9</td> <td>1480.6</td> <td>1351.6</td> <td>1587.5</td> </tr> <tr> <td>OKM Építőipari és Szolgáltató Kft.</td> <td>3005.2</td> <td>4922.9</td> <td>3423.6</td> <td>4876.5</td> <td>4877.9</td> <td>4698.7</td> </tr> <tr> <td>Moratus Kft.</td> <td>299.3</td> <td>410.8</td> <td>276.2</td> <td>790.8</td> <td>788.6</td> <td>724.8</td> </tr> <tr> <td>Vilati Szerelő Zrt.</td> <td>140.3</td> <td>243.5</td> <td>158.3</td> <td>297.0</td> <td>276.3</td> <td>257.5</td> </tr> <tr> <td>PREbeton Zrt.</td> <td>0.0</td> <td>0.0</td> <td>87.8</td> <td>270.1</td> <td>306.9</td> <td>385.5</td> </tr> <tr> <td>MCM Beton Kft.</td> <td>28.3</td> <td>75.1</td> <td>117.6</td> <td>289.3</td> <td>345.1</td> <td>450.5</td> </tr> <tr> <td>Market Épületszerviz Kft.</td> <td>146.1</td> <td>219.0</td> <td>209.1</td> <td>224.5</td> <td>238.8</td> <td>236.4</td> </tr> <tr> <td>MRKT Padló Kft.</td> <td>0.0</td> <td>152.8</td> <td>300.0</td> <td>357.4</td> <td>289.8</td> <td>377.9</td> </tr> <tr> <td>Lean Tech Mérnökiroda Kft.</td> <td>14.2</td> <td>15.0</td> <td>19.1</td> <td>21.3</td> <td>30.5</td> <td>35.3</td> </tr> <tr> <td>Property Market Ingatlanfejlesztő Kft.</td> <td>0.0</td> <td>52.9</td> <td>45.1</td> <td>37.6</td> <td>50.6</td> <td>47.8</td> </tr> </tbody> </table>	UNIT OF MEASUREMENT	2018	2019	2020	2021	2022	2023	Scope 1	tCO _{2e} ⁴⁰ 4543.0	7063.1	5444.6	8645.0	8556.2	8801.9	SCOPE 1	2018	2019	2020	2021	2022	2023	Market Építő Zrt.	909.6	971.1	807.9	1480.6	1351.6	1587.5	OKM Építőipari és Szolgáltató Kft.	3005.2	4922.9	3423.6	4876.5	4877.9	4698.7	Moratus Kft.	299.3	410.8	276.2	790.8	788.6	724.8	Vilati Szerelő Zrt.	140.3	243.5	158.3	297.0	276.3	257.5	PREbeton Zrt.	0.0	0.0	87.8	270.1	306.9	385.5	MCM Beton Kft.	28.3	75.1	117.6	289.3	345.1	450.5	Market Épületszerviz Kft.	146.1	219.0	209.1	224.5	238.8	236.4	MRKT Padló Kft.	0.0	152.8	300.0	357.4	289.8	377.9	Lean Tech Mérnökiroda Kft.	14.2	15.0	19.1	21.3	30.5	35.3	Property Market Ingatlanfejlesztő Kft.	0.0	52.9	45.1	37.6	50.6	47.8	-
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⁴⁰In addition to CO₂, the equivalent includes CH₄ and N₂O emissions, as recommended by the GHG Protocol.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER																								
				<p>Biogenic emission factors were not taken into account when determining the Scope 1 emission values, as information on the composition of the fuels purchased for the Group's fleet was not available.</p> <p>The consolidation approach used in the calculation of the emissions: for each of the member companies included in the report, Market Építő Zrt. has an operating influence and at least 50% ownership.</p>																								
	GRI 305-2: Energy Indirect (Scope 2) GHG emissions	Climate and environment - Atmospheric emissions	43	<table border="1"> <thead> <tr> <th>AGGREGATE EMISSIONS (MARKET GROUP)⁴¹</th> <th>UNIT OF MEASUREMENT⁴²</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Scope 2 - local based</td> <td>tCO_{2e}</td> <td>3399.2</td> <td>2529.1</td> <td>3325.0</td> <td>4502.4</td> <td>2414.7</td> <td>2148.4</td> </tr> <tr> <td>Scope 2 - market based</td> <td>tCO_{2e}</td> <td>3483.8</td> <td>2599.0</td> <td>3527.8</td> <td>4555.2</td> <td>2581.7</td> <td>2282.7</td> </tr> </tbody> </table>	AGGREGATE EMISSIONS (MARKET GROUP) ⁴¹	UNIT OF MEASUREMENT ⁴²	2018	2019	2020	2021	2022	2023	Scope 2 - local based	tCO _{2e}	3399.2	2529.1	3325.0	4502.4	2414.7	2148.4	Scope 2 - market based	tCO _{2e}	3483.8	2599.0	3527.8	4555.2	2581.7	2282.7
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				SCOPE 2	tCO _{2e}	2018	2019	2020	2021	2022	2023
				Market Építő Zrt.	local	3310.3	2456.8	3158.1	4137.4	2012.3	1854.9
				Market Építő Zrt.	market	3392.4	2524.2	3348.2	4184.9	2148.6	1969.2
				OKM Építőipari és Szolgáltató Kft.	local	13.4	13.1	16.6	35.1	38.2	35.5
				OKM Építőipari és Szolgáltató Kft.	market	13.7	13.6	17.6	35.4	39.9	36.8
				Moratus Kft.	local	15.3	12.0	16.2	31.9	55.2	45.8
				Moratus Kft.	market	15.7	12.4	17.2	32.2	58.7	48.3
				Vilati Szerelő Zrt.	local	18.6	11.2	20.0	38.4	36.6	35.9
				Vilati Szerelő Zrt.	market	19.1	11.5	21.2	38.7	38.3	37.5
				PREbeton Zrt.	local	0	0	59.8	135.4	177.3	70.2
				PREbeton Zrt	market	0	0	65.3	137.9	193.6	76.7
				MCM Beton Kft.	local	27.9	22.4	23.9	72.2	45.2	55.7
				MCM Beton Kft.	market	28.8	23.2	26.0	73.6	49.3	60.9
				Market Épületszerviz Kft.	local	8.6	7.7	6.0	6.8	7.2	8.7
				Market Épületszerviz Kft.	market	8.9	8.0	6.6	6.9	7.8	9.5
				MRKT Padló Kft.	local	0	1.9	3.2	4.4	4.5	5.0
				MRKT Padló Kft.	market	0	2.0	3.5	4.5	4.9	5.5
				Lean Tech Mérnökiroda Kft.	local	5.1	4.0	13.6	27.6	30.3	27.3
				Lean Tech Mérnökiroda Kft.	market	5.2	4.1	14.3	27.8	31.6	28.2
				Property Market Ingatlanfejlesztő Kft.	local	0.0	0.0	7.7	13.2	8.1	9.4
				Property Market Ingatlanfejlesztő Kft.	market	0.0	0.0	8.0	13.3	8.8	10.1

The consolidation approach used in the calculation of the emissions: for each of the member companies included in the report, Market Építő Zrt. has an operating influence and at least 50% ownership.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION														
	GRI 305-3: Other indirect (Scope 3) GHG emissions	Climate and environment - Atmospheric emissions	43	-	The Market Group does not currently have such a data collection process.														
	GRI 305-4: GHG emissions intensity	Climate and environment - Atmospheric emissions	43	<p>Revenue proportional GHG intensity indicator</p> <table border="1"> <thead> <tr> <th></th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>tonnes of CO_{2e} / 100 M HUF</td> <td>4.4</td> <td>3.9</td> <td>3.6</td> <td>3.5</td> <td>2.7</td> <td>2.5</td> </tr> </tbody> </table> <p>The combined Scope 1 and Scope 2 emissions were used to determine the revenue proportional GHG intensity indicator.</p>		2018	2019	2020	2021	2022	2023	tonnes of CO _{2e} / 100 M HUF	4.4	3.9	3.6	3.5	2.7	2.5	-
	2018	2019	2020	2021	2022	2023													
tonnes of CO _{2e} / 100 M HUF	4.4	3.9	3.6	3.5	2.7	2.5													



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 305-5: Reduction of GHG emissions	Climate and environment - Atmospheric emissions	43	<p>Market Group's strategic goal is to reduce its direct (Scope 1) and indirect (Scope 2) GHG emissions by 30% in total by 2025 (base year: 2019).⁴³ In addition, it will assess its other indirect (Scope 3) emissions and set commitments to reduce them.</p> <p>Compared to 2022, absolute emissions (Scope 1, 2) in 2023 decreased slightly (-2%), and emissions remained at a higher level (+14%) compared to the base year</p> <p>The revenue proportional intensity ratio also shows a slight decrease compared to 2022 (-7%) and a decrease of 36% compared to the base year.</p> <p>The growth is driven by an increase in Scope 1 (direct) emissions, which can be linked to the Group's fleet composition and consumption linked to the increase in turnover.</p>	-
	GRI 305-6: Emissions of Ozone-depleting substances (ODS)	Climate and environment - Atmospheric emissions	43	The Market Group does not emit any ozone depleting substances.	-
	GRI 305-7: Nitrogen oxides (NO _x), sulphur oxides (SO _x) and other significant atmospheric emissions	Climate and environment - Atmospheric emissions	43	-	The Market Group does not currently have such a data collection process.

⁴³ In setting the sustainability strategy, the GHG emissions targets were justified by the choice of 2019 as the base year because the 2020 figures did not reflect a normal operating year due to the pandemic.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 306: Waste	GRI 3-3: Management of Material topics	Climate and environment - Waste	75	<p>Market Group's core business requires a large amount of building materials, which also generates waste. With that in mind, the Group pays particular attention to waste management and is constantly looking for ways to reduce waste.</p> <p>In the own investment projects of the Group, its member company Lean Tech Mérnökiroda Kft. carries out the design tasks, keeping in mind that the principle of using the least possible amount of materials is applied in all cases. The most effective way to reduce waste is to minimise the use of materials, which can significantly reduce the amount of waste generated throughout the construction process</p>	-
	GRI 306-1: Waste generation and waste-related impacts	Climate and environment - Waste	75	<p>Four main types of waste are generated during construction:</p> <p>Material generated by excavation: displaced soil is generated by excavation of building and structural foundations, the amount of which cannot be reduced. However, 100% reuse of this material is feasible and is standard practice in the Market Group. The storage, testing and transport of humus soil to projects is handled by a dedicated environmental expert within the Group.</p> <p>Demolition waste: demolition waste is generated during the demolition of buildings. It can only be reduced if the investor reuses the structure of an existing building. On projects where demolition waste is generated, in most cases it is ground on site and a certain part is used as road cover and backfill on the given or nearby projects. The use of recycled inert materials in concrete mixes is not yet widespread in Hungary. This is due to material quality certification reasons, which would affect the structural guarantee of the building. With the increased uptake of circular construction, the use of recycled inert materials (insoluble in water, non-combustible or otherwise physically or chemically non-reactive, non-biodegradable) is expected to become more feasible.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
				<p>Construction waste: construction waste is generated during the construction process. Most of it is material packaging. Packaging materials are necessary to protect products during transport and storage. The main recyclable packaging materials are returned by subcontractors to manufacturers for recycling. Examples of such packaging materials are pallets, cable drums and metal frames used for the transport of flat glass. At present, packaging materials that cannot be returned to manufacturers are transported from projects as mixed waste with construction and demolition waste. The waste management company further separates the mixed demolition and construction waste for recycling at its site.</p> <p>The second largest amount of waste is generated by cutting materials to size, during the design of the surfaces to be produced. The Market Group sees an opportunity to reduce this type of waste in the future, both at the design phase and through collaboration with material manufacturers. For example, drywall cutting could be eliminated as a waste type if the height of wall surfaces could be tailored to the size of the plasterboard. The use of modular elements in construction would also reduce construction waste. Materials that are not properly stored and thus lose their shelf life can also increase waste. Therefore, on construction sites, great attention should be paid to the transport of materials on a 'just in time' basis and to storage, which can avoid the generation of significant amounts of waste.</p> <p>On the projects in and around Budapest, which account for around 80% of the Group's work, construction and demolition waste is handled by a subcontractor partner. For the remaining rural projects, local waste management companies are contracted.</p> <p>Communal waste: it is typically generated on construction sites and from office use in the headquarters. Separate waste collection has been introduced both at headquarters and in the construction offices.</p> <p>The largest type of waste generated in the construction and demolition waste sector and at the same time recycled, is subsoil in the case of OKM Építőipari és Szolgáltató Kft., which can</p>	



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
				<p>be used as backfill material once it is removed from the waste stream. In 2023, its volume amounted to 74 596 tonnes.</p> <p>The Market Group also occasionally uses crushed concrete in its construction projects originating from the break-up of concrete, but the quantity of this material can only be given approximately. Crushed concrete can be reused at Kopaszi-dam with the machines of OKM Építőipari és Szolgáltató Kft.</p> <p>Materials classified as hazardous waste (around 1 tonne generated at Group level in 2023) (oil derivatives or highly contaminated soil) are not treated or recovered by the Group, they have always disposed of by third parties.</p>	



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 306-2: Management of significant waste-related impacts	Climate and environment - Waste	75	<p>The partner companies (specialised ones) responsible for waste management in the Market Group undergo the following checks:</p> <ol style="list-style-type: none">1. Verification of waste management capacity2. Soliciting price offers3. Requesting waste transportation and waste management permits4. Requesting/Verification of ISO 14001 certificates5. Occasional site audits6. Checking the process of waste related data collection and tracking. <p>In addition, the Group receives monthly data from companies that manage demolition and construction waste.</p> <p>Regarding the member companies, large amounts of waste are generated during the operation of Market Építő Zrt. (waste of subcontractors is also accounted for Market) and OKM Építőipari és Szolgáltató Kft. (due to earthworks). The waste generated by the other member companies can be considered marginal in terms of quantity, so their comparative presentation is not justified.</p> <p>Waste that cannot be recycled on projects is handed over by the Market Group to waste haulage companies for collection and/or recycling. If recycling is not possible for a given quantity, it is sent to landfill.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER																																																																																																									
	GRI 306-3: Waste generated	-	-	Market Group's operations generated a total of 189,193 tonnes of waste in 2023 (Lean Tech Mérnökiroda Kft. is not included in the calculation, as its waste generation is marginal at the group level).																																																																																																									
				<table border="1"> <thead> <tr> <th>TOTAL WASTE (KG)</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Market Építő Zrt.</td> <td>66 217 898</td> <td>47 634 486</td> <td>16 834 414.81</td> <td>65 826 390</td> <td>57 210 774</td> <td>32 644 188</td> </tr> <tr> <td>OKM Építőipari és Szolgáltató Kft.</td> <td>97 228 620</td> <td>262 321 910</td> <td>168 697 400</td> <td>166 552 237</td> <td>196 665 022</td> <td>155 341 377</td> </tr> <tr> <td>Moratus Kft.</td> <td>241 800</td> <td>314 169</td> <td>452 460</td> <td>351 612</td> <td>60 959</td> <td>281 022</td> </tr> <tr> <td>Vilati Szerelő Zrt.</td> <td>0</td> <td>0</td> <td>0</td> <td>26949</td> <td>29117</td> <td>38 013</td> </tr> <tr> <td>PREbeton Zrt.</td> <td>0</td> <td>0</td> <td>255 210</td> <td>559 480</td> <td>993 490</td> <td>786 480</td> </tr> <tr> <td>MCM Beton Kft.</td> <td>n. a.</td> <td>5 260</td> <td>1 449 050</td> <td>14 990</td> <td>0</td> <td>1 750</td> </tr> <tr> <td>Market Épületszerviz Kft.</td> <td>10 320</td> <td>170</td> <td>16 410</td> <td>41 130</td> <td>95 934</td> <td>82 838</td> </tr> <tr> <td>MRKT Padló Kft.</td> <td>0</td> <td>14 000</td> <td>30 000</td> <td>30 000</td> <td>30 000</td> <td>17 770</td> </tr> <tr> <td>Lean Tech Mérnökiroda Kft.</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Property Market Ingatlanfejlesztő Kft.</td> <td>n. a.</td> <td>n. a.</td> <td>n. a.</td> <td>n. a.</td> <td>n. a.</td> <td>n. a.</td> </tr> <tr> <td>Total (kg)</td> <td>163 698 638</td> <td>310 289 995</td> <td>187 734 945</td> <td>233 402 788</td> <td>255 085 296</td> <td>189 193 438</td> </tr> <tr> <td>Total (tonnes)⁴⁴</td> <td>163 699</td> <td>310 290</td> <td>187 735</td> <td>233 403</td> <td>255 085</td> <td>189 193</td> </tr> <tr> <td>of which non-hazardous waste (tonnes):</td> <td>161 489</td> <td>310 290</td> <td>186 725</td> <td>233 386</td> <td>255 026</td> <td>189 193</td> </tr> <tr> <td>of which hazardous waste (tonnes):</td> <td>2 210</td> <td>0</td> <td>1 010</td> <td>17.3</td> <td>59.1</td> <td>0.6</td> </tr> </tbody> </table>	TOTAL WASTE (KG)	2018	2019	2020	2021	2022	2023	Market Építő Zrt.	66 217 898	47 634 486	16 834 414.81	65 826 390	57 210 774	32 644 188	OKM Építőipari és Szolgáltató Kft.	97 228 620	262 321 910	168 697 400	166 552 237	196 665 022	155 341 377	Moratus Kft.	241 800	314 169	452 460	351 612	60 959	281 022	Vilati Szerelő Zrt.	0	0	0	26949	29117	38 013	PREbeton Zrt.	0	0	255 210	559 480	993 490	786 480	MCM Beton Kft.	n. a.	5 260	1 449 050	14 990	0	1 750	Market Épületszerviz Kft.	10 320	170	16 410	41 130	95 934	82 838	MRKT Padló Kft.	0	14 000	30 000	30 000	30 000	17 770	Lean Tech Mérnökiroda Kft.	0	0	0	0	0	0	Property Market Ingatlanfejlesztő Kft.	n. a.	n. a.	n. a.	n. a.	n. a.	n. a.	Total (kg)	163 698 638	310 289 995	187 734 945	233 402 788	255 085 296	189 193 438	Total (tonnes)⁴⁴	163 699	310 290	187 735	233 403	255 085	189 193	of which non-hazardous waste (tonnes):	161 489	310 290	186 725	233 386	255 026	189 193	of which hazardous waste (tonnes):	2 210	0	1 010	17.3	59.1	0.6
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⁴⁴ The communal water use has been updated retroactively (2019-2022), taking into account that the scope of the 2023 Sustainability Report includes MRKT Padló Kft.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER			REASON FOR OMISSION
	GRI 306-4: Waste diverted from disposal	Climate and environment - Waste	75	RECYCLING RATE (%)	2022	2023	A further breakdown of waste data (by type of waste, disposal operation, on-site and off-site disposal) is not currently available to the Group in sufficient quality, but the Market Group will continue to improve its data collection processes over the strategy period.
				Market Építő Zrt.	75.9	79	
				OKM Építőipari és Szolgáltató Kft.	100	100	
				Moratus Kft.	7	62	
				Vilati Szerelő Zrt.	100	99	
				PREbeton Zrt.	67	88.4	
				MCM Beton Kft.	0	13	
				Market Épületszerviz Kft.	12	15	
				MRKT Padló Kft.		100	
				Lean Tech Mérnökiroda Kft.	0	0	
				Property Market Ingatlanfejlesztő Kft.	n. a.	0	

The Market Group recycled 96.23% of the 189 193 tonnes of waste generated in 2023, that is 182 067 tonnes.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 306-5: Waste directed to disposal	Climate and environment - Waste	75	3.77 percent of Market Group's total waste was landfilled, which corresponds to 7,133 tonnes.	A further breakdown of waste data (by type of waste, disposal operation, on-site and off-site disposal) is not currently available to the Group in sufficient quality, but the Market Group will continue to improve its data collection processes over the strategy period.
GRI 308: Supplier Environmental Assessment	GRI 3-3: Management of Material topics	Our stakeholders - Our suppliers	109	<p>Looking to the future, Market has made sustainability in the Group's supply chain a high priority. Linked to, but not limited to, that goal, it is continuously increasing the proportion of local suppliers in its supply chain and publishes data on an annual basis, broken down by member company and in 2023 the process of integrating ESG (including environmental) criteria into supplier contracts started.</p> <p>The Group is currently in the planning phase and has not yet introduced impact assessment, evaluation and monitoring related to the processes.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 308-1: New Suppliers that were screened using environmental criteria	Our stakeholders - Our suppliers	109	We do not currently carry out a comprehensive environmental assessment of any of our member companies, but the largest and most active suppliers all strive for safety, excellence, transparency and quality. The process of developing ESG criteria for supplier contracts started in 2023.	-
	GRI 308-2: Negative environmental impacts in the supply chain and actions taken	-	-	-	The Market Group does not currently have a related data collection process.
GRI 401: Employment	GRI 3-3: Management of Material topics	-	-	<p>Since its foundation, Market Group has been committed to supporting young talents professionally and launching their careers.</p> <p>The Group primarily targets young engineering students through recurring or ad hoc campaigns and events (e.g. Career Day, Job Fairs, Market 21 Days competition, internships, etc.), however, we also use cutting-edge solutions in alleviating the shortage of professionals that characterizes the construction industry, which is a continuous difficulty: in cooperation with other construction companies, we have established the Tudásépítő Team Sector Training Centre Nonprofit Kft. whose mission and aim is to provide practical workplace knowledge for students as a dual partner of training institutions.</p> <p>There is currently no feedback programme on measuring the effectiveness of the above programmes and processes. In the strategic period up to 2025, Market will focus on retaining the talent it has already attracted and developing existing employees, and has set a target number (increase in training hours) for that, which it will monitor year on year.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION																											
	GRI 401-1: New employee hires and employee turnover	Stakeholders – Staff	82	<p>Number and ratio of new entrants by age group and gender at group level</p> <table border="1"> <thead> <tr> <th>AGE GROUP</th> <th>PERSONS</th> <th>RATE</th> </tr> </thead> <tbody> <tr> <td>Under 30 years</td> <td>140</td> <td>40%</td> </tr> <tr> <td>30-50 years old</td> <td>170</td> <td>48%</td> </tr> <tr> <td>Over 50 years</td> <td>44</td> <td>12%</td> </tr> <tr> <td>Total</td> <td>354</td> <td>100%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>GENDER</th> <th>PERSONS</th> <th>RATE</th> </tr> </thead> <tbody> <tr> <td>Male</td> <td>272</td> <td>77%</td> </tr> <tr> <td>Female</td> <td>82</td> <td>23%</td> </tr> <tr> <td>Total</td> <td>354</td> <td>100%</td> </tr> </tbody> </table>	AGE GROUP	PERSONS	RATE	Under 30 years	140	40%	30-50 years old	170	48%	Over 50 years	44	12%	Total	354	100%	GENDER	PERSONS	RATE	Male	272	77%	Female	82	23%	Total	354	100%	-
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GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
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MEMBER COMPANY	NUMBER OF NEW ENTRANTS
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Market Építő Zrt.	118
OKM Építőipari és Szolgáltató Kft.	45
Moratus Kft.	20
Vilati Szerelő Zrt.	48
PREbeton Zrt.	59
MCM Beton Kft.	6
Market Épületszerviz Kft.	23
MRKT Padló Kft.	17
Lean Tech Mérnökiroda Kft.	8
Property Ingatlanfejlesztő Kft.	10

Total	354
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AGE GROUP	PERSONS	RATE
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Over 30 years	79	28%
30-50 years old	143	51%
Over 50 years	58	21%

Total	280	100%
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GENDER	PERSONS	RATE
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Male	218	78%
Female	62	22%

Total	280	100%
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GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
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Staff turnover data* for each member company

	2018	2019	2020	2021	2022	2023
Market Építő Zrt.	9.52%	15.17%	13.99%	9.46%	10.06%	12.31%
OKM Építőipari és Szolgáltató Kft.	32.00%	23.28%	20.84%	20.49%	22.68%	18.37%
Moratus Kft.	71.52%	61.16%	27.98%	25.01%	20.47%	19.77%
Vilati Szerelő Zrt.	12.95%	6.26%	9.88%	8.73%	25.07%	22.69%
PREbeton Zrt.	-	0.00%	115.64%	50.26%	43.45%	30.08%
MCM Beton Kft.	173.42%	147.04%	53.69%	7.37%	21.38%	54.09%
Market Épületszerviz Kft.	13.30%	9.82%	6.70%	1.29%	4.77%	17.02%
MRKT Padló Kft.	-	33.45%	128.4%	109.58%	51.49%	60.06%
LeanTech Mérnökiroda Kft.	8.35%	7.29%	23.86%	5.40%	17.46%	9.93%
Property Market Ingatlanfejlesztő Kft.	15.89%	19.70%	17.58%	73.06%	23.14%	28.93%

* Turnover figures for the 2022 Sustainability Report were calculated according to a new methodology and, by applying it, the values were adjusted retroactively.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION										
	GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	Stakeholders - Staff	82	Market Group provides benefits to all its employees equally, under the same regulations, regardless of part-time or fixed-term contracts.	-										
-	GRI 401-3: Parental leave	Stakeholders - Staff	82	<p>Long-term absent due to childbearing * (all women)</p> <hr/> <table> <tr> <td>Market Építő Zrt.</td> <td>31</td> </tr> <tr> <td>OKM Építőipari és Szolgáltató Kft.</td> <td>1</td> </tr> <tr> <td>PREbeton Zrt.</td> <td>4</td> </tr> <tr> <td>Lean Tech Mérnökiroda Kft.</td> <td>2</td> </tr> <tr> <td>Property Market Ingatlanfejlesztő Kft.</td> <td>1</td> </tr> </table> <hr/> <p>Total 39</p>	Market Építő Zrt.	31	OKM Építőipari és Szolgáltató Kft.	1	PREbeton Zrt.	4	Lean Tech Mérnökiroda Kft.	2	Property Market Ingatlanfejlesztő Kft.	1	-
Market Építő Zrt.	31														
OKM Építőipari és Szolgáltató Kft.	1														
PREbeton Zrt.	4														
Lean Tech Mérnökiroda Kft.	2														
Property Market Ingatlanfejlesztő Kft.	1														

* Only the member companies shown had a staff member absent for a longer period due to having children.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
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Returning to work after a leave of absence (all women)

Market Építő Zrt.	7
OKM Építőipari és Szolgáltató Kft.	4
Total	11

Still employed by the company 12 months after a leave* (all women)

Market Építő Zrt.	2
Market Épületszerviz Kft.	1
OKM Építőipari és Szolgáltató Kft.	2
Property Market Ingatlanfejlesztő Kft.	1
Total	6

In the reporting year under review, the retention rate was 85.7%, meaning that all but one of our colleagues who returned to work after a longer period of time to have children remained with the Market Group 12 months after their return.

Market Group grants 100% of its employees the right to take parental leave.

* Includes all employees who returned during 2022 and continued to work for the company after 12 months.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 402: Employee and Management Relationship	GRI 402-1: Minimum notification period regarding organisational changes	-	-	No minimum notification period is defined, but Market Group will inform colleagues of any changes affecting the organisation in person or online in a timely manner. A communication platform is being implemented to facilitate an even more efficient and faster flow of information. An app will be used to inform staff about changes and current information, so that up-to-date information is immediately available to all colleagues. The testing phase is already underway.	-
GRI 403: Health and safety at work	GRI 3-3: Management of Material Topics	-	-	Occupational safety is of paramount importance in the life of the Market Group, which considers the protection of people's safety and health as one of its most important tasks. In the construction industry, the risk of occupational accidents is high, as the work is usually physical and varied. As a preventive measure, Market makes every effort to ensure that its employees and the employees of partners working with them are not injured.	-
	GRI 403-1: Occupational Health and Safety Management System	Stakeholders - Staff	82	<p>The following member companies of the Group are ISO45001 certified: Market Építő Zrt., OKM Építőipari és Szolgáltató Kft., Vilati Szerelő Zrt., Market Épületszerviz Kft., PREbeton Zrt. The standard is regularly renewed and the compliance of member companies is audited annually by a third party.</p> <p>Certain rules also apply to employees of the partners on the construction sites (medical fitness, professional qualifications and appropriate authorisations for the use of machinery and cranes must be certified). Check fitness for work by the security service, presence of appropriate personal protective equipment, presence of appropriate protection measures and that appropriate protective measures are in place at the work areas taken over).</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
				<p>We have developed an occupational health and safety management system in line with legal requirements, integrating group-wide risk management policies.</p> <p>Moratus planned to implement the MEBIR (OHSMS) standard in the period 2023-2026. In the case of Lean Tech Mérnökiroda Kft., the implementation of the standard is not of major importance because they do design work.</p> <p>Legislation, standards:</p> <ul style="list-style-type: none">• Act XCIII of 1993 on Labour Safety• Decree No. 5/1993 (XII. 26.) MüM on the implementation of certain provisions of Act XCIII of 1993 on Labour Safety• Government Decree 89/1995 (VII. 14.) on the Occupational Health Service• Joint Ministerial Decree 4/2002 (II. 20.) SzCsM-EüM on minimum safety requirements for workplaces and construction processes• Government Decree 373/2011 (XII. 31.) on the designation of certain bodies performing the tasks of the labour safety authorities• Government Decree 273/2011 (XII. 20.) on the detailed rules for the amount and imposition of safety and health fines• Joint Ministerial Decree 3/2002 (II. 8.) SzCsM-EüM on the minimum level of occupational safety requirements at workplaces• Ministerial Decree 65/1999 (XII. 22.) EüM on the minimum safety and health protection requirements for the use of personal protective equipment by employees at work• Ministerial Decree 17/1993 (VII. 1.) KHVM on the issue of regulations on the safety requirements for certain dangerous activities	



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
				<ul style="list-style-type: none">• Ministerial Decree 45/2011 (XII. 7.) BM on the occupational branches and jobs subject to the fire protection professional examination, on the organisation of education related to the fire protection professional examination and on the detailed rules of the fire protection professional examination• Government Decree 354/2009 (XII. 30.) on the activities of occupational safety experts• Ministerial Decree 14/2010 (IV. 28.) SZMM on the administrative service fees payable during the licensing procedure for the exercise of the activity of an occupational safety expert• Ministerial Decree 44/2000 (XII. 27.) EüM on the detailed rules of certain procedures and activities related to dangerous substances and dangerous preparations• Joint Ministerial Decree 41/2000 (XII. 20.) on the restriction of certain activities related to certain dangerous substances and dangerous preparations• Ministerial Decree 10/2016 (IV.5) NGM on the minimum level of safety and health requirements for work equipment and its use• Ministerial Decree 18/2008 (XII. 3.) SZMM on the requirements and certification of conformity of personal protective equipment• Ministerial Decree 22/2005 (VI. 24.) EüM on the minimum health and safety requirements for workers exposed to vibration• Ministerial Decree 66/2005 (XII. 22.) EüM on the minimum health and safety requirements regarding the exposure of workers to noise• Ministerial Decree 33/1998 (VI. 24.) NM on the medical examination and assessment of fitness for work, occupational and personal hygiene	



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
				<ul style="list-style-type: none">• Ministerial Decree 27/1996 (VIII. 28.) NM on the notification and investigation of occupational diseases and cases of increased exposure• Ministerial Decree 26/2000 (IX. 30.) EüM on the protection against carcinogens of occupational origin and the prevention of health damage caused by them• Ministerial Decree 5/2020 (II.6.) on the protection of the health and safety of workers exposed to chemical agents• Act LXXX of 2000 on the proclamation of Convention No. 167 on Safety and Health in Construction adopted at the 75th Session of the International Labour Conference in 1988• Act No. LXXV of 2000 on the proclamation of Convention No. 155 concerning the Safety, Health and Working Environment of Workers, adopted at the 67th session of the International Labour Conference in 1981• Ministerial Decree 16/2008 (VIII. 30.) NFGM on safety requirements and conformity certification of machinery• Ministerial Decree 47/1999 (VIII. 4.) GM on the issue of the Safety Regulations for Lifting Machinery• Ministerial Decree 9/2013 (22.III.) NFM on the Safety Regulation on the Procedure for the Notification and Investigation of Major Incidents and Major Accidents in the Course of Activities falling within the Mining Authority's Competence• Ministerial Decree No. 11/2003 (IX. 12.) FMM on the safety regulations for industrial steeplejack works• ISO45001: Occupational health and safety management systems	



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 403-2: Hazard identification, risk assessment and incident investigation	Stakeholders - Staff	82	<p>During the construction activities on the site, Market Group assesses the risks during all work processes. The occupational health service provider is also involved in the process. The risk is calculated by multiplying the severity of the accident by the probability of its occurrence, on a scale of 0 to 400. If the risk is minimal, acceptable, moderate or significant, work can only be started after appropriate protective equipment and training has been provided. If the level of risk is unacceptable, the work must not be started.</p>	-
	GRI 403-3: Occupational health services	Stakeholders - Staff	82	<p>The Group carries out an annual fitness for work test, and if the occupational physician finds a limiting factor, he or she sets the next test date (within one year). Every colleague can receive glasses every two years from the contracted partner, and colleagues also receive an additional permanent discount on all glasses and lenses. Screening tests are carried out annually and eye check-ups every two years at the headquarters, which all employees can attend. Confidential medical documents and data are handled by the Group in accordance with the GDPR.</p> <p>There is no occupational disease risk in the Market Group, and therefore none occurred during the reporting period. Welding is also carried out in PREbeton's locksmith plant also deals with welding, but air quality testing is carried out there regularly.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 403-4: Worker participation, consultation and communication on occupational health and safety	Stakeholders - Staff	82	In compliance with the Occupational Safety and Health Act, the Market Group ensures the reconciliation of interests related to occupational safety and health and safety and the protection of employees' occupational safety interests. The Group's representatives for occupational safety and health are entitled to seek the services of an expert in matters relating to safe and healthy working conditions, subject to prior agreement with the employer, and to discuss such matters with the occupational safety and health authority.	-
	GRI 403-5: Worker training on occupational health and safety	Stakeholders - Staff	82	<p>The Market Group provides mandatory health and safety training for all new employees, an onboarding process to help them settle in and information on relevant training materials. Participants will report on what they have learned in the training in a short exam. Those who do not achieve a satisfactory grade will have to review the training package and retake the exam.</p> <p>Every year, all workers must repeat the training on health and safety at work and fire safety. If additional training (e.g. a fire safety qualification) is required to carry out a job safely, that will always be provided by the company.</p> <p>In 2023, a digital education theme for the construction project, including site-specific specialities, was developed. In 2024 we will continue testing in a pilot programme.</p> <p>In 2023, we organised the first ever MARKET OSH Day. The programme was open to all colleagues at the headquarters without any restrictions on number or time. When putting together the thematic programme, we complemented the theoretical lectures with interactive practical training – for example, with the presentation of fire-fighting techniques and first aid.</p> <p>In 2024, we plan to organise two OSH days, one of which will be on a construction project.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 403-6: Promotion of worker health	Stakeholders - Staff	82	<p>The Market Group, in cooperation with Colonnade Insurance and Dr. Rose Private Hospital, has taken out a group health insurance policy for its employees, the basic function of which is to provide outstanding protection in the event of illness, thereby reducing the time spent on sick leave.</p> <p>Dr. Rose Private Hospital's care management significantly shortens patient journeys, while their fast and professional care helps employees recover more efficiently and stress-free. In contrast to waiting lists of up to several months in the public care system, Dr. Rose arranges healthcare services in up to 10 working days from the time of claim.</p> <p>In addition to the group health insurance, there are compulsory annual screening tests every year, such as ophthalmology (free of charge) and non-compulsory screening tests (dermatology, laboratory, ultrasound), half of which are covered by the Market. An online stress management course is also available to colleagues, which anyone can join, and which the Group has launched in response to increased demand following the coronavirus epidemic.</p> <p>The Market Health Programme has been a great success – for five years now. Colleagues can get medical check-ups on the spot, during working hours, without queuing and without a referral. These are partly fully subsidised and partly subsidised up to 50%. In addition, the Group also provided office workers with a free spinal assessment, after which they had the opportunity to participate in a spinal exercise programme.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 403-7: Prevention and mitigation of occupational health and safety impacts directly related by business relationships	Stakeholders - Staff	82	<p>The Group expects all employees to stop work immediately if an emergency or danger (malfunction) is detected and to report the emergency to the manager. However, he must eliminate or seek to reduce the emergency as far as he is reasonably expected to do. He must immediately report any accident at work which he has suffered or observed to his immediate superior. Therefore, the employee must not suffer any disadvantage within the Group.</p> <p>An accident at work is investigated jointly by the manager of the workplace and the head of health and safety. In the course of the investigation, the site, the work equipment, the working conditions, the behaviour of the injured person and his co-workers, and the technical regulations and instructions applicable to the activity in question are reviewed.</p> <p>As a result of the investigation, the causes of the accident, the circumstances and behaviours that caused and contributed to the accident must be identified, and the employer's measures to prevent similar accidents must be determined. The workers concerned shall be informed by means of repeated training.</p> <p>In the Market Group⁴⁵, the following hazards are typically the greatest risks: driving on uneven ground, using stairs, using hand tools and cutting implements, and handling manual handling hazards.</p>	-

⁴⁵ The Group has no records of accidents at work sites involving non-employees.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION																																				
	GRI 403-8: Workers covered by an occupational health and safety management system	Stakeholders - Staff	82	The following member companies of the Group are ISO45001 certified: Market Építő Zrt., OKM Építőipari és Szolgáltató Kft., Vilati Szerelő Zrt., Market Épületszerviz Kft., PREbeton Zrt. The standard certification is regularly renewed and the compliance of member companies is audited annually by a third party. All employees of these member companies are covered by the standard.	-																																				
	GRI 403-9: Work related injuries	Stakeholders - Staff	82	<p>Number of working days lost due to an accident at work:</p> <p>WORKING TIME LOST DUE TO WORK-RELATED INJURY (DAYS)</p> <table border="1"> <thead> <tr> <th></th> <th>2022</th> <th>2023</th> </tr> </thead> <tbody> <tr> <td>Market Építő Zrt.</td> <td>56</td> <td>44</td> </tr> <tr> <td>OKM Építőipari és Szolgáltató Kft.</td> <td>30</td> <td>153</td> </tr> <tr> <td>Moratus Kft.</td> <td>111</td> <td>25</td> </tr> <tr> <td>Vilati Szerelő Zrt.</td> <td>0</td> <td>0</td> </tr> <tr> <td>PREbeton Zrt.</td> <td>190</td> <td>75</td> </tr> <tr> <td>MCM Beton Kft.</td> <td>13</td> <td>0</td> </tr> <tr> <td>Market Épületszerviz Kft.</td> <td>23</td> <td>70</td> </tr> <tr> <td>MRKT Padló Kft.</td> <td>49</td> <td>0</td> </tr> <tr> <td>Lean Tech Mérnökiroda Kft.</td> <td>0</td> <td>0</td> </tr> <tr> <td>Property Market Ingatlanfejlesztő Kft.</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>423</td> <td>367</td> </tr> </tbody> </table>		2022	2023	Market Építő Zrt.	56	44	OKM Építőipari és Szolgáltató Kft.	30	153	Moratus Kft.	111	25	Vilati Szerelő Zrt.	0	0	PREbeton Zrt.	190	75	MCM Beton Kft.	13	0	Market Épületszerviz Kft.	23	70	MRKT Padló Kft.	49	0	Lean Tech Mérnökiroda Kft.	0	0	Property Market Ingatlanfejlesztő Kft.	0	0	Total	423	367	-
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GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
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NUMBER OF ACCIDENTS AT WORK (NUMBER)	2018 2019 2020 2021 2022 2023					
	Market Építő Zrt.	2	2	0	1	3
OKM Építőipari és Szolgáltató Kft.	3	2	3	2	2	4
Moratus Kft.	4	6	4	5	3	1
Vilati Szerelő Zrt.	1	0	1	0	0	0
PREbeton Zrt.	0	0	1	2	5	7
MCM Beton Kft.	0	1	1	1	1	0
Market Épületszerviz Kft.	0	0	1	3	2	2
MRKT Padló Kft.	n. a.	0	1	0	2	0
Lean Tech Mérnökiroda Kft.	0	0	0	0	0	0
Property Market Ingatlanfejlesztő Kft.	0	0	0	0	0	0
Total	10	11	11	14	16	17

The Market Group has 1.29 accidents at work per 200 000 working hours in 2023.

None of the accidents that occurred were considered serious under the definition of the Occupational Safety and Health Act. The following accidents occurred at the Market Group.

Market: ankle sprain in two cases.

Market Épületszerviz: eye injury caused by foreign body, left ankle ligament strain.

Moratus: lumbar strain.

OKM: back injury, dislocation of the right hand.

PREbeton: bruised knee, hand sprain, upper arm injury, sprained knee, right hand 1st finger injury.

Distribution of accidents at work: it affects only physical workers.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 403-10: Work-related ill health	Stakeholders - Staff	82	<p>There were no occupational illnesses in the Market Group in 2023.</p> <p>There have been no fatalities or occupational diseases in the Market Group.</p> <p>Welding is also carried out at PREbeton's locksmith's plant, and we had an air and noise analysis carried out and installed a more modern (higher capacity) extraction system to ensure that the gases associated with welding activities do not cause occupational illness, even accidentally.</p> <p>The sizing and design of the ventilation system is in accordance with the technical content. The design of the product complies with international standards.</p> <p>At construction sites, if there is a concern that noise or dust exposure may exceed a level that could be hazardous to health, we will have an accredited institute to carry out an out-of-turn measurement. In 2023, dust concentrations were measured in the BudaPart project. The result was below the limit value and the results of the measurement were communicated to the employees.</p> <p>For noise and vibration protection, the controls of coordinators in the work area are effective. Work of a type involving noise or vibration may only be started if the workers concerned or those in the danger zone are provided with appropriate collective and individual protective equipment. Otherwise, the work may not be started or must be suspended until it has been properly arranged.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION						
GRI 404: Education and training	GRI 3-3: Management of Material Topics	Stakeholders - Staff	82	<p>The Market Group is constantly striving to apply new approaches and techniques to help its colleagues develop. It offers a wide range of learning opportunities and is committed to expanding its offer. In the construction industry, it is essential to constantly evolve, innovate and integrate innovation into core business. The obsolescence of employees' knowledge is a serious risk and education and skills development are therefore essential.</p> <p>Increasing the number of training hours is also a target in the sustainability strategy: by 2025, the Group aims to achieve 30 training hours per person per year. The average number of training hours per capita has already increased from 7 in 2022 to 30 in 2023.</p>	-						
	GRI 404-1: Average hours of training per year per employee	Stakeholders - Staff	82	<p>Distribution of training hours per person by gender</p> <table border="1"> <thead> <tr> <th></th> <th>TRAINING HOURS (AVERAGE)</th> </tr> </thead> <tbody> <tr> <td>women (317)</td> <td>41.28</td> </tr> <tr> <td>men (1116 persons)</td> <td>27.06</td> </tr> </tbody> </table>		TRAINING HOURS (AVERAGE)	women (317)	41.28	men (1116 persons)	27.06	-
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GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
				Distribution of training hours per person by category of worker	
					TRAINING HOURS (AVERAGE)
				staff (1084 people)	22.91
				experts (23 people)	58.8
				manager (329 persons)	55.27
				top manager (40 people)	32.25
				umber of training hours per capita per member company in 2022 and 2023	
				MEMBER COMPANIES (NUMBER OF HOURS)	2022
					2023
				Market Építő Zrt.	10.9
				OKM Építőipari és Szolgáltató Kft.	2.3
				Moratus Kft.	1.2
				Vilati Szerelő Zrt.	3
				PREbeton Zrt.	12.3
				MCM Beton Kft.	n. a.
				Market Épületszerviz Kft.	2.9
				MRKT Padló Kft	n. a.
				Lean Tech Mérnökiroda Kft.	16.6
				Property Market Ingatlanfejlesztő Kft.	n. a.*
				Market Group	7
					30.22



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 404-2: Programmes for upgrading employee skills and transition assistance programmes	Stakeholders - Staff	82	<p>Market Építő Zrt. offers its employees the opportunity to improve their language skills in 4 different languages. These are English, German, Mandarin and Korean.</p> <p>The company also offers non-industry-related opportunities such as basic IT classes, spreadsheets, office software and stress management. It is open to the concept of lifelong learning and strives to provide a wide range of learning opportunities for its colleagues.</p> <p>Market workshops help colleagues improve their communication skills and with other soft-skills training. Market Építő Zrt. also strives to ensure that as the company grows, it also trains skilled managers who have the leadership skills to take the company even further, while providing a safe and productive work environment for their employees. We do that through our Leadership Academy, a 12-module programme focused on equipping leaders with the tools they need to lead their teams as quickly as possible.</p> <p>Those already in senior management positions receive leadership skills and competency training. Those who want to become leaders or who are identified as leadership candidates will receive a series of training sessions to help them prepare for leadership. They include the Market Leadership Academy and Leadership and Organisation. The Leadership Academy is a series of modules consisting of development sessions for designated future leaders or current leaders. It covers a wide range of topics (e.g. communication, self-knowledge, project management), all of which have in common that they are related to leadership competences. 'Leadership and Organisation' is a series of lectures for top managers with expert guests. The themes of the lectures are also varied, with topics on market, social and organisational management.</p> <p>There have been no redundancies in 2023 and the Group does not plan any in the near future.</p> <p>For those approaching retirement age, Market Group offers the opportunity to stay and continue working, if possible.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 404-3: Percentage of employees receiving regular performance and career development reviews	Stakeholders - Staff	82	<p>The performance of Market Group's white-collar staff is regularly evaluated every six months. There is no performance appraisal process for staff performing manual work (semi-skilled workers, unskilled workers, machine operators, truck drivers, electricians).</p> <p>In a performance appraisal, the first step is a self-assessment by the employee and the second step is feedback from managers. For tendering and construction jobs, the Group has detailed career paths and career management is based on the results of regular performance appraisals: these can be used to monitor the development of staff and identify areas for improvement and strengths.</p> <p>Percentage and number of employees receiving performance appraisals and career management in 2023:</p> <ul style="list-style-type: none">• Market Építő Zrt. - 92%; a total of 565 people, of whom 198 women and 367 men• Market Group - 89%; 858 people in total, of whom 142 women and 716 men	The Market Group's member companies do not currently have a single set of employee categories, and therefore the Group discloses the proportion and number of employees who have received performance appraisals and career management in aggregate.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER																																																																																		
GRI 405: Diversity and equal opportunity	GRI 405-1: Diversity of Governance Bodies and Employees	Stakeholders - Staff	82	<p>In 2023, the gender and age distribution of governance bodies, top management, middle management and employees for each member company was as follows:</p> <p>Governance Body</p> <table border="1"> <thead> <tr> <th rowspan="2">MEMBER COMPANY</th> <th rowspan="2">NUMBER OF STAFF</th> <th colspan="2">GENDER</th> <th colspan="3">AGE GROUP</th> </tr> <tr> <th>MALE</th> <th>FEMALE</th> <th>UNDER 30 YEARS</th> <th>BETWEEN 30-50</th> <th>OVER 50</th> </tr> </thead> <tbody> <tr> <td>Market Építő Zrt.</td> <td>6</td> <td>6</td> <td>0</td> <td>0</td> <td>0</td> <td>6</td> </tr> <tr> <td>OKM Építőipari és Szolgáltató Kft.</td> <td>2</td> <td>2</td> <td>0</td> <td>0</td> <td>1</td> <td>1</td> </tr> <tr> <td>Moratus Zrt.</td> <td>2</td> <td>2</td> <td>0</td> <td>0</td> <td>1</td> <td>1</td> </tr> <tr> <td>Vilati Szerelő Zrt.</td> <td>1</td> <td>1</td> <td>0</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>PREbeton Zrt.</td> <td>3</td> <td>3</td> <td>0</td> <td>0</td> <td>3</td> <td>0</td> </tr> <tr> <td>MCM Beton Kft.</td> <td>1</td> <td>1</td> <td>0</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>Market Épületszerviz Kft.</td> <td>1</td> <td>1</td> <td>0</td> <td>0</td> <td>1</td> <td>0</td> </tr> <tr> <td>MRKT Padló Kft.</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Lean Tech Mérnökiroda Kft.</td> <td>2</td> <td>2</td> <td>0</td> <td>0</td> <td>0</td> <td>2</td> </tr> <tr> <td>Property Market Ingatlanfejlesztő Kft.</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	MEMBER COMPANY	NUMBER OF STAFF	GENDER		AGE GROUP			MALE	FEMALE	UNDER 30 YEARS	BETWEEN 30-50	OVER 50	Market Építő Zrt.	6	6	0	0	0	6	OKM Építőipari és Szolgáltató Kft.	2	2	0	0	1	1	Moratus Zrt.	2	2	0	0	1	1	Vilati Szerelő Zrt.	1	1	0	0	1	0	PREbeton Zrt.	3	3	0	0	3	0	MCM Beton Kft.	1	1	0	0	1	0	Market Épületszerviz Kft.	1	1	0	0	1	0	MRKT Padló Kft.	0	0	0	0	0	0	Lean Tech Mérnökiroda Kft.	2	2	0	0	0	2	Property Market Ingatlanfejlesztő Kft.	0	0	0	0	0	0
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MCM Beton Kft.	1	1	0	0	1	0																																																																																
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Property Market Ingatlanfejlesztő Kft.	0	0	0	0	0	0																																																																																



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GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER			
	GRI 405-2: Ratio of basic salary and remuneration of women to men	Stakeholders - Staff	82	Ratio of remuneration (basic salary and other) of women to men			
				MEMBER COMPANY	MALE	FEMALE	COMMENT*
				Market Építő Zrt.	100%	95.62%	22
				OKM Építőipari és Szolgáltató Kft.	100%	109.81%	5
				Moratus Zrt.	100%	113.25%	4
				Vilati Szerelő Zrt.	100%	100.08%	2
				PREbeton Zrt.	100%	87.66%	2
				MCM Beton Kft.	100%	-	0
				Market Épületszerviz Kft.	100%	74.25%	1
				MRKT Padló Kft.	100%	-	0
				Lean Tech Mérnökiroda Kft.	100%	86.87%	2
				Property Market Ingatlanfejlesztő Kft.	100%	66.44%	1

There are currently no standardised employee categories for the Market Group member companies, so the Group discloses aggregate member company data for women's base salaries and consequently cannot disclose company group level data.

* Number of jobs in which both men and women are employed.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
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Ratio of basic salary of women to men

MEMBER COMPANY	MALE	FEMALE	COMMENT*
Market Építő Zrt.	100%	96.48%	22
OKM Építőipari és Szolgáltató Kft.	100%	105.65%	5
Moratus Zrt.	100%	104.34%	4
Vilati Szerelő Zrt.	100%	97.71%	2
PREbeton Zrt.	100%	88.51%	2
MCM Beton Kft.	100%	-	0
Market Épületszerviz Kft.	100%	94.57%	1
MRKT Padló Kft.	100%	-	0
Lean Tech Mérnökiroda Kft.	100%	89.63%	2
Property Market Ingatlanfejlesztő Kft.	100%	73.87%	1

The member companies of the Market Group are companies operating in Hungary. With respect to 'principal places of operation', the Market Group treats each member company separately.

* Number of jobs in which both men and women are employed.



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 406: Non-discrimination	GRI 406-1: Incidents of discrimination and corrective actions taken	-	-	Market Építő Zrt. was not notified of any violation of equal treatment in 2023, so no intervention (action) was justified.	-
GRI 407: Freedom of Association and Collective Bargaining	GRI 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	-	The Group does not see any risk in the right to collective bargaining agreement in its operational area or among its suppliers.	-
GRI 408: Child labour	GRI 3-3: Management of Material topics	Responsible corporate governance - Respect for human rights	141	The Market Group respects the human rights enshrined in the Fundamental Law and international legal conventions and makes every effort to ensure that no human rights violations occur in connection with its activities. Accordingly, the Market Group condemns all forms of child labour and takes firm action against it. Within the Market Group, persons under the age of 18 may only work in exceptional cases at most, in accordance with the provisions of the Civil Code, while neither the Market Group nor its partners employ minors at the construction sites. That will be checked during registration necessary for access control.	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 408-1: Operations and Suppliers at Significant Risk for Incidents of Child Labour	Responsible corporate governance - Respect for human rights	141	The Market Group has no areas of operation or suppliers that are at risk of child labour or exposure of young workers to hazardous work. The Market Group's occupational Safety Officer also ensures that safe working conditions are maintained at all times on the Group's construction site.	-
GRI 409: Forced and Compulsory Labour	GRI 3-3: Management of Material Topics	Responsible corporate governance - Respect for human rights	141	The Market Group respects the human rights enshrined in the Fundamental Law and international legal conventions and makes every effort to ensure that no human rights violations occur in connection with its activities. Accordingly, the Market Group condemns all forms of forced labour and takes a firm stand against it. The risk of forced labour is negligible in view of the Market Group's activities and the scope of its partners (companies registered in the European Union). There was no suspicion of forced labour within the Market Group or at Market Group's partners during the reporting period. In view of the above, there is no reason to intervene in the Group's processes.	-
	GRI 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labour	Responsible corporate governance - Respect for human rights	141	Market Group does not have any areas of operation or suppliers where there is a risk of forced or compulsory labour. Its partners are almost all companies operating in the territory of the European Union.	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 410: Security practices	GRI 410-1: Security personnel trained in human rights policies or procedures	-	-	The Market Headquarters has its own security guard service. Guards do not receive any human rights training in addition to the mandatory training.	-
GRI 413: Local Communities	GRI 3-3: Management of Material Topics	Social engagement	120	<p>In order to increase the positive impact on local communities, the Group pays special attention to education and the provision of various development projects, in addition to sponsorship and donation activities, and co-operation with NGOs. That indirectly supports Market's objectives to attract and retain talent.</p> <p>There is currently no feedback programme to measure the effectiveness of the above programmes and processes mentioned above.</p>	-
	GRI 413-1: Operations with local community engagement, impact assessments and development programmes	Social engagement	120	<p>Due to the specific nature of the industry, the Market Group always (100%) precedes the start of each construction project by contacting local communities (public institutions, affected population, NGOs).</p> <p>For each project, Market provides information and, if necessary, consults with local community representatives on related environmental and social issues, but does not carry out a specific impact assessment.</p> <p>Market's involvement with local communities currently takes the form of development projects in which Market supports education, development in the area concerned, or the work of an NGO or public institution.</p> <p>A related priority project is the Tudásépítő Team Sectoral Training Centre, where a total of 250 people participated in vocational training and development projects at 6 training sites in Pest County in 2023.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 413-2: Operations with significant actual and potential negative impacts on local communities	-	-	<p>Negative impacts were only identified in the case of the BEM project, where construction typically takes place in an urban environment, where local communities find it difficult to tolerate the inconvenience of construction and where local people perceive the Market Group's activities as having a negative impact on their daily lives. In this case, the houses are located in the immediate vicinity of the construction site and understandably find it more difficult to tolerate dust and noise. For the Bem project, the Group has created a dedicated website (https://www.bemprojekt.hu/) where residents can find information about the project and contact Market. In all cases, letters of complaint will be answered within 3 working days. From this year, leaflets will also be produced to inform local residents.</p> <p>In general, for projects where the client allows communication, Market Group posts about the projects on its social media platforms from time to time. Our communication strategy is to report at least the following events for each project:</p> <ul style="list-style-type: none">• Groundbreaking ceremony• Shell and core state• Building handover• Architecture, professional curiosity• A professional, engineering feat• Innovation or sustainability news or innovation related to a given project	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 414: Supplier Social Assessment	GRI 3-3: Management of Material Topics	-	-	<p>Looking ahead, Market has made sustainability in the Group's supply chain a high priority. Linked to, but not limited to, that goal, it is continuously increasing the proportion of local suppliers in its supply chain and in 2023 started the process of incorporating ESG (including social) criteria in its supplier contracts.</p> <p>The Group is currently in the planning phase and has not yet introduced impact assessment, evaluation and monitoring of the processes.</p>	-
	GRI 414-1: New suppliers that were screened using social criteria	-	-	<p>A comprehensive social assessment is not currently carried out for any of the member companies. The Group works mainly with reputable European suppliers (Hungarian, German, Dutch, Belgian, Polish), and therefore no negative social perception or negative exposure was detected during the reporting period. The development of ESG criteria for supplier contracts started in 2023.</p>	-
	GRI 414-2: Negative social impacts in the supply chain and actions taken	-	-	-	<p>The Market Group does not currently have a related data collection process.</p>



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 415: Public Policy	GRI 415-1: Political contributions	-	-	Political involvement is not typical of the Market Group.	-
GRI 416: Customer Health and Safety	GRI 3-3: Management of Material Topics	-	-	<p>In accordance with its legal obligations, the Market Group will do everything in its power to create a lasting value that does not pose the slightest risk to the health or safety of its clients or the actual users of the buildings. That commitment accompanies all stages of the design and construction process, but the Group also does its utmost to ensure that during the (implied) warranty period.</p> <p>Due to the nature of its activities, the Market Group places emphasis not only on the health and safety of its clients but also on the health and safety of its contributors' employees, which is ensured by the safety and health protection plan developed for each project in accordance with the Joint Decree 4/2002 (II. 20.) of the SzCsM-EüM on the minimum safety requirements for workplaces and construction processes, as well as by the document titled 'Construction Site Regulations', which is also binding on our partners.</p> <p>A risk analysis is carried out at the planning stage of each project, with regard to the risks and negative effects on users of the building in question. We only carry out a project in which all possible risks have been eliminated.</p>	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
	GRI 416-1: Assessment of the health and safety impacts of product and service categories	-	-	<p>The Group pays great attention to incorporating materials that are not harmful to health and safety. When using paints, varnishes and adhesives, preference is given to products with low WOC and formaldehyde content. We install air handling systems that ensure sufficient fresh air intake into buildings to guarantee proper air quality. In all cases, Market uses plumbing systems that do not leach harmful substances even in the long run. In designing the buildings, we always aim to maximise the amount of natural light entering the interior and to design the buildings so that dwellers/users prefer the use of stairs to lifts. In addition, as described in the Climate and Environment Protection chapter, Market pays particular attention to the creation of green areas and surfaces (gardens, roof gardens, interior gardens). This not only promotes biodiversity, but also has a positive impact on people's mental health.</p> <p>For all buildings it constructs, the Market Group makes a design and builders' declaration of liability, complies with and enforces the health and safety requirements of the legal regulations and provides a guarantee.</p>	The Market Group does not currently have quantitative or ratio data for the products under review.
	GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	-	-	No such incidents occurred during the period covered by this report.	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 417: Marketing and Labelling	GRI 417-1: Requirements for product and service information and labelling	-	-	<p>The member companies that undertake construction works (OKM, Moratus, Vilati) produce method statements and sampling and compliance plans for each work process they carry out, which include a description of the work process and the verification measurements. These documents ensure that the work is of proper quality, environmentally conscious and safe. The documents are also checked by Market Építő Zrt.</p> <p>PREbeton Zrt. holds factory production control system certificates (for prefabrication and concrete production), on the basis of which it issues (in compliance with the law) a declaration of performance for the finished products. These are used to certify that the products meet the requirements of national and international standards.</p> <p>These are the technical parameters for concrete:</p> <ul style="list-style-type: none"> • compressive strength • consistency at delivery • concrete shelf-life • concrete body density <p>These are the technical parameters for prefabricated elements:</p> <ul style="list-style-type: none"> • geometric property • compressive strength class of concrete • environmental class • minimum tensile strength value of reinforcing steel • minimum yield strength value of reinforcing steel • load bearing capacity • fire resistance • fire protection class • surface properties • water absorption • frost resistance 	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
				<p>In the case of products to be incorporated into buildings, we always comply with the provisions of Government Decree 275/2013 (VII. 16) on the detailed rules for the design and incorporation of construction products into buildings and the certification of performance, which stipulates that only products with a declaration of performance may be incorporated.</p> <p>The Market Group has not previously categorised its products and services, so there is no information available to disclose the proportion of items that fall into a significant category.</p>	
	GRI 417-2: Incidents of Non-compliance concerning product and service information and labelling	-	-	No such incidents occurred during the period covered by this report.	-
	GRI 417-3: Incidents of non-compliance concerning marketing communications	-	-	In 2023, no GVH (Hungarian Competition Authority) proceedings were pending against any of the Market Group's member companies. The Group pays close attention to the compliance with the Hungarian and European Union competition law norms, in particular Act LVII of 1996 on the Prohibition of Unfair Trading Practices and Unfair Competition.	-



GRI STANDARD	GRI INDICATOR	CHAPTER IN THE SUSTAINABILITY REPORT	PAGE NUMBER	DIRECT ANSWER	REASON FOR OMISSION
GRI 418: Customer Privacy	GRI 3-3: Management - of Material Topics		-	<p>The Market Group makes every effort to ensure that investor (client) data, whether personal data or confidential business secrets, does not fall into unauthorised hands, as set out in its Privacy and Information Security Policy. That is ensured through the Group's Privacy and Information Security Policy and strict data and information security measures. To protect our clients' data, we have appointed a dedicated Data Protection Officer and IT Security Manager to continuously review and improve our systems.</p>	<p>The Market Group considers its processes for mapping negative privacy impacts as confidential information and does not disclose them in this document.</p>
	GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	Good Corporate Governance - Data Protection	143	<p>The National Authority for Data Protection and Information Security did not initiate proceedings against the Market Group in 2023 either.</p> <p>There were no substantive complaints or questions about the Group's data management that required intervention.</p>	-



GRI 201-1

ECONOMIC VALUE GENERATED	2021	2021	2023
Market Építő Zrt.	296 340	324 161	340 310
OKM Építőipari és Szolgáltató Kft.	21 615	20 271	31 048
Moratus Zrt.	14 239	16 810	19 353
Vilati Szerelő Zert.	19 653	17 511	18 734
PREbeton Zrt.	5 211	11 204	13 958
MCM Beton Kft.	6 476	5 054	3 760
Market Épületszerviz Kft.	1 525	1 802	2 360
MRKT Padló Kft.	1 175	1 732	2 338
Lean Tech Mérnökiroda Kft.	2 009	2 422	2 133
Property Market Ingatlanfejlesztő Kft.	2 369	1 666	1 647
Total	370 612	402 632	435 641



Stakeholder

OPERATING EXPENSES (PAYMENTS RELATED TO TOTAL REVENUE + NET OTHER OPERATING EXPENSES)	2021	2021	2023
Market Építő Zrt.	239 870	262 424	289 456
OKM Építőipari és Szolgáltató Kft.	18 037	22 848	25 472
Moratus Zrt.	11 229	15 039	15 959
Vilati Szerelő Zert.	17 829	17 407	16 679
PREbeton Zrt.	5 401	10 155	10 659
MCM Beton Kft.	5 612	4 603	3 290
Market Épületszerviz Kft.	859	1 253	1 572
MRKT Padló Kft.	431	445	730
Lean Tech Mérnökiroda Kft.	1 383	1 482	1 486
Property Market Ingatlanfejlesztő Kft.	650	614	565
Total	301 300	336 269	365 868



Employees

EMPLOYEE SALARIES AND BENEFITS (EMPLOYEE-RELATED COSTS)	2021	2021	2023
Market Építő Zrt.	10 168	13 974	16 383
OKM Építőipari és Szolgáltató Kft.	2 792	3 011	3 335
Moratus Zrt.	1 918	2 141	2 345
Vilati Szerelő Zert.	912	1 045	1 387
PREbeton Zrt.	712	1 097	1 615
MCM Beton Kft.	213	326	273
Market Épületszerviz Kft.	924	1 262	1 362
MRKT Padló Kft.	654	600	593
Lean Tech Mérnökiroda Kft.	301	422	560
Property Market Ingatlanfejlesztő Kft.	716	1 131	883
Total	19 309	25 009	28 737



Investors

PAYMENTS TO EQUITY INVESTORS (DIVIDENDS PAID)	2021	2021	2023
Market Építő Zrt.	5 700	27 400 ⁴⁶	25 795 ⁴⁷
OKM Építőipari és Szolgáltató Kft.	270	0	0
Moratus Zrt.	0	0	0
Vilati Szerelő Zert.	200	200	0
PREbeton Zrt.	0	0	0
MCM Beton Kft.	0	85	0
Market Épületszerviz Kft.	0	80	0
MRKT Padló Kft.	0	0	0
Lean Tech Mérnökiroda Kft.	200	210	300
Property Market Ingatlanfejlesztő Kft.	0	200	0
Total	6 370	28 175	26 095

⁴⁶Dividends voted. Actually paid in 2022: HUF 11 304 M.

⁴⁷Dividends voted. Actually paid in 2023: HUF 17 296 M.



State

PAYMENTS TO THE STATE TREASURY (PROFIT TAX + LOCAL BUSINESS TAX + INNOVATION CONTRIBUTION, REHABILITATION CONTRIBUTION + TAXES AND CONTRIBUTIONS ACCOUNTED FOR OTHER EXPENSES)	2021	2021	2023
Market Építő Zrt.	3 877	3 228	3255
OKM Építőipari és Szolgáltató Kft.	179	396	238
Moratus Zrt.	118	131	167
Vilati Szerelő Zert.	63	313	131
PREbeton Zrt.	76	30	33
MCM Beton Kft.	34	108	122
Market Épületszerviz Kft.	37	44	58
MRKT Padló Kft.	17	18	31
Lean Tech Mérnökiroda Kft.	36	62	22
Property Market Ingatlanfejlesztő Kft.	130	29	48
Total	4 567	4 341	4 105



Communities

COMMUNITY INVESTMENTS (DONATIONS, GRANTS)	2021	2021	2023
Market Építő Zrt.	414 ⁴⁸	389	528
OKM Építőipari és Szolgáltató Kft.	6	0	0
Moratus Zrt.	0	1	1
Vilati Szerelő Zert.	22	0	0
PREbeton Zrt.	0	0	0
MCM Beton Kft.	0	0	0
Market Épületszerviz Kft.	0	0	10
MRKT Padló Kft.	0	0	0
Lean Tech Mérnökiroda Kft.	0	0	0
Property Market Ingatlanfejlesztő Kft.	0	3	0
Total	442	393	538

⁴⁸In the 2021 report, the data for Market Építő Zrt. was incorrectly recorded. The Community contribution rate has been corrected retroactively.



All stakeholders in the future

RETAINED EARNINGS (PROFIT AFTER TAX + DEPRECIATION - DIVIDENDS PAID)	2021	2021	2023
Market Építő Zrt.	31 383	7 778 ⁴⁹	-3 665 ⁵⁰
OKM Építőipari és Szolgáltató Kft.	831	-6 132 ⁵¹	1 572
Moratus Zrt.	845	-594	692
Vilati Szerelő Zert.	490	-1 523	371
PREbeton Zrt.	-381	-800	674
MCM Beton Kft.	565	-23	57
Market Épületszerviz Kft.	131	-39	178
MRKT Padló Kft.	-370	-197	63
Lean Tech Mérnökiroda Kft.	489	243	-238
Property Market Ingatlanfejlesztő Kft.	865	-426	128
Total	34 848	-1 714	-168

⁴⁹Calculated on the basis of a declared dividend. Based on actual dividends paid in 2022, retained earnings amount to: HUF 23 874 M.

⁵⁰Calculated on the basis of a declared dividend. Calculated with actual dividends paid in 2023, retained earnings amount to HUF 4 834 M.

⁵¹In 2022, the figure for OKM was wrong, now corrected.

**GRI 201-4**

2023	INVESTMENT DISCOUNT	FILM AND SPORTS SUPPORT	TAX RELIEF FOR ENERGY SAVING INVESTMENT	TAX DEDUCTION ON THE PAYROLL COSTS OF SOFTWARE DEVELOPERS	TAX EFFECT OF TAX BASE REDUCTION DUE TO DONATIONS	TAX EFFECT OF TAX BASE REDUCTION DUE TO R&D	FINANCIAL SUPPORTS	INCENTIVES	SUBSIDIES RECEIVED FROM OTHER GOVERNMENT BODIES
Market Építő Zrt. OKM Építőipari és Szolgáltató Kft. Moratus Zrt. Vilati Szerelő Zert. PREbeton Zrt. MCM Beton Kft. Market Épületszerviz Kft. MRKT Padló Kft. Lean Tech Mérnökiroda Kft. Property Market Ingatlanfejlesztő Kft.		321 590 924			4 141 353	9000			
2022									
Market Építő Zrt. OKM Építőipari és Szolgáltató Kft. Moratus Zrt. Vilati Szerelő Zert. PREbeton Zrt. MCM Beton Kft. Market Épületszerviz Kft. MRKT Padló Kft. Lean Tech Mérnökiroda Kft. Property Market Ingatlanfejlesztő Kft.		329 137 351			4 039 848				



List of abbreviations

SUMMARY

FULL NAME

BCSDH	Business Council for Sustainable Development in Hungary
BIM	Building Information Modelling
BREEAM	Green Building Rating System (Building Research Establishment Environmental Assessment Method)
CKT concrete	cement-bonded load-bearing (foundation material)
DIGMA	Digital Market
UN	United Nations
EPD	Environmental Product Declaration
ESG	Environment, Social, Governance
ÉVOSZ	National Federation of Hungarian Building Contractors
FSC	Forest Stewardship Council
GDPR	General Data Protection Regulation (GDPR)
GHG	Greenhouse Gas (GHG)
GJ	Gigajoule
GRI	Global Reporting Initiative
HuGBC	Hungary Green Building Council
IEA	International Energy Agency
LEED	Green building rating system (Leadership in Energy and Environmental Design)
MEBIR	Occupational Health and Safety Management System
MJ	Megajoule
MWh	Megawatt-hour
GHG	Greenhouse gas



Imprint

MARKET GROUP

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E-mail: marketiroda@market.hu
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fenntarthatosag@market.hu