

SUSTAINABILITY REPORT


 **20
23**





Successful commitments and achievements:


Now or Never!


Along the strategy:


 Attract and retain talent:
30 hours/person
training hours (target: 32 hours/person)


 Renewable energy used increased to
1610 MWh


 Sustainable use of raw materials:
PREbeton
product carbon footprint


 Communal water use down, water consumption reduced by
70%-kal

 Total waste down by
39%-kal
compared to the base year


 Improving resource efficiency:
environmental action group
Establishment of a Material Storage Protocol


 GHG emissions from electricity use down
24%-kal
compared to base year

 Revenue proportional GHG intensity indicator
37,5%
reduction compared to baseline

 Biodiversity protection:
16 885 trees
planting of forest trees


Results achieved:


 First Hungarian-owned construction company to publish a sustainability report (2021)


 We had our report audited for the first time in 2022, and will do so every year from then on.


 27 awards won

 11 link to SDG target

 Dedicated sustainability organisation

 LEAN Construction Method

 BIM management team

 BI (data analysis) department

 Innovation Department

01

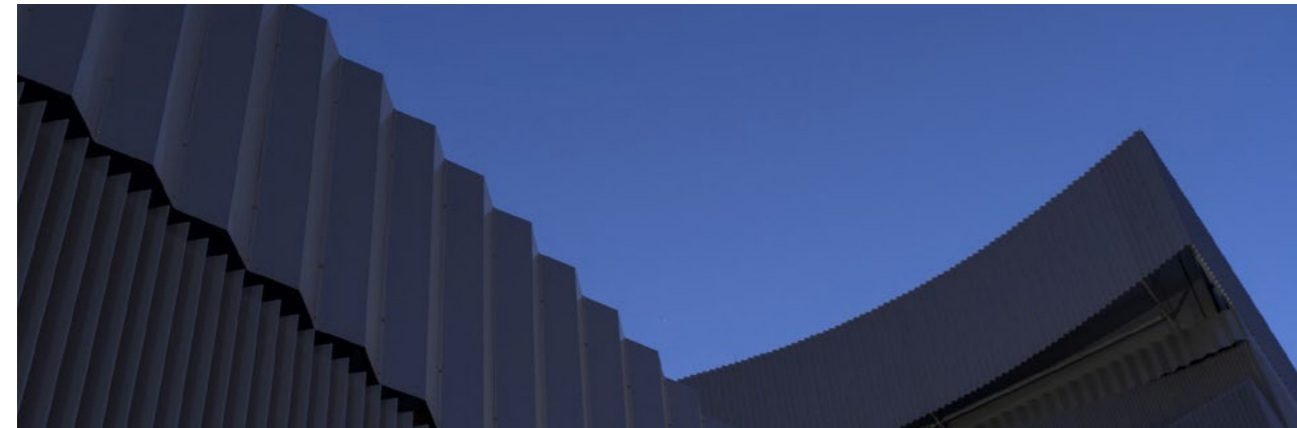
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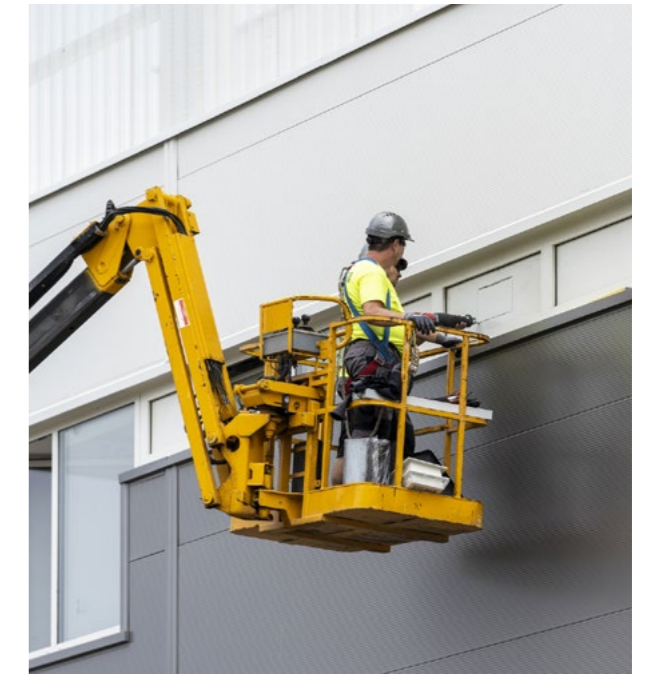
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Our favourite moments

We love
to build



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.



SÁNDOR SCHEER
CEO

Company history

1996

foundation, Market Építő Zrt. formed

2000

The first large-scale work, the construction of the Eurocenter shopping centre

2007

Best Workplace - Large Business Category' (Hewitt and World Economy survey)

2014

Groupama Aréna - the best stadium in the world

2018

'Company of the Year' Award

2020

Market Headquarters 6.0

2024

Ranked 3rd in the Top 40 list of large companies for environmental awareness.

2003

Construction of the first office building

2008

Birth of the current Market image

Expansion despite the economic crisis

2015

Kopaszi dam project - BudaPart

2022

Opening of MOL campus

2023

9th most ESG-ready among large companies, change management fee, etc.

The Market Group in numbers (2023)

12 member
companies

25 completed
projects

1 477
employees

32 177 people visited construction
sites in 2023

<99% domestic supplier
rate

96,2% waste recycling
rate

16,885 saplings were planted
on 2.11 hectares

12 522 390

net hours worked on
construction sites

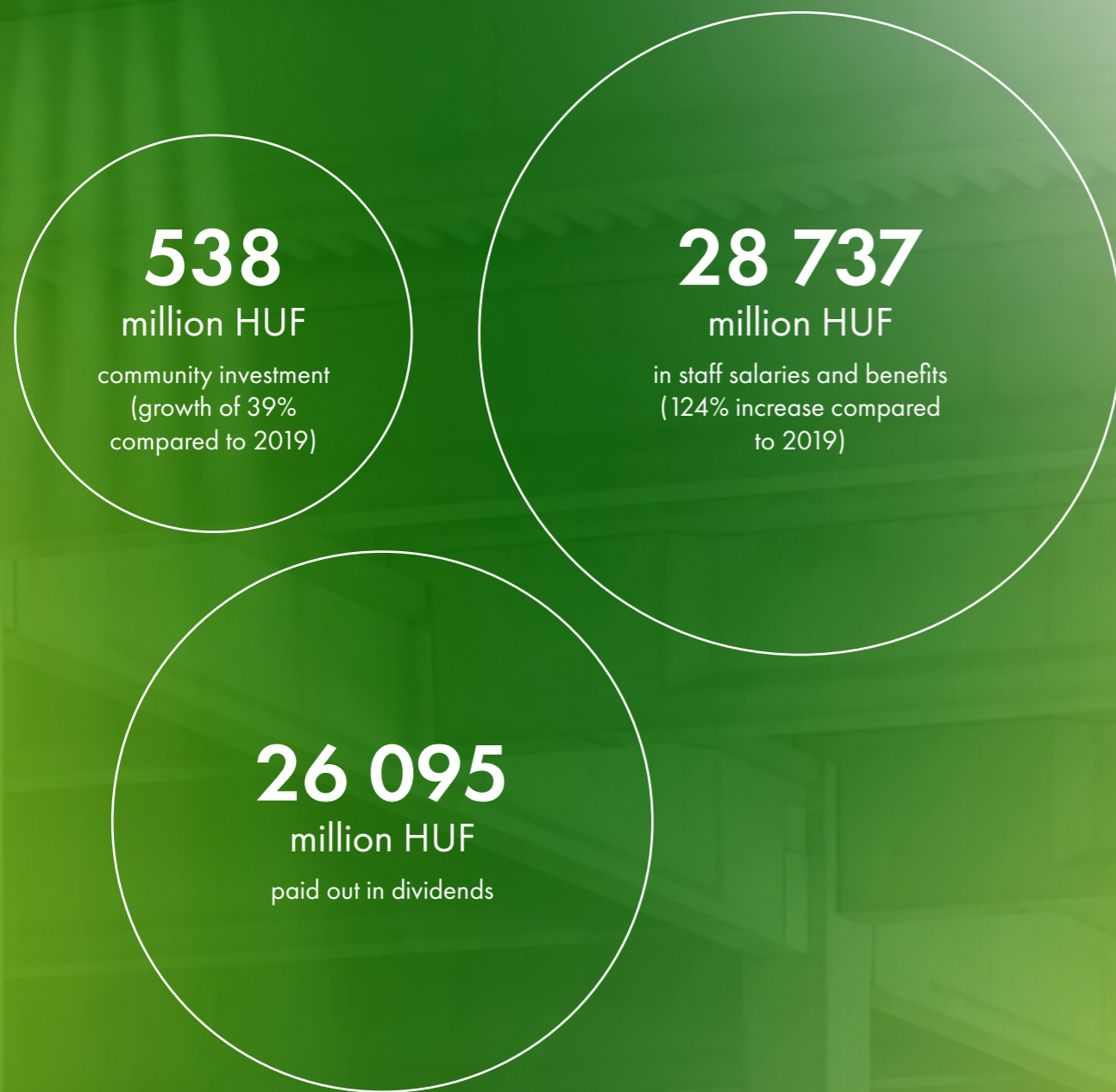


Companies covered
by the report

Market Éptő Zrt.

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

Creating shared value



435 641 million HUF

REVENUE (80% INCREASE COMPARED TO 2019)



Sustainability Strategy

Key objectives of our sustainability strategy and achievements to date



I am proud that in addition to its engineering expertise and professional commitment, Market Group is now a model for Hungarian and regional construction companies, not only through its transparency and social sensitivity, but also through its environmental awareness. For all that, I would like to thank my fellow managers, our staff directly or indirectly involved in ESG areas, and all the employees of the Group.



BALÁZS BÁTHORY
Deputy CEO, Market Építő Zrt.

Key sustainability objectives

Base year data **2021** **2022** **2023**

Reduce direct (Scope 1) and indirect (Scope 2) emissions by 30% (t CO_{2e})

9 592 13 147 10 971 10 950

Reduce direct (Scope 1) and indirect (Scope 2) emissions by 30%

–

Fleet reshuffle

Electric vehicles: 1	Electric vehicles: 1	Electric vehicles: 3	Electric vehicles: 4
Internal combustion vehicles: 289	Internal combustion vehicles: 579	Internal combustion vehicles: 682	Internal combustion vehicles: 624
Hybrid vehicles: 1	Hybrid vehicles: 65	Hybrid vehicles: 74	Hybrid vehicles: 124

Sub-targets to be achieved by 2025

Delivery on time

Summary

Reduce Scope 1-2 emissions by 30% compared to 2019, equivalent to 6 714 tonnes of CO_{2e}.



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.

The revenue proportional intensity ratio also shows a slight decrease compared to 2022 (-7%) and a decrease of 36% compared to the base year.

The growth is driven by an increase in Scope 1 (direct) output, which is linked to the Group's fleet composition and consumption linked to the increase in turnover.

Phase out petrol and diesel cars from the fleet at group level by 2025.






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 internal combustion vehicles has also increased.

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.

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.

As regards the number of internal combustion vehicles, the Group is gradually replacing its fleet with vehicles which have a higher environmental rating.

Key sustainability objectives	Base year data	2021	2022	2023
Reduce direct (Scope 1) and indirect (Scope 2) emissions by 30% – Energy efficiency (t CO_{2e})	1 927,4	2 864,5	1 811,5	1 456,6
Other indirect emissions (Scope 3) - Assessment of the group's Scope 3 emissions	-	-	-	-
Other indirect emissions (Scope 3) assessment - Involving customers in emission reductions from 2025	-	-	-	-

Sub-targets to be achieved by 2025	Delivery on time	Summary
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).
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>
Reducing the energy consumption of new buildings under own investment to below 80 kWh/m ² /year. Offering customers a zero-energy option.		Work has started to assess the options and develop the associated data reporting process.

Key sustainability objectives	Base year data	2021	2022	2023
Managing water-related risks	-	-	-	-
Managing water-related risks - reduction of communal water use; (m ³)	83 790,65	29 385,84	65 607,17	26 429,28
Improving resource efficiency	-	-	-	-
Sustainable use of raw materials	-	-	-	-

Sub-targets to be achieved by 2025	Delivery on time	Summary
To offer customers water saving solutions to improve the water efficiency of their buildings and their environment.		We offer customers options to increase water efficiency (greywater recycling, rainwater harvesting) on projects.
Reducing 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%.
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.
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.

Key sustainability objectives	Base year data	2021	2022	2023
Use of alternative building materials	-	-	-	-
Operational eco-efficiency - Reduction of total waste (tonnes)	310 290	233 403	255 444	189 193
Operational eco-efficiency - Zero waste approach	-	-	-	-
Operational eco-efficiency - Increase recycling rate (%)	-	n.a	n.a	n.a

Sub-targets to be achieved by 2025	Delivery on time	Summary
Review the use of building materials and, where possible, introduce alternative, sustainable solutions.		The review started in 2023.
Reduce waste by 10%.		Compared to the base year, total waste decreased by 39%.
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.
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.

Key sustainability objectives	Base year data	2021	2022	2023
Operational eco-efficiency _ Hazardous waste	-	-	-	-
Protecting biodiversity - Planting trees, preserving good practices	-	-	-	-
Protecting biodiversity - Developing environmental policy	-	-	-	-
Occupational health and safety - Number of working days lost due to accidents at work; days/year)	~1000 days	536	513	367
Attract and retain talent - Number of training hours	-	4,5	7	30,22

Sub-targets to be achieved by 2025	Delivery on time	Summary
Improve the registration of hazardous waste.		A review of processes has started, and the development of the hazardous waste register has begun.
Maintaining and improving current processes for the protection of biodiversity and the natural environment. Tree planting.		Among the alternatives of the tree planting project, the forestry tree planting (16,885 saplings/trees) was implemented in 2023 near Piliscsaba.
Developing an environmental policy and position.		There has been no progress towards the goal.
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.
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.

Key sustainability objectives

Base year data **2021** **2022** **2023**

Attract and retain talent - Talent management programmes, partnerships

- - - -

Diversity and equal opportunities - Percentage of female leaders

Market Építő Zrt: 10% (under validation)
At group level: 1.4%

for Market Építő Zrt.: 11,36%
At group level: 8%

for Market Építő Zrt. 10,86%
At group level: 6%

9,76% for Market Építő Zrt.
At group level: 5.75%

Diversity and equal opportunities - Pay gap

21% 3,4% 4,9% 6,1%

Diversity and equal opportunities - Human rights

- - - -

Sub-targets to be achieved by 2025

Delivery on time

Summary

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.

Increasing the proportion of female 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.

The strategic objective is not being met on a time proportionate basis.

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.

Renewing a code of ethics to promote diversity and equal opportunities.



In 2022, a new Code of Ethics was published, reaffirming Market Group's commitment to human rights and its condemnation of all forms of discrimination.

Key sustainability objectives	Base year data	2023		
		2021	2022	2023


Responsible corporate governance, sustainable coordination	-	-	-	-
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Customer relationship development, awareness raising	-	-	-	-
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Sustainable supply chain management	-	-	-	-
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Sustainability report	-	-	-	-
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Sub-targets to be achieved by 2025	Delivery on time	Summary
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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 created: 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.
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Engage clients by offering a 'green menu' of sustainable architectural solutions and their complex implementation. Systematic satisfaction measurement.		The Group will continue the practice it has already started. A 'green menu' will be developed in the second half of the strategic period.
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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.
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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.
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Key sustainability objectives

Base year data **2021** **2022** **2023**



Integrating the UN Sustainable Development Goals into action

- - - -

Stakeholder relations, sustainability communication

- - - -

- - - -

-  The strategic target was met on prorated time basis.
-  No progress has been made towards the strategic target.

Sub-targets to be achieved by 2025

Delivery on time

Summary

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.

Improving sustainability communication.





Through the Partner Programme, the Market Group informs its subcontractors about sustainability news and activities.

In addition, it provides continuous information on its social media platforms to all stakeholders on major news and events affecting the Group's operations.

Stakeholder survey every two years.



The stakeholder survey was also carried out in the second half of 2023, after 2021. The results are presented in detail in this report.

-  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.

Our environment and what we affect

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, is now - perhaps more evidently every year - affecting all aspects of our lives, directly or indirectly, can only be mitigated by working together. That is why the Market Group believes it is important to organise awareness-raising actions for its employees and partners, not only to mitigate its own impact, but also to deepen the awareness of society as a whole.



Preserving the amazing diversity of the created world is everyone's responsibility, and in our own interest, but unfortunately not many people realise it.

I'm very pleased that our management is supporting the conservation of wildlife and that we are making that a priority in more and more of our projects



MÁRIA WINDISCH
biodiversity

Climate protection efforts

SDG 13: Climate Action
SDG 7: Affordable and Clean Energy
[GRI 302] [GRI 305]

Key ESG indicators of the Market Group¹

Unit	2019	2020	2021	2022	2023
Scope 1-2 emissions (CO _{2e})	9 592	8 770	13 147	10 971	10 950,3
Revenue proportional GHG intensity ratio	4,0	3,7	3,5	2,7	2,5

¹ The Market Group's large report, audited by an independent third party, shows the evolution of the company's Scope 1 and Scope 2 emissions by member company. [GRI 305]

Emission reduction targets

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).

We have recognised that, given the nature of our activities, the revenue proportional index better reflects our actual results. The GHG intensity indicator calculated in that way shows a steady decline.

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, though we achieved a 15% reduction in our indirect (Scope 2) emissions compared to the 2019 base year through our own renewable energy production and the renewable energy certificate we purchased. 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%.



Focus on energy efficiency

The Market Group is focusing on improving the efficiency of its processes in line with its emission reduction targets. Although the decline is small in absolute value compared to the base year, the Group has achieved a large scale decline in terms of revenue proportional intensity ratios over the last 4 years.

- Electricity consumption decreased by 5% compared to 2019; the decrease in electricity consumption as a percentage of revenue is 48%.
- Gas consumption decreased by 19% compared to the base year; the decrease in gas consumption as a percentage of revenue was 54%.
- Total consumption of district heating and cooling increased by 2% compared to 2019; the revenue share indicator is down 43%.
- For total fuel consumption, the absolute change compared to the base year shows an increase of 33%; for the revenue share comparison, the value decreased by 26%.

Renewable energy is key

In 2023, the Market Group met 25% of its electricity needs with renewable energy. In addition to the 222 MWh of own-generated renewable energy (on-site solar cell), the Group has also purchased a Guarantee of Origin (1,388 MWh), thereby reducing its associated emissions.

Composition of the vehicle fleet

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 this magnitude, we need to consider the potential impact of the planned conversion on our operations. The level of development of the national filling network does not currently allow us to make a full-scale change-over, as infrastructure gaps not only make access to rural construction sites difficult, but also put our performance at risk.

Taking all that into account, we decided to develop it gradually. As a result, the number of electric vehicles increased by 25% in one year, while the number of hybrid vehicles increased by 68% and their share of the total fleet increased from 11% to 20.5%.



Protecting biodiversity

SDG 15: Protect terrestrial ecosystems [GRI 304]

Creating ecosystem services

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. These 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: e.g. small mammals, birds, insects), and provide humidification.

Reducing negative impacts

The most significant negative impact is currently due to the Group's greenfield investments. However, 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 at the project site.

In addition to the usual soil test report, it has also started to test the excavated fertile soil from construction activities from a new perspective, as it will determine the quality of the green surface that will be created. The rooting and long-term survival of the plants there depend on it, so Market Építő Zrt. has signed a contract with an external soil testing and nutrient management expert in 2021 to test the soil for all projects.



Tree planting project

The basic objective of the programme is to plant 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.

In 2023, 16 885 saplings of native species were planted in the framework of forestry tree planting by Pilisi Parkerdő Zrt.

Protecting species of biodiversity value

In 2023, the Corvinus Campus project on the Gellért Hill included a number of areas demarcated to preserve the original vegetation. At the end of the project, the Group transplanted so-called 'ancestral grassland blocks' from those areas to the disturbed sites, so that the species living in the demarcated area can more easily reproduce throughout the whole area. Not protected, the native plant communities include lovely and ornamental plants of the spring, such as barren and fingered marigolds, yellow henbane and fragrant violets.



Moving towards a circular economy

SDG 12: Responsible Production and Consumption [GRI 301] [GRI 306]

Minimalist use of materials

The use of building materials and the reduction of carbon emissions associated with their production are of particular importance to the 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. By using fewer materials, the buildings built by the Market Group also significantly reduce the carbon footprint of the buildings.

Quality and sustainability

The Group expects to achieve BREEAM Excellent or LEED Gold certification for all its own investment projects, with material credits targeted in all cases. 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.

An Innovative Building Materials Group was setup within the Group, comprising members of the Sustainability and Design departments, who will help to increase the use of sustainable building materials across the Group.

Waste reduction

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 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.

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 Polystyrene) insulation material from projects as a raw material in the production of lightweight concrete subflooring.

The aim of the project is to reuse the collected EPS insulating material residues for the production of concrete floors after grinding, so that would prevent the material from entering the waste stream and ending up in landfills. Thanks to the trial phase, only 300 m³ EPS were reused in 2023.



Our staff, to whom we owe our success

The Group has always sought to build the best possible relationship with its employees, because we know that our success is down to our people. As such, we see every employee as a valuable asset and we strive to give everyone room for continuous personal and professional development. We focus on providing our employees with a range of opportunities that contribute to the improvement of their health and well-being.



Our ESG strategy is an indispensable part of our business. It is important not only for our clients, but also for our colleagues. Every step we take towards the goal of operating in a more sustainable environment demonstrates corporate responsibility. We believe that we can do better every year and that every action we take will contribute to our more sustainable future.



LAURA PUSZTA
HR Director

Staff training and development

SDG 4: Quality Education [GRI 404]

The Market Group focuses on the training and development of its employees as a strategic goal. In addition to the new sustainability training courses that we have added to the Group's training, we aim to reach 32 hours of training per person on group level by 2025.

In 2023, we not only met our target on time, but also managed to increase the average number of training hours completed by colleagues to 30 hours per person, thanks to the creation of a digital training theme for construction projects and related events such as the first MARKET OSH Day.

In 2024, the Group will further expand training opportunities to ensure that all employees have relevant learning and development opportunities.



Gender equality

SDG 5: Gender Equality
[GRI 405]

Our Group has set a target to increase the proportion of female managers by 2025, doubling the proportion of them at Market Építő Zrt. compared to the base year (2020). A related diversity target is to reduce the gender pay gap at Group level to below 15%.

In 2023, the Market Group had 18 men on the governance body, 63 men and 5 women (7%) in top management and 126 men and 27 women (18%) in middle management. Group level pay gap in 2023 was 6.16%²

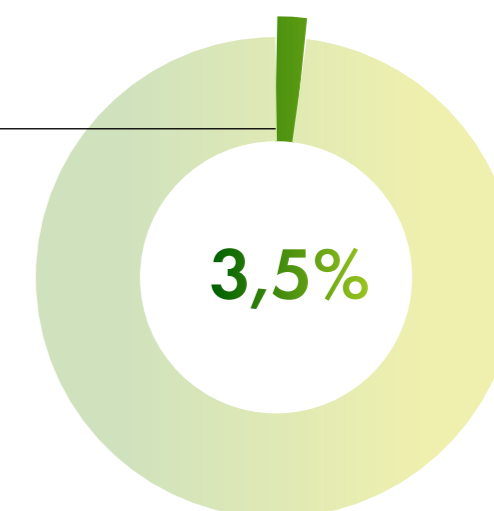
² The Market Group's large report, audited by an independent third party, shows the ratio of women's base salary and remuneration to men's, broken down by member company. [GRI 405]

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

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

In the case of diversity indicators, Market Építő Zrt. sets an example for other member companies, where **the salary gap between male and female colleagues** in terms of total remuneration was reduced to **3.5%** in 2023.

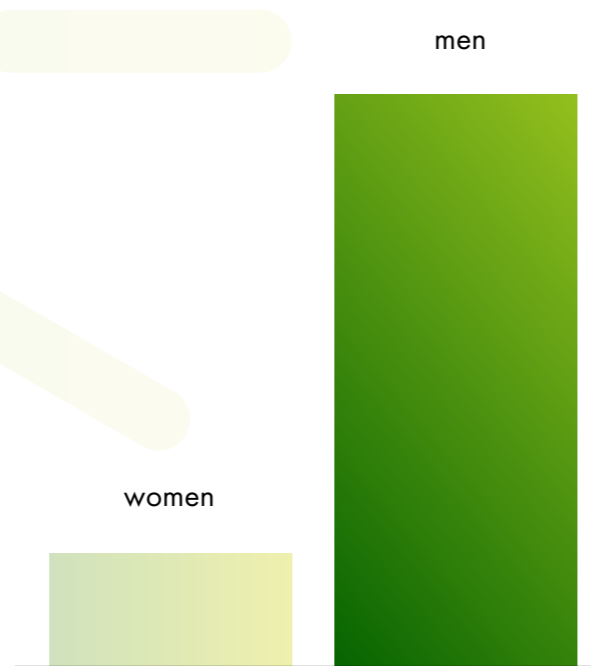


Attracting and retaining talent

SDG 4: Quality education
[GRI 404]

In order to increase its 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.

Existing colleagues are given suggestions for improvement through performance appraisals, and we use those management reviews to formulate our recommendations for promotions.



Managers can request development training for their team throughout the year, which can consist of presentations, training, team building and individual sessions as well.

In 2023, the proportion of staff involved in performance appraisals and career management increased significantly compared to the previous year: 858 staff were involved in performance appraisals, of whom 142 were women and 716 men.



Our strength in partnership

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, it is fair to say that since its foundation, Market's name has become synonymous with reliability and excellent quality, as a result of decades of work. 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. Our local suppliers help us to meet our customers' requirements.



The Lean methodology and sustainability are closely linked, as Lean aims to reduce waste and use resources efficiently, which helps to minimise environmental loads. The Lean approach helps sustainability by optimising processes and facilitating the integration of environmental criteria into corporate strategy.



RÉKA PAPP
Lean Management expert

Featured projects 2023

SDG 9: Industry, Innovation and Infrastructure [GRI 304]

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.

- In addition to ice hockey, it can also host 20-25 indoor sports
- Can accommodate up to 6000+ spectators
- It can host up to 8,000 people for concerts and other events

Professional feat project = multifunctional arena

- 1 860 tonne steel roof structure
- on which the country's largest mobile crane was working
- spectacular and dynamic light show thanks to modern lighting control



Dorothea Hotel, Budapest

In the heart of downtown 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.

- concept and interior design by Lissoni & Partners, Milan
- particular attention has been paid to the preservation and restoration of valuable historic elements
- spacious inner courtyard
- Zsolnay tile wall
- restored listed staircase

A complex of buildings that is at the same time

- a 216-room hotel
- exclusive apartments
- service units

A renewed historic monument:
The building has been renovated

- to the Marriott Autograph Collection Product Quality Standard,
- and in accordance with national standards, preserving its historic elements

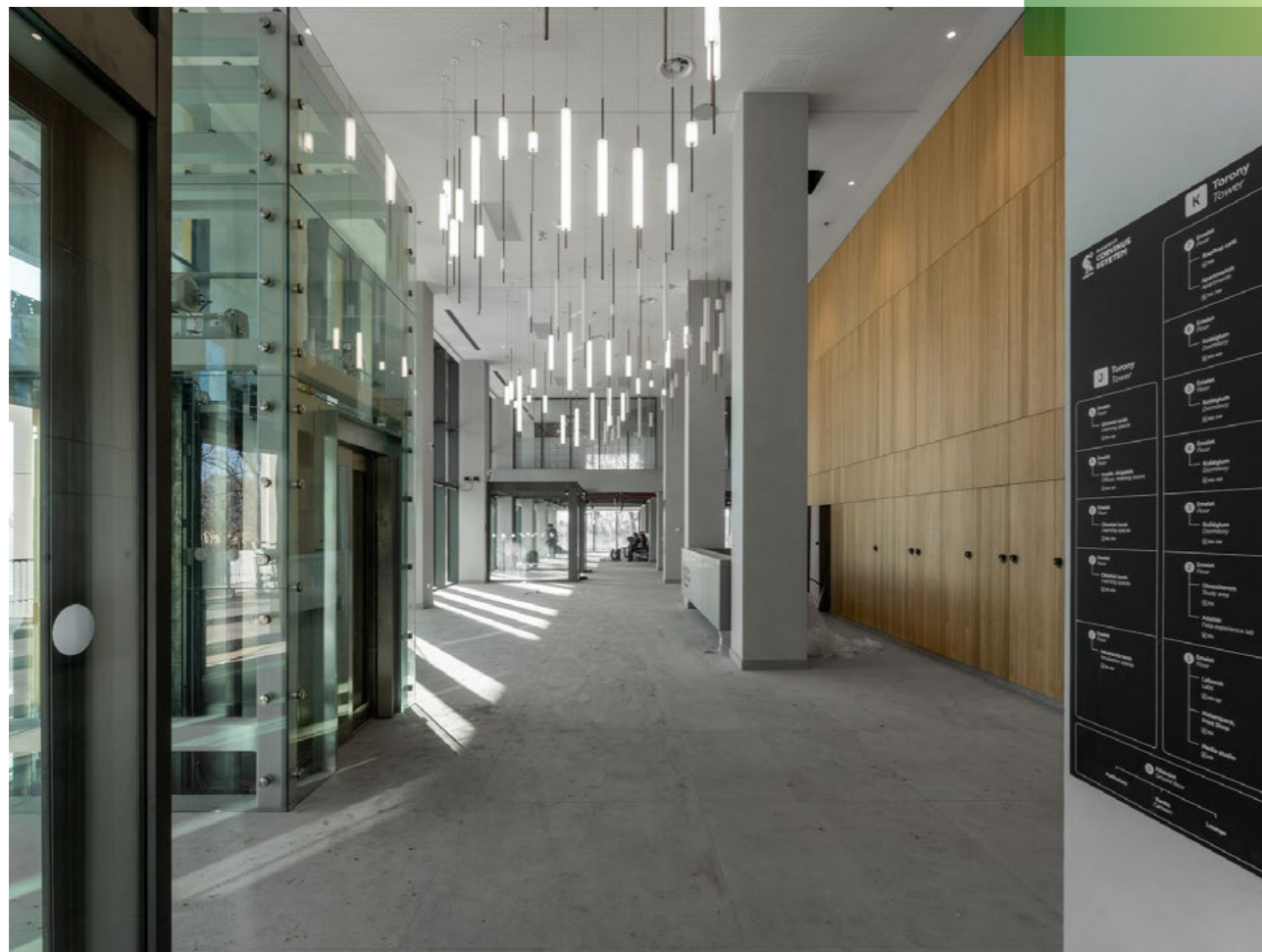
Corvinus Gellért Campus

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.

- kooperatív, többfunkciós oktatási-kutatási cooperative, multifunctional teaching-research rooms,
- community spaces,
- and a 300-seat auditorium,
- and a 180-person dormitory

Also new to the Campus are

- 1.1 hectare park,
- Data Space supporting data analysis and data visualisation,
- the Media Studio, which develops storytelling skills,
- Makerspace, which helps students practice their design skills, also with 3D printers.



Partner Programme

SDG 17: Partnership for the Goals [GRI 203]

The Partner Programme, launched in 2021, is an unbroken success, aiming to increase the efficiency of the sector and help priority partners. Currently, the programme involves 120 partners, with regular events, training and programmes aimed at vertical development of the industry.

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:

Direct contact with partners. Many requests are received from the different areas of expertise, and the opportunity to discuss topics and share experience is provided by meeting face-to-face with the company's expert colleagues.

Regular, live meetings. Market organises events in the spring and autumn, where presentations address current topics. An important part of the event is that our partners have the opportunity to talk directly to top managers of Market Építő Zrt. and build relationships.

International outlook. Market Építő Zrt. organised the BAU Munich exhibition, which was visited by the company's employees together with partners interested in the programme.

Joint development. Market invites its partners in the programme to technical presentations and thematic days.

Ongoing information. Monthly newsletters on news and changes deemed important.

By providing the experience, knowledge and knowledge transfer accumulated over many years, Market hopes to help its partners to keep pace with innovation and the changing environment, to enable them to evolve or even to move forward more easily and prepared to face difficulties, building a stable company.

Our local suppliers

SDG 8: Decent Work and Economic Growth

[GRI 204]

As a construction company, the Market Group has a significant environmental impact through the building materials it purchases and uses, and therefore pays particular attention to ensuring that its procurement procedures are transparent. The Group as a whole works mostly with domestic and regional suppliers.

We are proud that in 2023 the value share of domestic suppliers was as high as in previous years, at 98.84% at group level.³

Value share of local suppliers

2023

Market Építő Zrt.	98,7%
OKM Építőipari és Szolgáltató Kft.	99,7%
Moratus Kft.	99,6%
Vilati Szerelő Zrt.	100%
PREbeton Zrt.	99,3%
MCM Beton Kft.	98,8%
Market Épületszerviz Kft.	100%
MRKT Padló Kft.	83,1%
Lean Tech Mérnökiroda Kft.	99,9%
Property Market Ingatlanfejlesztő Kft.	99,8%

In addition to the selection of domestic sources, sustainability-related aspects are becoming increasingly important in the procurement processes, and the Group plans to restructure its material procurement policy and related procurement processes in 2024.



³ The Market Group's large report, audited by an independent third party, shows the development of the value share of local suppliers by member company back to 2018. [GRI 204]

Focus on LEAN methodology

SDG 9: Industry, Innovation and Infrastructure

[GRI 204]

The vast majority of the implementations were faced with problems that could not be solved with the methods known and used until then, so a solution was needed to achieve optimisation, efficiency gains and waste minimisation. The Lean methodology has a toolbox of nearly 200 problem-solving techniques: visual management tools, performance indicators, process optimisation strategies, inventory management and scheduling methods. All of this means that for any project, we can find methods that can be implemented to help progress the execution.

For the construction industry, the most important of the Lean tools in terms of visibility is the scheduling. So-called Lean boards have been introduced in a number of Market projects, 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 was implemented on several other projects. It has been applied to projects such as BudaPart, Mercedes, Benepack, IPAM, BMW and CATL. In addition, the PREbeton plant for the production and assembly of precast reinforced concrete structures is also 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?



Our favourite moments







IMPRINT

This extract is based on the Market Group Sustainability Report 2023. The Group's Sustainability Report has been published in an independent third party audited format in compliance with the GRI 2021 standard.

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The 2023 Sustainability Report of the Market Group is accessible [here](#).