



Benefit Systems Group non-financial report 2022



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Letter from the Management Board

Ladies and Gentlemen,

we present the sixth summary of the Benefit Systems Group's activities connected with sustainable development. In 2022 we focused on rebuilding our business potential after the pandemic, which was an extremely difficult time for the fitness industry and the non-financial benefits market. We also worked on introducing products that would meet the new needs of employers and employees. To achieve our objectives, we integrated entities specialising in providing services in the field of mental support, healthy nutrition, and incentive programmes for employees. We ended 2022 with impressive business results. For the first time in history the total number of sports cards exceeded 1.6 million and the operating profit exceeded PLN 200 million. To enhance our offer, we launched 10 new fitness clubs in Poland and abroad.

In our daily activities, we are not indifferent to the challenges of the modern world. Our Multisport Foundation carried out numerous initiatives that aimed at activating children and youth, encouraging an active lifestyle, and shaping pro-health habits among various social groups. After a break caused by the pandemic, we returned to the implementation of the Active Multisport Schools

programme in a new, wider formula. Currently the programme consists in organising free physical education classes for children and teenagers in our fitness clubs. In 2022 only 2,513 students from 17 schools benefited from the programme. In total, 777 hours of classes devoted to improving the physical fitness of children and promoting their use of modern sports infrastructure were conducted. We also took measures for people with disabilities. We conducted a nationwide "Full of Sport" social campaign encouraging activity and integration through sport. Through our employees' volunteer initiatives, we helped victims of the war in Ukraine.

In 2022 we also devoted much attention to the B Corp recertification process, which was successful. It is confirmed not only by the company being awarded the certificate by 2025 but also by obtaining a higher rating in relation to the first certification. We are also the first public company in Poland to successfully undergo the recertification process and introduce innovative changes to the statutes that take into consideration the positive impact of our activities for the benefit of society and the environment. This is another evidence of our long-term and systematic commitment to ESG.

In 2022 we put great emphasis on creating even better working conditions for our employees and associates. The main goal was to support them in returning to normality after the pandemic. At the same time, we paid special attention to the mental health of our employees and their families. To this end, we launched numerous initiatives focused on personal development, coping with stress, and achieving life balance.

In this year's report we present more data on sustainable development, which is another step in preparing for the upcoming regulatory changes. We are currently carrying out work that will enable us to provide even more detailed and comprehensive ESG reporting in subsequent editions of this report. We hope that the presented document will be an interesting and valuable source of information about the activities of the Benefit Systems Group in 2022.

Benefit Systems S.A. Management Board

1.

Benefit Systems Group



1.1.

ABOUT THE BENEFIT SYSTEMS GROUP

In this section we describe:

- the scale and scope of the Benefit Systems Group's operations
- basic financial results
- our products and services
- forms of contact with our stakeholders
- membership in various organisations as well as awards and distinctions
- membership in the B Corp movement

Benefit Systems Group in 2022¹:

- 1,526 employees
- Poland + 5 foreign markets
- 1,618,100 active sports card users in Poland and abroad
- over 4,700 partner sports and recreation facilities in Poland
- 720 cities with MultiSport Programme partner facilities in Poland and abroad
- 194 company's own fitness clubs in Poland and abroad
- 7 new fitness clubs in Poland

Scale and scope of the Benefit Systems Group's operations

[2-6] The Benefit Systems Group offers services that enable people of all ages to achieve a sense of satisfaction, contentment, and a high quality of life both in Poland and abroad. We provide non- financial benefits that support employees' wellbeing. Our flagship product is the **MultiSport Programme**

¹ 1 As of 31 December 2022.

and the sports card of the same name. We also operate our **own fitness clubs**, the number of which at the end of 2022 was 194. We facilitate physical activity, healthy lifestyle, recreation as well as access to culture and entertainment. We also offer customised cafeteria programmes. We are a company with Polish origins operating in the country for 22 years. We are also developing abroad, including such countries as the Czech Republic, Slovakia, Bulgaria, Croatia, and Turkey. The company's headquarters is situated in Warsaw. We also have branches in eight cities in Poland (the largest one in Wrocław and smaller ones in Kraków, Rzeszów, Poznań and Gdańsk).

The Group's products and services are used primarily by company employees (users) who receive them in the form of non-financial benefits from their employers – our clients (B2B). We also have individual customers who have a pass to the network of fitness clubs belonging to the Group (B2C customers).

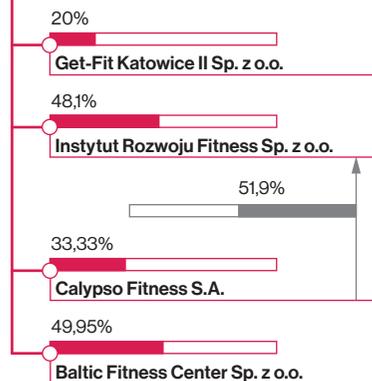
We operate in the form of the Benefit Systems Capital Group. It is made up of the parent company, Benefit Systems S.A. (of which the Fitness Unit that operates our clubs in Poland is a part of), subsidiaries and affiliated companies. Since 2022 our Group has been operating in two segments: Poland and Foreign Markets.

Benefit System Capital Group's structure
as of 31 December 2022

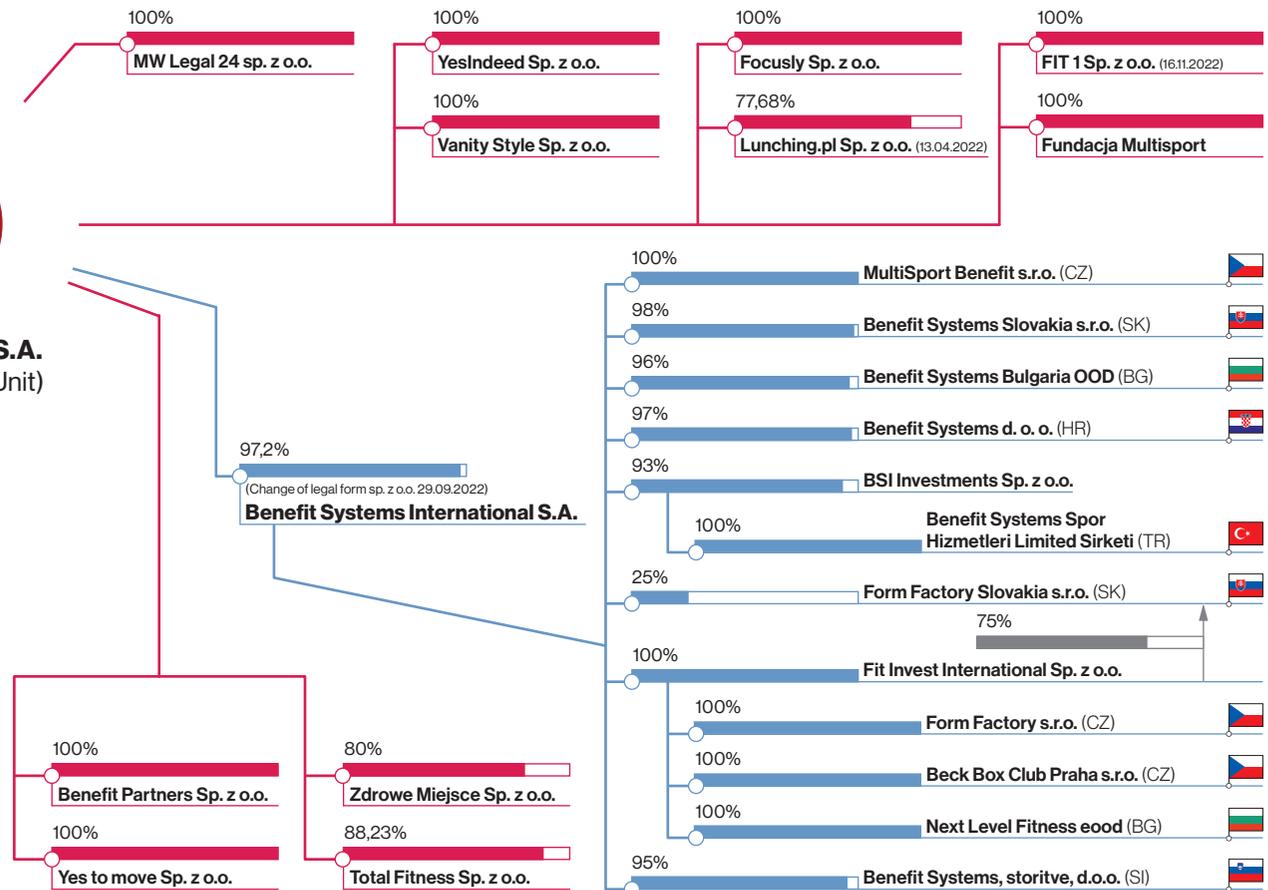


Benefit Systems S.A.
(including Fitness Unit)

31.08.2022
merger with Benefit IP Sp. z o.o.
and Benefit IP Sp z o.o. sp. k.
31.10.2022
merger with FitFabric Sp. z o.o.



Ownership consolidation method



Full consolidation method

Foreign Poland

Poland Segment

[2-6] The Poland segment is responsible primarily for the sale of sports cards accepted in several thousand facilities throughout Poland, management of the company's own fitness clubs as well as investments in new clubs on the Polish market. It also manages the cafeteria platform so much liked by hundreds of thousands of employees of our clients as well as other dedicated online platforms and applications related not only to the training of the body, but also the mind and spirit.

The Poland segment deals with:

- developing services and selling products related to health and active lifestyle, primarily **MultiSport Programme** sports cards (managed by the parent company, Benefit Systems S.A.) as well as the **FitProfit** and **FitSport** programmes (managed by VanityStyle Sp. z o.o.),
- running and developing a **network of the Group's own fitness clubs** operating under the following brands: Zdrofit, Fitness Academy, My Fitness Place, Fabryka Formy, StepONE, S4 Fitness Club, FitFabric, Total Fitness and Aquapark Wesolandia (managed by Benefit Systems S.A. Fitness Unit and – until the merger of the companies – Total Fitness Sp. z o.o.); at the end of 2022 we managed 170 clubs in the Poland segment,

- running eight **Zdrofit Zdrowe Miejsce** health facilities located on the premises of Zdrofit fitness clubs in Warsaw, Wrocław, Katowice and Kraków, which offer classes conducted by physiotherapists and extend the scope of our services with strictly pro-health and therapeutic activities,
- running and developing **MyBenefit** – the largest cafeteria platform offering non-financial benefits in Poland,
- creating and developing **gamification programmes** that support building employee engagement and improving organisations' results (managed by YesIndeed Sp. z o.o.),
- running and developing the **MultiLife Programme** that offers various services in psychophysical health, physical activity, and personal development,
- developing the **Focusly** application with psychoeducational programmes as well as mindfulness, meditation and breathing practices (managed by Focusly Sp. z o.o.),
- running the largest online training platform in Poland, **Yes2Move**, and an online store under the same name,
- running a modern recreation and sports centre for children – **Atmosfera MultiSport** in Warsaw,
- developing the **Lunching.pl** offer that enables organising meals for employees using a mobile application, interactive kiosks, or a website (managed by Lunching.pl Sp. z o.o.).

The most important activities and changes in the Poland segment in 2022:

- exceeding the pre-pandemic number of cards: at the end of the year our sports cards were used by nearly **1.2 million** people on the Polish market,
- opening of **7 new clubs** in Poland,
- buying shares in **Lunching.pl Sp. z o.o.** and including the company's offer in the Group's portfolio,
- including **social and environmental goals** in the Benefit Systems S.A. statutes as an integral part of the company's business activities,
- the first full year of the **MultiSport Foundation's** operations,
- the first year of full integration of **14 Total Fitness clubs** acquired at the end of 2021,
- work on the **MultiLife** product,
- continued growth of the **cafeteria platforms' users and turnovers**,
- addressing the **inflationary environment** by negotiating with partners and suppliers as well as increasing the prices of the Group's own products,
- improving cost efficiency and streamlining the sale of **B2C passes** in the Group's own clubs.

Selected products of the Poland Segment

[2-6] Sports cards that enable using a wide range of sports and recreation facilities:

- **MultiSport PLUS**, **MultiSport CLASSIC** and **MultiSport LIGHT** – cards that enable access to several thousand sports facilities (in various scopes and dimensions that depend on the card type) located in 650 cities throughout Poland,
- **MultiSport KIDS** and **MultiSport KIDS AQUA** – additional cards for children enabling access to sports and recreation activities in selected facilities in Poland (including swimming pools and water parks),
- **MultiSport STUDENT** – an additional card for pupils and students aged 15-26 enabling access to several thousand sports facilities in Poland,
- **MultiSport SENIOR** – a card for people over 60 enabling the use of several thousand sports and recreation facilities in Poland,
- **FitProfit** and **FitSport** – cards offered by VanityStyle enabling entry to many sports and recreation facilities throughout Poland, taking advantage of dozens of different activities, discounts on services and shopping (with the FitProfit card) as well as access to the Strefa VanityStyle online platform.

Apart from the sale of sports cards and the development of sports infrastructure thanks to investments in our own fitness clubs, as part of the Poland segment we also offer dedicated programmes such as the cafeteria offer, many additional services, online platforms, and applications.

MyBenefit Platform



MyBenefit cafeteria platform offers a wide selection of products and services, including the Benefit Systems Group's own products. It enables employees to choose benefits within the scope and budget specified by their employer (our client). The platform's offer focuses on benefits in sport and health, culture, entertainment, recreation, leisure as well as domestic and foreign tourism. The offer also includes vouchers entitling to purchases in chain stores of well-known brands in Poland, courses, trainings, and a gastronomic offer. The benefits are provided by proven suppliers. In December 2022 the partner network consisted of nearly 1,800 entities whose services were used by over 620,000 people (over 107,000 more than at the end of 2021).

In 2022, the platform was enhanced with a new MyBenefit Active module which enables using several modern solutions and functionalities such as gamification, creating challenges, rewarding through kudos (public praise visible on the platform),

company wall (social board), e-learning module, creating and handling surveys, tests, quizzes, etc. Gamification, which is a modern and attractive method of motivating employees based on the use of game mechanics elements, is created in cooperation with YesIndeed, a company belonging to the Group.

The Group's own products available on the MyBenefit platform include:

- **eTravelPass** – a voucher that enables using the hotel offer throughout Poland (currently nearly 550 properties); it is a digital product developed in accordance with current trends and the idea of slow tourism,
- **BenefitLunch** – a response to the growing need to provide employees with a benefit directly supporting their home budget; BenefitLunch is a subscription card or a one-time voucher that enables using the offer of partner restaurants, the number of which is constantly growing,
- **MultiBilet** – it is the flagship offer of the cafeteria platform in the cinema segment; the MultiBilet product group enables using the offer of over 240 cinemas throughout Poland, including the largest network cinemas and art houses,
- **MultiTeatr**, **MultiMuzeum** and **MultiZoo** – they provide employees with the opportunity to experience culture; vouchers are available in several configurations, and the theatre, museum and zoo offer can be used in the largest cities in Poland; the offer is supported by constantly developing

product websites which makes browsing partners' offers much easier,

- **QlturaProfit Voucher** – it allows access to selected theatrical performances, cinema screenings and exhibitions at partner facilities in Poland (offered by VanityStyle).

MyBenefit platform was included in the Poland segment in 2022 as part of the merger of the Poland and Cafeteria segments.

MultiLife Programme



MultiLife is a modern employee benefit with multi-access to many services that enable taking care of the most important areas of life. It responds to numerous needs in the field of personal development, diet, mental health, and good body condition. It gives immediate access to a various courses, trainings, and consultations with specialists, which can be used at a chosen place and time. Each area of the MultiLife platform is full of specific courses, services, and materials. The content is created by our experts, including psychologists, nutritionists, trainers, etc. MultiLife Diet, consultations with a psychologist, diagnostics or ECCK foreign language courses – these are just some of the dozen or so available services. The MultiLife platform gives the opportunity to meet very different needs of a wide range of recipients, thanks to which every employee using this benefit will find something for themselves.

Yes2Move training platform



The Group is intensively developing its offer of online products, such as the Yes2Move training platform providing access to a constantly growing database of online and live workouts conducted by qualified trainers. Yes2Move is also an online store with products supporting activity and immunity, offering dietary supplements and dietary food, fitness accessories and many other articles needed for training and leading a healthy lifestyle.

VanityStyle Zone



VanityStyle Zone is a platform that enables holistic self-care regardless of time and place. It is available in Standard and Premium version. It offers the possibility of training at home thanks to hundreds of various online workouts, motivating challenges, webinars with nutritionists and psychologists as well as materials on a healthy lifestyle. The extended Premium version also includes personalised diet plans (online diet), individual consultations with a psychologist, nutritionist, coach, and personal trainer as well as discount codes and vouchers for products and services of well-known brands.

Focusly Application



The Focusly mobile application is a friendly, digital space that we are constantly developing to support its users' mental health and social skills. We do this through psychoeducational programmes, mindfulness lessons, meditation, breathing exercises and relaxation, which support users in dealing with contemporary problems such as stress, overstimulation, fears, professional burnout, or depression. The content available in the application is created by specialists in psychology, meditation, mindfulness, coaching, soft skills development, yoga and breathing. The application is available for individual recipients as well as a stand-alone benefit (along with additional services such as webinars, workshops, educational and promotional materials) for companies and organisations. Focusly is also one of the elements of MultiLife and VanityStyle Zone platforms (Premium version).

Lunching.pl



Lunching.pl is a platform and application for ordering food with delivery to the workplace, which enhanced the Benefit Systems Group's portfolio in April 2022. The solution has been created to make it easier for employers to organise meals for their employees in any financing model they choose. The new investment expanded the Group's offer in the growing segment of the

non-financial benefits market, which is subsidising meals and supporting healthy eating habits among employees. Lunching.pl makes it possible to order food with delivery to the workplace, both online (application, website) and offline (interactive kiosks available at the workplace).

YesIndeed



In addition to the development of the above-mentioned platforms and applications, the Group also operates on the market of employee activation with the use of gamification. Gamification services offered to companies in the B2B model by YesIndeed Sp. z o. o. are divided into two categories: incentive programmes dedicated to sales and marketing departments under the “YesIndeed” brand and own prizes cafeteria used in the programmes. The main element of the projects is tangible and intangible gamification based on the results imported from sales, HR, payroll, and sports systems.

Foreign Markets Segment

[2-6] As in the Poland segment, our core business in the Foreign Markets segment is the development of the MultiSport Programme and the infrastructure of our own fitness clubs. The offer is based on the sale of sports cards for adults and children, the development of services on online training platforms as well as the sale of passes that enable using services offered by our own fitness clubs. Our clubs are also an important support function for the development of the MultiSport Programme.

In 2022 the operations of the Foreign Markets segment were conducted on five markets:

- **Czech Republic, Slovakia, and Bulgaria** where we developed the MultiSport Programme and ran our own fitness clubs,
- **Croatia and Turkey** where we focused on the development of the MultiSport Programme.

At the end of 2022, as part of the Foreign Markets segment, we managed a network of **24 fitness clubs** operating under the Form Factory brand in the Czech Republic and Slovakia and Next Level Fitness brand in Bulgaria. We also sold cards enabling a different scope of using sports and recreation facilities: **MultiSport, MultiSport LITE, MultiSport KIDS/JUNIOR** and **MultiSport STUDENT CARD** (available in the Czech Republic).

Our users in Slovakia and Croatia were also able to use the **MyMultiSport ONLINE PLATFORM**.

The most important activities and changes in the Foreign Markets segment in 2022:

- exceeding the pre-pandemic number of cards: at the end of the year our sports cards were used by over 430,000 MultiSport card holders in five foreign markets,
- entering the Turkish market and selling the first sports cards: at the end of 2022 we cooperated with over 300 MultiSport Programme partners (sports and recreation facilities in Istanbul),
- working on new concepts of sports facilities (including SportBox Powered by MultiSport),
- addressing the inflationary environment by negotiating with partners and suppliers and increasing the prices of our own products,
- continuing work on optimising the portfolio of our own clubs supporting the sports card product on most markets.

**SELECTED FINANCIAL DATA OF THE BENEFIT SYSTEMS CAPITAL GROUP
AND BENEFIT SYSTEMS S.A.**

Benefit Systems Group		Benefit Systems S.A.	
12 months of 2022 in thousands PLN	12 months of 2021 in thousands PLN	12 months of 2022 in thousands PLN	12 months of 2021 in thousands PLN
Sales revenue			
1,909,120	954,938	1,268,370	612,640
Earnings before interest, taxes, depreciation and amortisation (EBITDA)			
444,827	205,088	350,551	138,518
Profit/loss from operations			
212,751	(4,010)	179,038	(15,957)
Net profit/loss attributable to shareholders of the parent company			
138,124	(25,140)	141,535	(15,598)

- **1,551** – number of employees
- **1,515.9** – number of employees in in full-time equivalents (FTEs)
- **65%** – percentage of female employees
- **24.1%** – employee turnover rate
- **5,606** – number of employees and associates
- **3,340.8** – number of employees and associates in in full-time equivalents (FTEs)

Basic financial results

[2-6] In 2022 the Benefit Systems Capital Group achieved the best financial results in its history and the consolidated net profit attributable to the shareholders of the parent company amounted to PLN 138 million with approx. PLN 1.9 billion in sales revenue. Such good results were achieved mainly thanks to the activities of the Group's parent company – Benefit Systems S.A., which generated PLN 142 million in net profit in 2022.

Key employment data

At the end of 2022 the Benefit Systems Group employed 1,526 people, including 1,046 in Poland and 480 abroad. Most of our employees are women, accounting for 62%. We also cooperated with 4,030 people based on civil law and B2B contracts (mainly trainers and instructors of group classes in our fitness clubs). This form of cooperation is closely related to the fitness industry and preferred by people who provide their servic-

es in our clubs. It enables cooperation with various clubs (including those not belonging to us) as well as building a personal brand and flexible or irregular working hours.

Our stakeholders

[2-29] Regularly, reliably, and transparently. We talk to our stakeholders the way we want others to talk to us. We choose the communication channels that best suit both parties, we adjust the dates and places of meetings (both face-to-face and online). We truthfully inform about our successes, and we openly outline the challenges that our organisation faces. Wherever possible, instead of formal messages and statements, we choose empathetic dialogue and attentive conversation. We believe that this form of communication leads to building good, long-term relationships. At the same time, as a listed company, we communicate in accordance with all investor relations regulations and provide reliable information about the current situation of the company and the Group.

Once every two years we conduct a **Stakeholder Panel** in accordance with the international AA1000 standards. We meet both with external stakeholders (representatives of our clients, users, partners and suppliers, analysts, experts, or beneficiaries) and with our employees. Each meeting is attended by about 50 people. Joint workshops allow us to analyse the current situation of the Group in the context of ESG activities. The result of the panel is the selection of the most important – according to the stakeholders – issues which we undertake to refer to in the non-financial reports for the next two years. The last panel was organised in 2021. We write more about this in Chapter 6. About the report and in the [Benefit Systems Group Non-Financial Report for 2021](#).

In 2022, as part of strengthening relations with our partners, getting to know their opinions, and exchanging experiences, we organised the **Benefit Systems Partners Conference** for the first time. The meeting was attended by 150 people, including owners and managers of the largest sports and recreation facilities operating under the MultiSport Programme. More information on this can be found in section 1.3. Partners as key suppliers.

Channels of communication with stakeholders in 2022

B2B clients, B2C customers, Users

- Individual and group meetings (also online)
- Satisfaction surveys, user focus groups
- NPS and other market research
- Helpline (communication channels: text messages, telephone calls and call back)
- Contact form
- MultiSport Online User Zone
- Yes2Move online platform
- Dedicated websites and pages of individual companies belonging to the Group
- Conferences, events, open days at clients (also online)
- Projects dedicated to clients and users
- Blogs
- Social media: Facebook, Instagram, LinkedIn
- Online meeting applications

Shareholders, Investors and managers,

Market analysts

- Individual and group meetings (videoconferences) (also online)
- Quarterly conferences, teleconferences, roadshows, broker conferences

- Current reports, periodic reports (annual, semi-annual, quarterly)
- Investor presentations published on the investor relations website
- Online chats with individual investors
- General Meeting of Shareholders and Extraordinary General Meeting of Shareholders
- Press and other media
- E-mails

Partners and suppliers

- Individual and group meetings (also online)
- Phone calls
- Online Partner Zones
- E-mails
- Opinion surveys
- Industry conferences
- Dedicated pages on the websites of individual Group companies
- Publications on industry portals

Employees

- Intranet
- Work Council
- Newsletter, mailing

- Regular feedback, semi-annual interviews, and appraisals
- Satisfaction and engagement surveys, thematic polls
- Company events and meetings (including team-building events)
- Social environment and partnership with social organisations
- MultiSport platform, website, and other dedicated pages
- CSR programmes and projects dedicated to employees
- Internship and training programs
- Online meeting applications

Experts and the media

- Active press office: website
- Phone calls and e-mails
- Regular press releases, mainly concerning the activities and products of the Benefit Systems Group
- Meetings with the media, including teleconferences related to the publication of financial results
- Press publications, including interviews, articles, expert statements
- Positioning internal and external experts specialising in medicine, psychology, sports, etc.
- Social education (annual MultiSport Index report on physical and sports activity of Poles)
- Industry conferences, special events, trainings
- Third-party campaigns, reports, and communication platforms
- Webinars

Local communities and beneficiaries

- Individual and group meetings
- Phone calls
- E-mails
- Industry conferences, anniversaries, beneficiary celebrations
- Dedicated pages on the websites of individual Group companies
- Publications on industry portals

Environment and climate

- Reporting environmental indicators
- Cooperation with institutions, partnership with environmental organisations
- Participation in meetings, events, trainings, and conferences on environmental issues
- Trainings and workshops on environmental issues for employees
- Environmental initiatives involving employees
- Environmental CSR programmes

Membership in various organisations

[2-28] Through membership and involvement in the activities of industry organisations we want to share our knowledge, experience, and best practices with the market as well as to build our teams' competencies by drawing on knowledge and using the substantive support of the organisation. Selected companies of the Benefit Systems Group belong to:

- Polish Association of Listed Companies (Benefit Systems S.A.),
- Union of Entrepreneurs and Employers (Benefit Systems S.A.),
- Polish Fitness Federation (Benefit Systems S.A. and Benefit Systems S.A. Fitness Unit),
- 30% Club Poland (Benefit Systems S.A.),
- International Health, Racquet and Sportsclub Association (IHRSA) (Benefit Systems S.A. Fitness Unit),
- Register of Exercise Professionals Poland (Benefit Systems S.A. Fitness Unit),
- Fitness Chamber (MultiSport Benefit, s.r.o.),
- Central Bohemia Chamber of Commerce (MultiSport Benefit, s.r.o.),
- Czech Fitness Chamber (Form Factory s.r.o.).

We are a member of the B Corp movement

We are a B Corp. What does it mean? It means that the Benefit Systems Group underwent a very detailed verification of its operations in terms of sustainable development. The B Corp certificate is not a random opinion or a reward for a single action. It is a very detailed assessment of the functioning of each area of the company and its care for corporate governance, society, and the natural environment. B Corps are companies that effectively respond to social and climate challenges, seeing them as important goals of their activities. In the Benefit Systems Group we treat the B Corp certificate as a great distinction and commitment to deepen our involvement in activities that respond to the needs of various stakeholders, as has been written in the Benefit Systems statutes.

The B Corp certification process is an analysis of five areas of the company's operation: customer relations, care for the environment, social commitment, corporate governance, and care for employees.

By joining the B Corp community, we committed ourselves to undertake actions supporting the vision of the organisation:

- We must be the change we seek in the world.
- All business ought to be conducted as if people and place mattered.

- Through their products, practices, and profits, businesses should aspire to do no harm and benefit all.
- To do so requires that we act with the understanding that we are each dependent upon another and thus responsible for each other and future generations.

In 2022 we focused on the recertification process and took actions that strengthened our presence in the B Corporation community. One of such actions was the **adoption of changes to the Benefit Systems statutes and the inclusion of social and environmental goals**, which is a pioneering solution not only on the Polish but also on the Central European market. In October we took part in the next edition of the Warsaw B Corp Summit event where Bartosz Józefiak, Management Board Member at Benefit Systems, talked about our experiences related to the implementation of B Corp values in the company's operations.

The recertification process involved dozens of people from various Group entities. We received the final decision about recertification of the Benefit Systems Group at the beginning of 2023. The B Lab organisation, which carries out the recertification process, highlighted three areas in which we have many valuable solutions:

- care for employees,
- involvement in social activities, mainly our proprietary Dobry MultiUczynek Programme and the activities of the MultiSport Foundation,
- mature approach to the implementation of ESG issues in corporate governance.

The company's goal is to strive to achieve long-term economic success by conducting business in a way that has a significant positive impact on society and the environment understood as a whole.

Fragment of a provision added to the Benefit Systems S.A. statutes.



Prizes and awards

[2-28] In the Benefit Systems Group we do not work for awards, but we enjoy external recognition and received prizes. In 2022 these included:

- The **Leader of the Decade 2011-2021** title in the sports card/multi pass category of the **Consumer Quality Leader** competition. Marking the tenth edition of the programme in 2022, its creators summarised 10 years of nationwide consumer research and nearly 130,000 votes collected during that time. The results for the MultiSport brand outpaced the competition (for example, the proportion of people strongly recommending the brand was 73.8%).
- Second place in the gastronomy, tourism, sport, and recreation services category in the **Poland's Best Employers 2022** ranking by *Forbes* and Statista. The award is even more valuable to us as the Statista research company conducted an anonymous survey among employees from approximately 1,800 companies with at least 250 workers.
- **Corporate Lawyers Leader** award for Iwona Rykaczewska-Kuderska, Head of Legal at Benefit Systems, for her work on innovative legal solutions for B Corp recertification and activities related to building openness in terms of diversity.
- A place on the list of the **50 best employers** of the *Wprost* weekly.

- **Top Partner 2022** award in the benefit programmes category in the plebiscite organised by the largest amusement park in Poland, Energylandia.



1.2.

CLIENTS AND USERS

In this section we describe:

- how we cooperate with our clients
- basic client and user data
- opinion surveys

Cooperation with our clients

[2-6] The Benefit Systems Group operates in two models of cooperation with its clients: B2B and B2C. **In the B2B model** we address our offer to companies, state institutions and other entities that employ from five to several thousand people. In this model the end users of our products – sports cards, My-Benefit cafeteria, MultiLife Programme, and other non-financial benefits – are our clients' employees. **In the B2C model** the offer is addressed to individual customers who want to use the services of sports and recreation facilities belonging to the Group. They can buy a one-time entry to the facility or take advantage of a wide range of passes.

In each model of cooperation, we build transparent, valuable, and long-term relationships with our clients by offering them products and services that are conducive to the psychophysical development of society. Our goals regarding this cooperation include:

- creating ready-made, comprehensive solutions in the field of employee benefits that help employers (our B2B clients) increase their attractiveness on the labour market,
- developing products and services to help B2B clients in building their own image as an employer investing in the health, fitness, and wellbeing of its employees,

- offering B2B clients dedicated, flexible services so that they can adjust them to the needs of their team and the specifics of the industry,
- developing products and fitness infrastructure for B2C customers so that they can choose from a wide range of services,
- following the win-win principle according to which our cooperation is conducted on terms that are convenient for both parties.

Below we present models of B2B cooperation with the clients using our sports cards and the MyBenefit cafeteria programme.

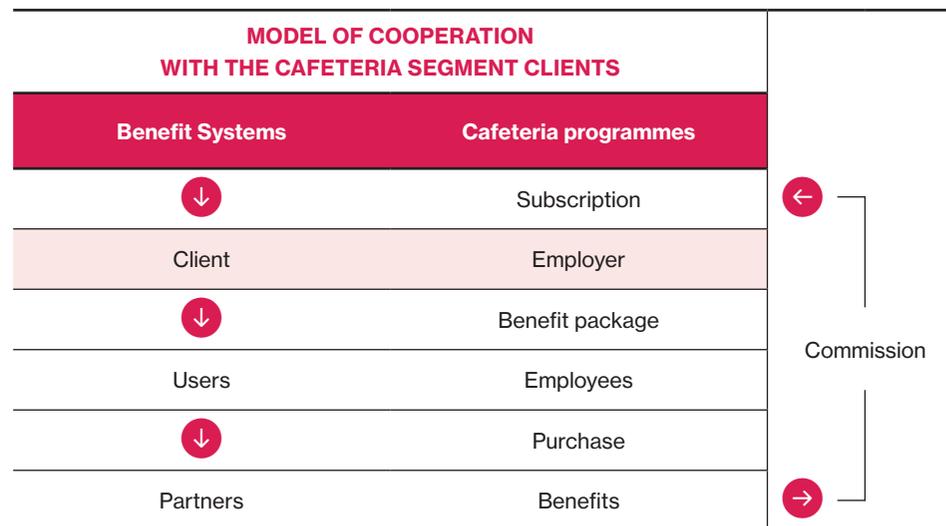
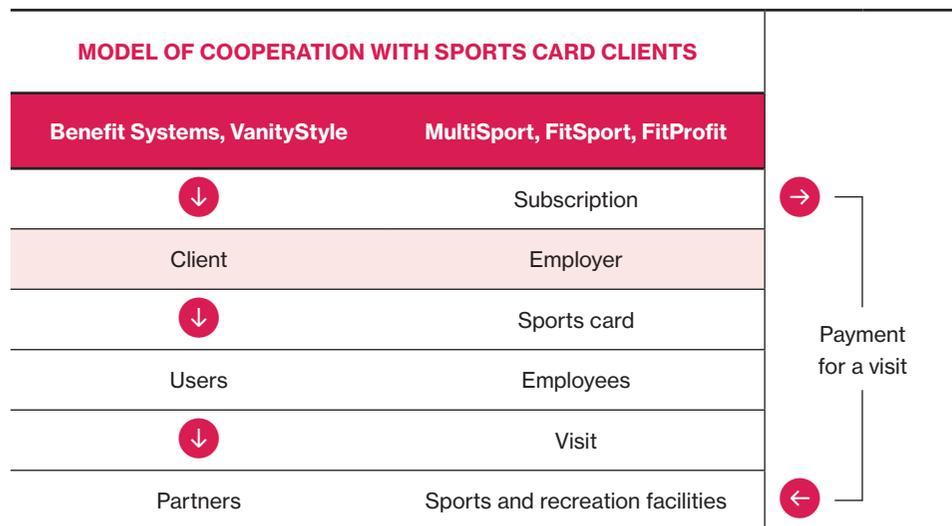


As part of B2B cooperation with sports card clients we connect our card holders with owners of sports and recreation facilities that are our partners. They allow card holders to use their facilities, services, and sports programmes in accordance with the scope specified for a given card type. Because in this model of cooperation we do not always have an impact on the quality of the service received by the card holder using facilities that do not belong to our network, one of our priorities is to

support partners in improving their standards. In our relations with fitness club owners and managers we are always ethical, reliable and offer transparent rules of cooperation. Our experience shows that this approach translates directly into benefits for users and the entire fitness industry.

The model of cooperation with MyBenefit cafeteria programme clients is also based on B2B relations and long-term contracts under which clients receive access to a platform that allows them to manage a package of benefits for employees and other HR processes. MyBenefit allows them to handle non-financial benefits both in accordance with the Company Social Benefits Fund Act and to finance benefits from the clients' budget on the terms specified by them. In

addition, employees who take advantage of the benefits can make purchases or subsidise benefits from their own funds by using online payments.



Clients and users in numbers

BENEFIT SYSTEMS GROUP'S CLIENTS AND USERS (as of 31 December of a given year)

Segment	Data	2022	2021
POLAND	Number of all active sports card users: MultiSport, FitProfit and Fitsport	1,187,300	842,100
	Number of active MultiSport card users	1,110,200	788,900
	Number of cafeteria users	620,800	513,500
	Number of sports card B2B clients	26,500	22,000
	Number of MultiSport Programme B2B clients	25,100	20,600
	Number of cafeteria B2B clients	1,500	1,100
	Number of our fitness clubs B2C customers	181,700	136,700
FOREIGN MARKETS	Number of active sports card users	430,800	284,600
	Number of our fitness clubs B2C customers	15,900	14,800

1,618,100
active sports card users in Poland and abroad

620,800
cafeteria users



Communication with our clients and users

We motivate, support, and inspire our product users to lead an active and healthy lifestyle. In accordance with the mission of Benefit Systems and the values of the B Corp movement we want to create a business that is good for the world, thanks to which we improve the quality of life of society.

Due to our business model based mainly on B2B relations we do not have direct contact with most end users of the Group's offer at the sales stage. We reach them through platforms dedicated to our products as well as advertising campaigns, social media, podcasts, e-mail communication and newsletters.

One of the key digital communication channels for us are social media and advertising campaigns that we carry out in the virtual and outdoor space. They are addressed not only to our product users and club customers but also to all enthusiasts of physical activity and a healthy lifestyle. To people of all ages, regardless of their fitness level, as well as to the whole society, which we want to educate in these areas and, above all, motivate to take care of their psychophysical wellbeing. We write more about this in Chapter 4.

[2-26] The indispensable channel of communication with our clients and users is the **Customer Service Office** (former Helpline Team). Most queries received in this way come from sports card and cafeteria platform users. In 2022 we handled over 133,000 e-mails and almost 200,000 phone calls. The average monthly number of complaints reported to the customer service team was 54. We consider complaints in a very short time (in most cases not exceeding 48 hours)

GOOD PRACTICE

To maintain the highest quality of service, we conduct regular opinion surveys among our users. In 2022 the qualitative results remained consistently high. **The satisfaction rate of MultiSport Programme users contacting our Customer Service Office was on average 96%** (the same level as in 2021). As many as 97% of the surveyed users declared that the cases they reported to Benefit Systems were solved during the first contact.

Every year the Benefit Systems Customer Service Office team introduces new initiatives and improvements that aim at enhancing the quality and speed of service as well as the customer experience of our clients and users. Last year we decided to change the ticket handling system to integrate all communication channels with the clients, automate the service processes as well as optimise technological solutions and costs. The new Contact Centre system will be implemented for all helplines in the Benefit Systems Group.



Client and user surveys

In addition to the satisfaction surveys described above, we also regularly verify the NPS (Net Promoter Score). In the survey conducted in 2022 we asked people contacting the Customer Service Office to evaluate how likely it was that they would recommend cooperation with Benefit Systems to their relatives or friends on a scale from 0 to 10. Every quarter the NPS indicator was higher than in the previous year:

	2022	2021
Q1	65	64
Q2	75	67
Q3	70	58
Q4	67	65

Taking care of the quality of services provided in fitness clubs Benefit Systems Fitness Unit conducted an NPS survey among people using our facilities. During three research stages we collected 513 answers, which gave the result of 62. At the same time, we also conducted qualitative research on why users were resigning from their membership. In this way we identified areas for improvement and those that met with the greatest satisfaction of club members.

In 2022 we conducted various types of opinion and satisfaction surveys also in our foreign companies. In Bulgaria, the NPS score among MultiSport Programme clients was 82 and 84% of respondents expressed general satisfaction with the cooperation. In Slovakia, 90% of MultiSport clients would recommend their account manager. Form Factory, our Czech company managing fitness clubs, has implemented a regular customer satisfaction assessment process which consists of a monthly survey addressed to 6,000-10,00 visitors, an opinion survey after the first visit to the club, a satisfaction survey among people leaving the programme and a random NPS satisfaction survey.

In 2022 the satisfaction of its customers was examined by Focusly, which asked about the impact of the materials available in the application on general wellbeing and key spheres of life as well as about satisfaction with the functions available in Focusly. As a result, 85% of respondents declared willingness to recommend Focusly to family and friends while 84% rated the content in the application as good and very good. Respondents said that the application helped them in reducing stress, taking care of emotions, building mental resilience, and improving the quality of sleep the most.



1.3.

PARTNERS AS KEY SUPPLIERS

In this section we write about:

- **our partner network**
- **activities aimed at partners**
- **cooperation with other suppliers**

[2-6] The main group of partners and at the same time key suppliers which the Benefit Systems Group cooperates with are the owners and managers of sports and recreation facilities. They provide services for sports card users and the quality of these services affects opinions about our offer. At Benefit Systems we know that the development of sports and recreation facilities is also the development of our company. That is why we have been consistently supporting our partners in raising and maintaining high standards in their facilities for years. Good relations based on respect and dialogue are our top priority.

Benefit Systems S.A. and VanityStyle Sp. z o. o. cooperate with their partners – sports and recreation facilities – in the B2B model. The settlements are based on the number of registered card users' visits. The cooperation process is transparent. Potential partners can contact us via an online form. After positive verification we present them with a commercial offer and specify the terms of possible cooperation. We verify the standards offered in the facilities and the way these facilities are run. We check whether the offer for sports card users is in line with the contract and make sure no additional fees are imposed. To prevent fraud, we use high-end remote statistical and analytical tools, traditional inspections through site visits, and the “mystery shopping” formula. Potential irregularities can also be reported to us by the users themselves via the

helpline. Any verified activity that is not in line with our policies may disqualify a partner from further cooperation.

MultiSport Programme partners

We have been running support programmes for MultiSport partners for years. In September 2022 we resumed the **Loan Programme** on the same terms as before the pandemic. Those partners that have been cooperating with us for at least 12 months observing all the rules set out in the partnership agreement can obtain a loan for the development or modernisation of their sports and recreation facilities or financial support as part of an investment in a new fitness club. The Loan Programme is very popular.

Each MultiSport Programme partner also has access to the **Partner Zone** – a special platform created in 2016 to improve cooperation where our partners can find a lot of useful information and tools. We publish important messages, materials, and instructions, and we keep a counter of user visits registered in a given facility there. The Partner Zone also offers an intuitive billing module.

The platform is constantly developed and enhanced with new functionalities. In 2022 we offered our partners a new tool: the Virtual Visit Form. It is a web application used to register and cancel user visits and to confirm the identity of people using our mobile application. The Virtual Visit Form is simple and intuitive. This was confirmed both by usability surveys that we carried out before the implementation as well as the results of surveys conducted among partners using it during the three- month pilot period. We first made the new tool available to facilities that do not have terminal devices installed to limit the registration of visits in the form of paper reports. The implementation of the Virtual Visit Form is the first stage of works on the so-called Virtual Terminal.

The Partner Zone and mailings are also important tools for our ongoing communication with partners. We regularly inform them about the types of support they can use thanks to cooperation with Benefit Systems. We also help them to establish contacts with fitness equipment suppliers.

Functionalities available in the Partner Zone

Billing module

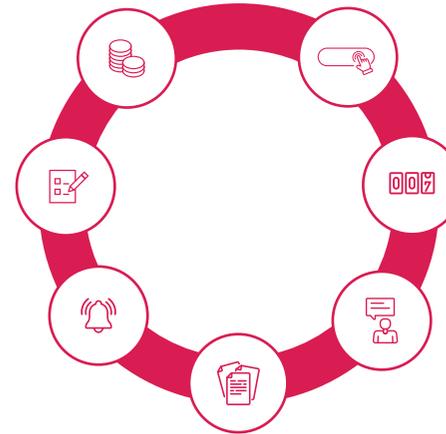
for billing MultiSport card holders' visits at partner facilities.

Registration forms

to use Benefit System Support Tools, such as the access to the GO ON Biznes music service.

Notifications

on important Benefit System activities important for the partner.



Virtual Visit Form

to register MultiSport card holders' visits.

Visit counter to count

MultiSport card holders' visits registered at a partner's facility on the current date and month.

Contact data

of Account Manager and Key Account Manager.

Manuals and graphic materials for download

that can be printed and hand over to the reception staff.

These are also materials to be used in the partners' social media or website.

GOOD PRACTICE

Opinion surveys conducted among our partners are one of the elements of cooperation with Benefit Systems. After a three-year break caused by the pandemic, in 2022 we invited our partners to take part in the Benefit Systems partner satisfaction survey again.

The survey showed that the **overall satisfaction with cooperation** with Benefit Systems remains at a high level of **81%**.

We also achieved high results in **NPS (Net Promoter Score) surveys**. The main **loyalty index** in 2022 was **38%**. It is measured by asking whether the respondent would recommend cooperation with Benefit Systems to another company. Good, trouble-free cooperation as well as effective, quick contact has the main impact on the willingness to recommend Benefit Systems to others.

As part of the **assessment of cooperation with a dedicated Benefit Systems business advisor**, partners show high level of satisfaction (**89%**). Our partners are primarily pleased with the courtesy of a dedicated business advisor, ease of contact, commitment to service and willingness to help.

Over **3,500**
of the MultiSport Programme partners
in Poland

Over **4,700**
of the MultiSport Programme partner
facilities in Poland

At the end of 2022 we cooperated with 3,540 MultiSport partners in Poland (3,491 in 2021), which translated into 4,721 sports facilities available under the MultiSport Programme (4,572 in 2021). At the end of 2022 the number of partner facilities abroad was 4,195 (4,174 at the end of 2021).

In December 2022 the first **MultiSport Programme Partners Conference** was held. It was attended by nearly 150 people, including the owners and managers of the largest sports and recreation facilities in Poland cooperating with us as part of the MultiSport partner network. The first part of the meeting was devoted to education and networking. Our partners could listen to several lectures full of interesting business knowledge. The speakers were: Paula Wąsowska – Ican Institute lecturer and experienced business trainer, Mateusz Kusznierewicz – Olympic medallist and entrepreneur who went into business

after 30 years in sports and now operates his own projects and ventures, and Tomasz Napiórkowski – president of the Polish Fitness Federation and entrepreneur who has been associated with the fitness industry for 10 years. The series of panels was closed by Tomasz Półgrabski, Deputy Director for ESG and Public Affairs at Benefit Systems, who talked about the company's activities in sustainable development, including the MultiSport Foundation.

The meeting was hosted by Piotr Galus, a journalist, radio presenter and personal trainer. Apart from informative values, the conference was an extremely valuable opportunity for us to exchange experiences as well as deepen and strengthen relations with our partners.



MyBenefit cafeteria partners

[2-6] A separate – for obvious reasons – and a wide group of our partners are companies and entities offering non-financial benefits on the MyBenefit cafeteria platform. They provide products and services in such areas as:

- recreation – the possibility of buying tickets to amusement parks, playrooms, swimming pools, saunas, salt caves, etc.,
- sport – the possibility of practising various disciplines in about 400 sports and recreation facilities,
- tourism – the possibility of using hotels, guest houses and resorts,
- commerce – the possibility of buying groceries, clothing, personal hygiene products and cosmetics as well as using spa and wellness services,
- culture – the possibility of buying cinema, theatre, museum, cabaret, or concert tickets,
- gastronomy – the possibility of using a wide range of restaurants and bars.

The conditions for establishing cooperation with MyBenefit include the possibility of handling electronic vouchers/codes (enabling the purchase of products or services online/offline), easy and quick availability of the offer as well as high quality of service.

Nearly **1,800** MyBenefit cafeteria partners

Nearly **3,400** facilities in the partner network

At the end of 2022 we cooperated with 1,795 partners (2,034 in 2021²) under the MyBenefit programme. The decrease in the number of partners results from actions that aimed at improving cost efficiency. The largest group are partners from the tourism category, whose number at the end of the 2022 amounted to 1,105.

GOOD PRACTICE

In 2022 MyBenefit provided its tourist partners with a new tool – Hotel Extranet, which enables independent management of the tourist offer in the new cafeteria system. Thanks to this solution, partners can independently enter price lists on the platform or add selected room types. Over 100 webinars on the use of this tool have been conducted for partners.

² [2-4] Correction of information: in the non-financial report for 2021, the number of 3.5 thousand MyBenefit partners was given. The correct number of partners at the end of 2021 is 2034.

MultiSport and MyBenefit Programme partners are the largest group of our key suppliers, but they are not the only ones we cooperate with in the Benefit Systems Group. Our offer under the MultiLife Programme, Focusly application or Lunching.pl is also based on cooperation with partners.

Cooperation with other suppliers

[2-23] [2-24] On a daily basis, we also cooperate with suppliers who help us in the functioning of our offices and fitness clubs. We make sure that this cooperation is in line with our standards, which is why we base it on a specially created procurement procedure in force in the Group. We expect our suppliers to comply with our values and ethical principles set out in the Benefit Systems Group BS_WAY Code of Ethics and other documents.

As part of the procurement procedure, we verify potential suppliers in terms of meeting certain ESG criteria already at the inquiry stage. The supplier's assessment resulting from the verification is a component of the final evaluation of its offer. More information about this can be found in section 1.5. Ethics, compliance, and anti-corruption.

[2-6] the Benefit Systems Group cooperated mainly with the suppliers of:

- IT equipment,
- sports and fitness equipment,
- office supplies and office equipment,
- food,
- marketing materials,
- materials for sports and other cards offered by the Group, cleaning and security services for fitness facilities, construction and renovation services.

THE MAIN RULES APPLICABLE TO THE SELECTION OF SUPPLIERS:

- **Respecting the principle of competitiveness to ensure high efficiency of incurred expenses.** In the process of selecting the supplier, we implement the good practice of equal opportunities in competing for the order. We also apply the principle of evaluating offers in the number enabling selection of the most advantageous market offer.
- **Strengthening cooperation effectively, building and maintaining relationships with existing suppliers, while providing the organisation with the possibility of acquiring new suppliers, in accordance with its needs.** We value long-term cooperation with regular suppliers but we are also open to market changes and respond to business needs related to the search for new suppliers.
- **Focusing on the supplier selection process to support smaller, local entrepreneurs and family businesses.** In accordance with B Corp standards, when selecting suppliers, we also take into consideration the offers of smaller companies and – as far as possible – we support the local community by choosing their products or services.
- **Assessing price and quality conditions objectively while analysing the ethical principles followed by suppliers.** When selecting suppliers, the unit responsible for the purchasing process eliminates those who act contrary to the principles described in the BS_WAY Code of Ethics and other documents applicable to suppliers.
- **Basing business relations on mutual fair treatment and win-win cooperation.** It is important for us that both Benefit Systems as a client and our supplier providing services or products are satisfied with the terms of cooperation.



1.4.

MANAGEMENT

In this section we write about:

- our organisational structure
- management system in the Group
- management of ESG issues

The management system in the Benefit Systems Capital Group enables the achievement of the intended financial goals and long-term, sustainable value growth. In 2022 Benefit Systems S.A. parent company managed the Group based on **two operating segments: Poland and Foreign Markets** (the Cafeteria segment, which operated until 31 December 2021, was included in the Poland segment). The Poland segment is the responsibility of the Benefit Systems S.A. Management Board while the Foreign Markets segment is the responsibility of the Benefit Systems International S.A. Management Board. The segment management is enforced by implementing multi-year plans and detailed operating budgets that are verified and updated on an ongoing basis.

Based on strategic goals, specific objectives are formulated for high-level employees and then cascaded to subsequent levels, along with incentive programmes, semi-annual and annual bonuses as well as commissions.

Corporate governance management within the Benefit Systems Capital Group is based primarily on taking into consideration the different structure of management systems in individual Group companies. The system operating at Benefit Systems S.A. is dominant in relation to other entities of the Group. Some of them maintain operational independence but remain under ownership supervision.

We make every effort to ensure that all entities belonging to the Group operate in a consistent manner, meeting the assumptions regarding the business area of the organisation as well as ESG indicators, social responsibility, and sustainable development. We strive to standardise procedures, policies, and guidelines in managing these aspects so that ultimately all these rules are identical for the entire Capital Group. Our activities are strengthened by the Benefit Systems S.A. statutes amended in 2022 where we associate economic success with the need to exert a significant positive impact on the environment and society understood as a whole.

Organisation impact management

[2-12] [2-13] Issues related to sustainable development and making decisions on the strategic direction of the Benefit Systems Group's development fall within the competence of the Benefit Systems S.A. Management Board Member responsible for the company's finances and investor relations, internal audit, compliance, PR and ESG.

The tasks related to sustainable development are carried out by the ESG Team, which is supervised by the Corporate Director. Such a model allows the Management Board to receive information about ongoing projects and actions taken in this area several times a year (or more often, if necessary).

[2-14] [2-17] In 2022 the Benefit Systems Group was working on developing the ESG Strategy for 2023-2025, which will clarify the role of the Management Board in overseeing the management of the Group's influence. The Management Board also participates in the work on the ESG report and approves its final content. In addition, the Management Board Members expand their knowledge related to sustainable development as well as the latest trends and regulations through meetings with experts from outside the Group, participation in conferences in this area, etc.

[2-9] In total, the Management Board and the Supervisory Board consists of eight people, including three executives and five non-executives. Among them, three members are independent. Members of the Supervisory Board also perform functions in other companies. James Van Bergh and Michael Sanderson are the directors of Benefit Invest Ltd. Michael Rohde Pedersen is also a member of the Supervisory Board at Alimetal S.A. Artur Osuchowski sits on Supervisory Boards of PolTreg S.A. and Asseco Business Solutions S.A. Marcin

Marczuk, Supervisory Board Vice President, is also a member of supervisory boards of such companies as BetaCom S.A., Projprzem Makrum S.A., Transpolonia S.A. and Wikana S.A.

The Supervisory Board is supported by the Audit Committee in such issues as proper implementation of the financial reporting principles, risk management system as well as internal control system in the Benefit Systems Capital Group and the parent company. The Audit Committee cooperates in the field of proper implementation of internal processes and controls related to financial reporting as well as the effective functioning of the internal control system. The committee's tasks also include monitoring the independence of internal auditors, the audit firm and statutory auditors performing services for the company, the company's relations with related entities and monitoring the Management Board's activities in response to the recommendations of the internal auditor, the audit firm, and statutory auditors. The Audit Committee also ensures the proper functioning of risk identification and management systems.

[2-9] [2-11]

Composition of Benefit Systems S.A. Management Board:

- Emilia Rogalewicz – Management Board Member
- Wojciech Szwarz – Management Board Member
- Bartosz Józefiak – Management Board Member, CFO

Composition of Benefit Systems S.A. Supervisory Board:

- James van Bergh – Supervisory Board President
- Marcin Marczuk – Supervisory Board Vice President
- Michael Rohde Pedersen – Supervisory Board Member
- Artur Osuchowski – Supervisory Board Member
- Michael Sanderson – Supervisory Board Member

Composition of Benefit Systems International S.A. Management Board:

- Adam Kędzierski – Management Board President
- Jarosław Komorowski – Management Board Member
- Arkadiusz Szczygielski – Management Board Member
- Maciej Gwóźdź – Management Board Member

Election of members of the highest governance bodies

[2-10] [2-18] Benefit Systems S.A. Management Board Members are appointed and dismissed by a resolution of the company's Supervisory Board, which also decides on the number of Management Board Members and may appoint persons acting as president and vice president from among them. To appoint or dismiss a Management Board Member, 3/5 of votes are required, with at least half of the members of the Supervisory Board present.

When selecting Management Board Members, the Supervisory Board is guided by the criteria contained in the Management Board Diversity Policy, which came into force at Benefit Systems in 2022. We write more about diversity policies in Chapter 3. Our team.

When selecting Management Board Members, the Supervisory Board takes into consideration candidates' education, field of study, area of competence, knowledge and skills resulting from scientific work, training, certificates or postgraduate studies, professional experience, age, and gender. Pursuant to the Benefit Systems S.A. statutes changed in 2022 Management Board Members are assessed in terms of managing the organisation's impact on the economy, environment, and society. The assessment is based on the achieved goals in terms of

ensuring the application of ESG standards within the organisation and its operational activities. The assessment issues are governed by the Remuneration Policy for Benefit Systems S.A. Management Board and Supervisory Board members. Such an assessment is made once a year collectively by the Supervisory Board.

Internal control system and risk management

[2-23] The internal control system and risk management at Benefit Systems S.A. were created to identify potential events affecting the organisation's operations, keeping the risk within the established limits, and ensuring the implementation of the business strategy. The risk management process is based on the COSO II model, which defines the components, rules, and factors necessary for effective risk management.

The Three Lines of Defence model is a tool supporting the risk management process and the internal control system explaining the key roles and responsibilities in the organisation. The First Line of Defence is the business owners responsible for identifying, accounting, assessing, controlling, and mitigating risk. The Second Line of Defence consists of persons performing internal control functions, including Data Protection Officer as well as internal control, controlling and compliance teams. The Third Line of Defence is an audit team that provides in-

dependent reports on the effectiveness of the internal control system to senior management and the Supervisory Board.

The risk management policy focuses on achieving objectives in four categories:

- strategy
- operational activities
- financial reporting
- compliance with legal and regulatory requirements

At Benefit Systems S.A. one common risk register and map, which is the basic risk management tool, is kept for all areas.

The register contains risks identified in the following areas:

- strategic (including business, market, political, legal and regulatory, reputational, business continuity),
- operational (including IT systems, security, human resources),
- financial (including tax, credit, liquidity, exchange rates),
- compliance (regulatory and legal).

The register of risks is updated at least once a year, and in the case of tasks assessed as critical, the update and monitoring of the implementation of tasks takes place each time, if there are reasons to do so. The description of the most important risks defined by the parent company and the Group is published in the Consolidated Management Board Report on the

Activity of the Benefit Systems Capital Group for the period from 1 January to 31 December 2022.

The internal control system at Benefit Systems S.A. is an integral part of our risk management system. It supports the implementation of the organisation's goals and tasks. It also contributes to maintaining the reliability of financial and management reporting. This system involves all employees. As part of the Second Line of Defence activities, the internal control team supports employees and is responsible for activities related to the systematisation and documentation of key processes and risks..

Units supporting the area of internal control and risk management include Internal Audit and Compliance Officer:

- **Internal Audit** assesses the effectiveness and contributes to the improvement of the following processes: corporate governance, risk management, counteracting fraud and control mechanisms in the given unit and the Benefit Systems Capital Group.
- **Compliance Officer** is a function supporting the compliance risk management process by monitoring the implementation of applicable laws, good practices, ethical standards as well as the implementation and application of internal regulations. One of the areas of interest to the Compliance Officer is the implementation of the business

ethics principles, under which adequate procedures and policies are introduced. This area is particularly important for and closely related to the values of Benefit Systems as a socially responsible company.

In 2022 we continued our work on the analysis of **climate risks** for the Benefit Systems Group. More information about this can be found in Chapter 5 of this report.



1.5.

ETHICS, COMPLIANCE, AND COUNTERACTING CORRUPTION

In this section we write about:

- **ethics and our values**
- **counteracting conflicts of interest**
- **guidelines for our suppliers**

[2-6] [2-23] [2-24] [3-3] All Benefit Systems employees are bound by the **Benefit Systems Group BS_WAY Code of Ethics** (“Code of Ethics”). The document describes the basic ethical principles that we require in internal and external relations with all stakeholder groups. Following the principles contained in the Code of Ethics ensures the transparency of decisions made in business activities and is our guideline in ethical matters. The code defines our purpose, values, and commitments. It also indicates areas important to our organisation, including counteracting corruption and conflicts of interest, confidentiality of information and data protection, respect for human rights, social commitment, and responsible approach to the natural environment.

The Code of Ethics is a public document available [on the Benefit Systems website](#). Our employees and associates are obliged to apply its provisions. We also expect other stakeholders, including our suppliers, to comply with our business ethics principles. They are required to read and accept them before starting cooperation with us.

Information on the code, the rules of conduct and other issues related to the compliance area are provided to all new members of the Benefit Systems team in the first days of work, during onboarding. We also regularly refresh the knowledge of ethical issues among our employees. In 2022 mandatory

e-learning training courses on the Code of Ethics, the Anti-Corruption Policy, and the risk of conflict of interest were organised. Important information and rules resulting from the Code of Ethics and internal regulations supporting the code are periodically provided to employees via Intranet.

[2-25] The Code of Ethics contains instructions for employees on how to report information about suspected behaviour inconsistent with its provisions and legal regulations. Reports can be submitted anonymously or “under the name” via an external e-mail box dedicated to reporting irregularities, in person, by phone or by letter. We treat all signals with the same attention and each report is confidential. Benefit Systems has also appointed the **Ethics Committee** consisting of the Benefit Systems Management Board Member, HR Director, Head of Internal Audit, Compliance Officer, and Legal Director. The Ethics Committee supports employees in complying with the principles resulting from the Code of Ethics, responds to current ethical problems and is involved in considering reported cases while maintaining confidentiality, objectivity, and independence.

[2-26] In the matter of implementing the organisation’s policies and practices in the field of responsible business or other issues related to this area, one can contact the ESG Benefit Systems team by writing to the following address: csr@benefitsystems.pl. Information on the progress in the

OUR GOAL: PROMOTING AN ACTIVE LIFESTYLE

Our values::

RESPECT – we respect one another and all our stakeholders. We believe that each of us is unique, which is why we notice and appreciate diversity in a special way. We do not tolerate mobbing or discrimination due to gender, age, nationality, origin, religion, disability, sexual orientation, family and marital status, political beliefs, personality traits, education, or interests.

COOPERATION – the combination of knowledge and skills of our employees and associates is a guarantee of success. Trust, communication, the ability to listen and respect for others are crucial for the Benefit Systems Group. We care about good cooperation and partnership. We build lasting relationships with our stakeholders based on the win-win principle.

RESPONSIBILITY – by building relationships and cooperating with stakeholders, we act responsibly and we make promises that we can keep. We formulate information about the services we provide in a precise and understandable way, and we fulfil all obligations on time. Our responsibility is to respect human and employee rights, apply the rules of fair competition, counteract corruption and act for the benefit of the natural environment.

implementation of ESG policies and procedures can be found in [current and periodic reports](#) as well as [non-financial reports](#) posted on the Benefit Systems corporate website.

[2-16] Once a quarter the Management Board and the Audit Committee receive information about reports, results of explanatory proceedings and actions taken after the completion of the clarification of the reported case. In 2022 there were three such notifications, including two related to employee issues and one to the internal process. All matters were explained and properly addressed. In addition, the company has

a good practice procedure in place, the purpose of which is to counteract mobbing and discrimination in the company. Mobbing and discrimination cases are considered by specially appointed committees in accordance with the guidelines of the procedure.

[2-23] [2-24] Since 2021 companies that want to cooperate with our organisation must complete a special **CSR Questionnaire**. On its basis, we assess potential contractors in terms of social responsibility and sustainable development factors. In addition, suppliers are required to familiarise themselves with

the principles of business ethics adopted in Benefit Systems resulting from the Code of Ethics and internal regulations supporting the code by signing a relevant statement or regulating these matters in contractual provisions.

The Code of Ethics is a kind of “ethical umbrella” over all companies within the Group. Some of them have separate documents defining the rules of conduct but their provisions and presented values are consistent with the Code of Ethics. A responsible and honest way of doing business applies to the entire Benefit Systems Group.

[2-15] The provisions of the code supplement and detail the implemented policies and procedures:

- **Compliance Policy** – defines the basic principles of operation in the field of non-compliance risk management through its identification, assessment, taking mitigating actions, monitoring, and shaping the ethical image of Benefit Systems,
- **Anti-Corruption Policy** – aims at increasing employees' awareness of corruption and corruption risk situations, effectively preventing corruption-related abuses, implementing effective mechanisms to combat them, and minimising the effects of possible irregularities in this area,
- **Suspected fraud confidential reporting procedure,**
- **Gifts/benefits and conflict of interest procedure** – contains a description of what to do in situations when employees receive or want to give a gift or other material benefit; the procedure describes the rules of participation in meetings, trips and events organised by contractors; it also contains a definition of a conflict of interest, how to identify and report it, and how to take action to minimise the risk of its occurrence. In addition, Members of the Management Board and the Supervisory Board submit an annual declaration regarding the presence or absence of a conflict of interest. In 2022, there were no conflicts of interest of any member of the Management Board or the Supervisory Board reported.

The rules resulting from the above internal regulations are communicated to all Benefit Systems employees, and the documents are available on the Intranet. Regulations supporting the principles resulting from the Benefit Systems Group's Code of Ethics are successively implemented in other companies of the Group. All these documents comply with the provisions of law and are based on them (e.g. the Labour Code). They also refer to the OECD Guidelines for Multinational Enterprises. Implementation of the BS_WAY Code of Ethics, Compliance Policy, Anti-Corruption Policy, Procedure for confidential disclosure of information about suspected abuse as well as Procedure for gifts/benefits and conflict of interest is the responsibility of the Compliance Officer. Implementation of the Diversity Policy (more information about this can be found in Chapter 3 of this report) is the responsibility of HR Director. These policies have been approved by the Management Board.

[205-3] In 2022 we did not record any confirmed cases of corruption in the Benefit Systems Group.

[2-27] In 2022 we recorded two relatively minor non-compliance cases. Our Czech company, MultiSport Benefit, was ordered to pay CZK 167,362 for not hiring the number of employees/service providers with disabilities required by local law. The Slovak company, Benefit Systems Slovakia, was ordered to pay EUR 92.36 for the delay in payment of mandatory insurance premiums for employees.

GOOD PRACTICE

[205-2] At Benefit Systems S.A. each new employee undergoes training in the Code of Ethics along with elements of the anti-corruption policy. **Training in the field of anti-corruption policy** as well as other areas of the Code of Ethics, including the risk of conflict of interest, are mandatory for all Benefit Systems employees. At the end of 2022, 73% of all company's employees, i.e. 670 people, completed the training. All management board members are familiar with the applicable anti-corruption policy. The Benefit Systems Group's Code of Ethics, the Anti-Corruption Policy and additional procedures supporting the areas of ethics and compliance have been approved by the Benefit Systems Management Board. Members of the management boards of VanityStyle, Lunching.pl and foreign companies of the Benefit Systems Group were notified about the anti-corruption policy. In total, these are 22 people, i.e. 92% of the members of the management boards of these companies. At VanityStyle, 100% of the staff, i.e. 85 people, are trained in anti-corruption rules. In the remaining companies, a process of employee training related to preventing corruption has been planned.

[3-3] Due to the nature of our business, we receive and process a significant amount of personal data. Therefore, the regulations regarding the protection of such data and the management of the risk of its breach are of particular importance for our operations. We prioritise the issues of compliance with generally applicable regulations in this respect and consistently raise internal security standards. We have implemented policies and procedures for the processing of personal data, we regularly review them and, if necessary, update them on an ongoing basis. Our parent company has a **Personal Data Protection Policy** and within the Group we exchange knowledge in the field of data security management.

Employees are informed about the principles of personal data protection. Each newly hired person undergoes initial personal data protection training. In addition, in 2022 Benefit Systems held refresher training for selected IT and the Helpline teams. We have also started work on e-learning for all employees. In addition to training, in 2022 we also undertook other activities to raise employees' awareness in this area. We reminded them of data processing rules by means of messages on the Intranet, individual and team conversations as well as part of project work.

[418-1] In 2022 we identified 14 cases of personal data breaches in the Group (13 at Benefit Systems S.A. and one at Mul-

tiSport Benefit s.r.o.) and two substantiated complaints regarding breaches of customer privacy at Benefit Systems. Each of these events was an incentive for us to look at our processes and take action to improve the services we provide. Each resulted in the initiation of explanatory proceedings under which we identified the reasons for its occurrence and implemented measures aimed at minimising both the risk for the data subject and the risk of similar events in the future.

The proceedings regarding anti-competitive behaviour are related to the decision of the President of the Office of Competition and Consumer Protection of 2021 on a financial penalty for alleged competition-restricting activities, e.g. on the domestic market of sports and recreation services. Benefit Systems S.A. does not agree with this decision and the company filed an appeal within the time limit set by the law.

[206-1] Legal actions regarding anti-competitive behaviour and practices of violating anti-monopoly regulations.

Number of legal proceedings regarding anti-competitive behaviour which the organisation participated in pending in the reporting period ³	1
Number of legal proceedings regarding anti-competitive behaviour which the organisation participated in completed in the reporting period	0
Number of legal proceedings regarding violation of antitrust regulations which the organisation participated in pending in the reporting period	0
Number of legal proceedings regarding violations of antitrust regulations which the organisation participated in completed in the reporting period	0

³ An appeal procedure against the decision of the President of Office of Competition and Consumer Protection of 4 January 2021 is pending. More on this subject can be found in the Benefit Systems Group Non-Financial Report for 2021 and the Benefit Systems Group Non-Financial Report for 2020.

2.

ESG Strategy



2.1.

OUR PRIORITIES AND COMMITMENTS

In this chapter we write about:

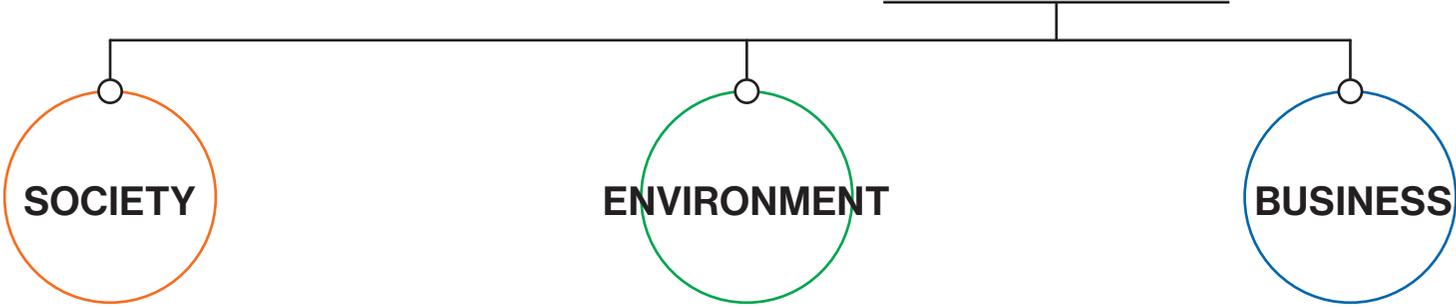
- reasons why we worked on the ESG Strategy in 2022
- our ESG Strategy pillars, priorities, commitments, and goals

[3-3] [2-22] The Benefit Systems Group's ESG Strategy, which we worked on in 2022, reflects our approach to such commitments as acting for an active, healthy lifestyle, psychophysical welfare, and social development. We plan to implement them and then measure according to specific indicators. The main goal of the actions we will take as part of the strategy implementation in 2023-2025 is **#BETTERLIFE** for current and future generations. We are sure that as a Group we can co-create an active society while caring for sustainable development in all areas of our activity. We shape #betterlife by combining activities for physical activity, commitment, welfare and education of society, responsible management of our business and minimising our negative impact on the environment.

The Benefit Systems Group's ESG Strategy is based on three pillars – social, business, and environmental. In each of the pillars we have defined the main areas on which we will focus our activities, including priorities and commitments to implement. For each of the commitments we will set specific goals and metrics that will allow us to monitor progress in their implementation. Subsequently – in the first half of 2023 – we will work within the Group on defining actions and specific KPIs for individual goals that we want to achieve over the next three years.



ESG STRATEGY #BETTERLIFE



SOCIETY pillar

Activation, involvement, welfare, and education – these are the areas that we have defined as key in the social pillar of the ESG Strategy. At Benefit Systems Group activation consists primarily in promoting physical activity and a healthy lifestyle in society. We understand involvement as helping those in need and engaging employees in activities for the benefit of local communities. Welfare and education mean care for the health, balance, wellbeing and mental condition of our employees, users, and clients. It is also respect for diversity and sharing knowledge, not only within the organisation, but also with our environment.

ENVIRONMENT pillar

The healthy lifestyle we advocate requires a healthy natural environment. At Benefit Systems Group we want to minimise our negative impact on the environment and climate. We will also motivate suppliers to implement our environmental criteria, believing that in this way we will contribute to the creation of a chain of green changes that will help stop climate change.

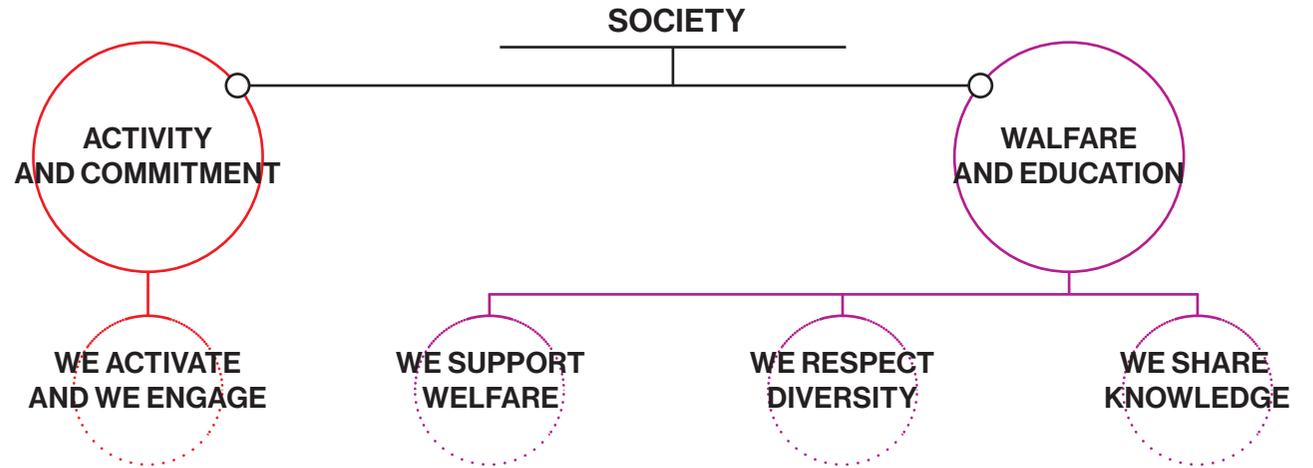
BUSINESS pillar

The BUSINESS pillar in our ESG Strategy is an expression of the belief that only a company that is managed responsibly and ethically will be credible for its stakeholders, can develop in a sustainable manner and is able to build lasting relationships with its clients and users. As part of the BUSINESS pillar, we will also focus on activities addressed to partners whom we create our business with.

SOCIETY

[3-3] Under the SOCIETY pillar, we will ACTIVATE various social groups. We will focus on further popularisation of sport among children and youth by continuing the programmes run by the MultiSport Foundation, increasing the number of classes and their participants every year. We will also SUPPORT local communities and involve our employees in these activities, increasing the number of initiatives and hours devoted to employee volunteering. Our priority in the SOCIETY area is also SUPPORTING WELFARE both of our employees as well as clients and users. Through internal activities, but also thanks to the Group's products and wider offer, we want to support welfare, also understood as taking care of the mental condition, which requires more attention year after year. Annual surveys conducted among our employees will help us verify the effectiveness of the actions taken.

RESPECT FOR DIVERSITY is a priority under which we want to ensure equality in the workplace and achieve goals thanks to which the Benefit Systems Group will continue to be a friendly, tolerant and inclusive work environment for everyone. We will also SHARE KNOWLEDGE by educating employees, increasing the number of training and development activities as well as implementing educational projects addressed to our clients and users, but not only.

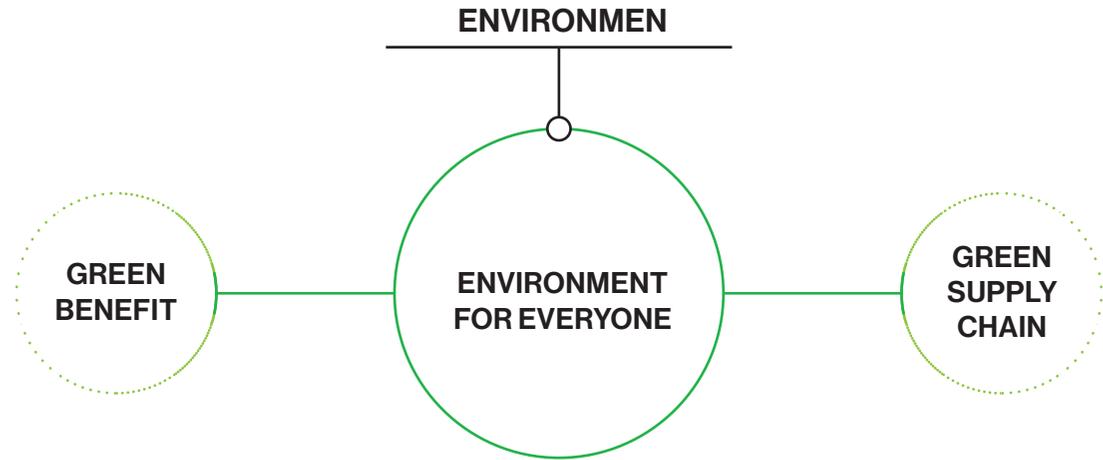


Selected activities:

- Increasing the number of initiatives activating children and youth
- Strengthening employee engagement as part of employee volunteering
- Undertaking initiatives for local communities
- Organising activities supporting employees' welfare and mental condition
- Enhancing activities supporting employees in maintaining work-life balance
- Increasing the number of training and development activities for employees

ENVIRONMENT

As part of the ENVIRONMENT pillar, we will strive to minimise the negative impact on the environment and climate. Our priorities include GREEN BENEFIT and the actions we will take in our office spaces as well as introducing green solutions to our clubs and GREEN SUPPLY CHAIN, where we will focus on educating our suppliers.



Selected activities:

- Reduction of carbon footprint
- Decrease in energy and water consumption
- Gradual introduction of green solutions for clients and users
- Education of suppliers and other activities for a responsible supply chain

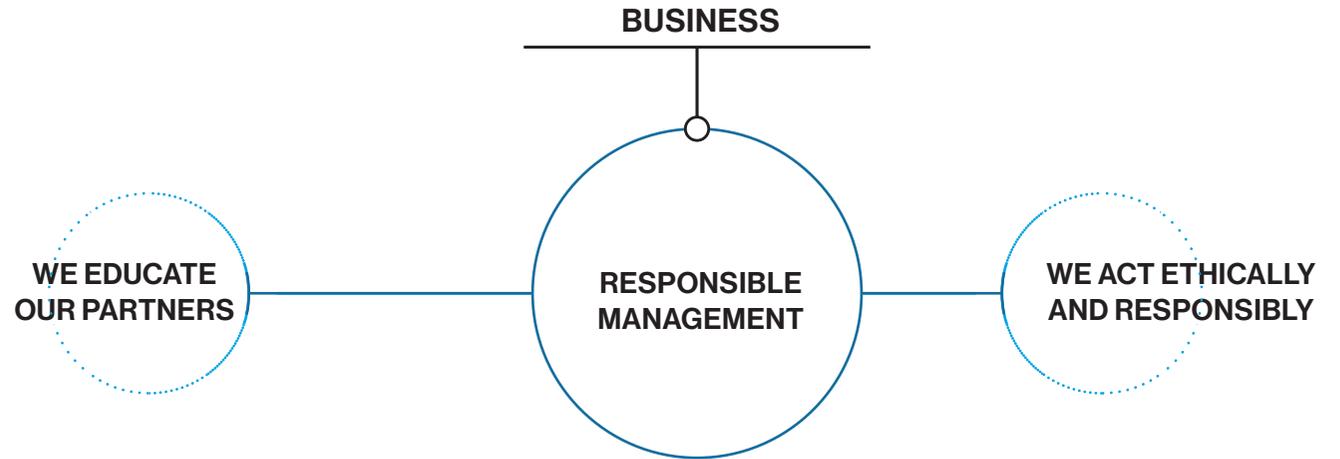


BUSINESS

The third pillar of the Benefit Systems Group's ESG Strategy is our commitments and goals related to RESPONSIBLE MANAGEMENT. In 2023-2025, acting ETHICALLY AND RESPONSIBLY, we want to focus on strategic management of the ESG area within the entire Group, implement or standardise key policies and procedures in all companies as well as conduct regular educational and communication activities connected with ethics or data security. Our priority is also EDUCATION OF OUR PARTNERS. We want to raise their awareness in the field of ESG as well as motivate and support them in activities for sustainable development.

Selected activities:

- Implementation of consistent ESG policies and procedures throughout the Group
- Monitoring and reporting the level of ESG goals achievement
- Training and other educational activities on sustainable development addressed to partners



2.2.

THE PROCESS OF CREATING THE ESG STRATEGY

In this chapter we write about:

- **the process of creating the ESG Strategy**
- **people involved in the process**

The Benefit Systems Group's ESG Strategy is the result of the joint work of many people, both internal experts and an external consulting company. Representatives responsible for key areas in the organisation, including HR and employee matters, cooperation with clients and partners, compliance and internal audit, purchases and cooperation with suppliers, new products, PR, IT, persons representing the Fitness Unit managing our clubs in Poland, a representative of the Foreign Countries Segment as well as key persons from VanityStyle and Lunching.pl companies, which are part of the Group, were actively involved in the whole process.

The first stage of creating the ESG Strategy was a materiality analysis and an audit that aimed at identifying important topics for our organisation as well as possible gaps in relation to the regulatory requirements resulting from the ESRS standard drafts and good market practices. The analysis concerned both the activities and the value chain of the organisation.

As part of the materiality analysis and audit we conducted:

- Impact assessment – the scope of the analysed impact areas was defined in relation to the ESRS standards and the UN Sustainable Development Goals,
- Identification of risks and opportunities – the scope of the analysed risks and opportunities was defined in relation to the ESRS standards,
- For the purposes of identifying crucial topics, the following data was analysed:
 - Benchmark – sustainable development reports and strategic documents of companies from the fitness industry in Europe,
 - Ratings – requirements of key ESG ratings for a given industry,
 - SASB – indicators for a given industry,
- Identification of key SDGs for the industry,
- Survey among the organisation's key stakeholders,
- Interviews with key people in the organisation,
- Identification and evaluation of the organisation's documents in the field of ESG; the scope of the analysis was defined based on ESRS requirements,
- Analysis of Benefit Systems activities contributing to the SDGs.



Work on the ESG Strategy in numbers:

- 11 interviews with the Benefit Systems Group's representatives
- 30+ audited documents
- 1 strategic workshop with 20 representatives from the Group
- 5 benchmark organisations
- 2 ESG ratings, SASB standards
- 10 ESRS/SDG issues

[2-22] The next stage was a strategic workshop attended by key people representing various areas in the organisation. During the workshop, the main priorities and commitments, goals, and indicators of the ESG Strategy as well as initial proposals for actions planned for 2023-2025 were developed. The next stage of creating the ESG Strategy, which will take place in the first half of 2023, will be the determination of specific actions and KPIs for individual goals and commitments.

3.

Our Team



3.1.

ATTRACTIVE WORKPLACE

In this section we write about:

- employee opinion surveys
- benefits for our employees
- employment figures

[2-7] [2-8] [3-3] At the end of 2022 the Benefit Systems Group had over 5,600 employees and associates. These people work and provide their services in various departments, companies, and countries, in office spaces and in our fitness clubs. Our Group's corporate structure does not imply stereotypical corporate behaviour. We do not impose any dress code and we do not require formal titles – we come to work dressed as we feel comfortable and we all call one another by name, regardless of the position held. In our daily work we put mutual respect, trust, nice atmosphere and positive relationships in the first place. Our experience shows that in this way we can work more effectively and efficiently. The good atmosphere is additionally strengthened by regular, joint festivities on various company occasions. In 2022 we organised a party to celebrate the sale of one million MultiSport cards again after the pandemic, we served ice cream on Children's Day, and we prepared a special competition about the love of sport for Valentine's Day. During the company's Christmas Eve we also held a contest for the best Christmas outfit.

We want our companies to be a friendly and attractive workplace. People who like, respect, and trust one another create effective teams, find better solutions, and implement them more efficiently. All this has a direct, positive impact on the satisfaction and good opinions of our clients and users.

In the Benefit Systems Group we have 1,551 full-time employees, most of whom – 65% – are women (1,008). We also cooperate with people related to our organisation by civil law and B2B contracts. These are mainly trainers and people conducting group classes in our clubs who cooperate with Benefit Systems S.A. Fitness Unit (which is a separate employer – more information on this subject can be found in the Benefit Systems Group Non-Financial Report 2021). This form of cooperation is closely related to the fitness industry and preferred by people providing their services in our clubs as it enables cooperation with various facilities (including those that do not belong to the Group) as well as building a personal brand or flexible and irregular working hours. The second group of people bound by civil law and B2B contracts are IT specialists who share their expert knowledge with us. In 2022 the Benefit Systems Group was joined by 498 new employees and 355 employees left their jobs.

	Benefit Systems Group	Benefit Systems S.A.
Number of employees	1,551	915
Number of associates	5,606	4,136
Average employment	1,487	895

NUMBER OF EMPLOYEES BY GENDER.
(as at 31 December of a given year.)

	Women	Men	2022 total	2021 total
Benefit Systems Group	1,008	543	1,551	1,410
Benefit Systems S.A.	616	299	915	870
Benefit Systems S.A. (excluding Fitness Unit)	545	270	815	767

NUMBER OF ASSOCIATES.
(as at 31 December of a given year.)

	2022 total	2021 total
Benefit Systems Group	4,055	3,764
Benefit Systems S.A.	3,221	2,878
Benefit Systems S.A. (excluding Fitness Unit)	84	70

NUMBER OF EMPLOYEES BY CONTRACT DURATION.
(as at 31 December of a given year.)

Benefit Systems Group				
Contract duration	Women	Men	2022 total	2021 total
Permanent contract	800	434	1,234	1,115
Fixed-term contract	208	109	317	295
2022 total	1,008	543	1,551	1,410
Benefit Systems S.A.				
Contract duration	Women	Men	2022 total	2021 total
Permanent contract	469	233	702	679
Fixed-term contract	147	66	213	191
2022 total	616	299	915	870
Benefit Systems S.A. (excluding Fitness Unit)				
Contract duration	Women	Men	2022 total	2021 total
Permanent contract	424	210	634	608
Fixed-term contract	121	60	181	159
2022 total	545	270	815	767

NUMBER OF EMPLOYEES BY WORKING TIME.
(as at 31 December of a given year).

Benefit Systems Group				
Working time	Women	Men	2022 total	2021 total
Full-time	971	533	1,504	1,366
Part-time	37	10	47	44
2022 total	1,008	543	1,551	1,410
Benefit Systems S.A.				
Working time	Women	Men	2022 total	2021 total
Full-time	603	295	898	852
Part-time	13	4	17	18
2022 total	616	299	915	870
Benefit Systems S.A. (excluding Fitness Unit)				
Working time	Women	Men	2022 total	2021 total
Full-time	534	267	801	750
Part-time	11	3	14	17
2022 total	545	270	815	767

NUMBER OF EMPLOYEES AND ASSOCIATES IN IN FULL-TIME EQUIVALENTS (FTES).
(as at 31 December of a given year).

Benefit Systems Group				
Form of employment	Women	Men	2022 total	2021 total
Employees (employment contract)	974.7	541.2	1,515.9	1,379.5
Associates (civil law and B2B contracts)	1,110.8	714.1	1,824.9	1,383.5
2022 total	2,085.5	1,255.3	3,340.8	2,763
Benefit Systems S.A.				
Form of employment	Women	Men	2022 total	2021 total
Employees (employment contract)	605.1	295.9	901	852
Associates (civil law and B2B contracts)	752.7	413.5	1,166.2	987.4
2022 total	1,357.9	709.4	2,067.3	1,839.4
Benefit Systems S.A. (excluding Fitness Unit)				
Form of employment	Women	Men	2022 total	2021 total
Employees (employment contract)	541.9	268.2	810.1	760.4
Associates (civil law and B2B contracts)	16.7	62.2	78.9	62.8
2022 total	558.6	330.4	889	823.2

[401-1] In 2022 in the entire Benefit Systems Group we had 499 employees, including 288 women (58%). The Benefit Systems S.A. team was joined by 239 employees, including 157 women (66%).

**NUMBER OF BENEFIT SYSTEMS GROUP'S EMPLOYEES
IN 2022 BY AGE.**

	< 30 years old	30 – 50 years old	> 50 years old	2022 total	2021 total
Benefit Systems Group	260	229	10	499	425
Benefit Systems S.A.	103	132	4	239	203
Benefit Systems S.A. (excluding Fitness Unit)	85	123	3	211	190

ANNUAL EMPLOYEE TURNOVER RATE IN THE BENEFIT SYSTEMS GROUP.

	2022	2021
Benefit Systems Group	24.1 %	30.9 %
Benefit Systems S.A.	20.4 %	19.1 %
Benefit Systems S.A. (excluding Fitness Unit)	19.5 %	18.9 %

In 2022 357 employees left the Benefit Systems Group, including 211 women (59%). At Benefit Systems S.A. it was 182 employees, including 120 women (66%).

**NUMBER OF EMPLOYEES WHO LEFT THE BENEFIT SYSTEMS GROUP
IN 2022 BY AGE.**

	< 30 years old	30 – 50 years old	> 50 years old	2022 total	2021 total
Benefit Systems Group	155	190	12	357	369
Benefit Systems S.A.	55	123	4	182	143
Benefit Systems S.A. (excluding Fitness Unit)	41	110	3	154	124





Healthy and active

[3-3] Physical activity, health and wellbeing of society are at the heart of our business activities, so it is not surprising that we also put them at the centre of our activities addressed to employees. We share our knowledge and experience of wellbeing not only with our clients and users but also with our teams. Many employees of the Group are experts in this field.

In April 2022 at Benefit Systems we organised **Health Month** during which we urged employees to take care of a healthy body and a calm mind. Together with our Health Full Time team (which supports our clients' employees daily) and external experts we encouraged our employees to take care of their psychophysical welfare, deepen their knowledge and look at the aspect of health in a holistic way. We prepared several pro-health initiatives, including workshops with neurologists, webinars and lectures on the circadian rhythm and sleep, active breaks, a webinar with a psychother-

apist, the basics of mindfulness and massages that bring relief to the spine. A total of 351 people took part in the classes.

In 2022 we also continued the "Mazovia" project which helps people recovering from COVID-19 get back in shape. As part of the programme, employees could take advantage of physiotherapy in our Zdrofit Zdrowe Miejsce facilities in Warsaw.

We combine care for physical health with care for mental health. Employees and their families can use a free benefit in the form of confidential **psychological support**. In addition, every month we invite them to psychological development webinars. On World Mental Health Day we organised a webinar and workshop on how to boost mental resilience for employees. We additionally strengthened the holistic approach to mental health by inviting them to massages, which are still very popular. We also organised a webinar called "Psychological first aid in a crisis."

[3-3] [403-1] [403-5] In the Benefit Systems Group we meet all the requirements of the Labour Code related to occupational health and safety. We conduct initial training for new employees, and we consolidate the knowledge of health and safety rules during periodic trainings, in the frequency and scope required by law. Benefit Systems S.A. Fitness Unit teams, which work and provide services in our fitness clubs daily, have access to such trainings as first aid or specialist courses dedicated to people performing repair work in facilities. In accordance with the regulations, we also monitor the threats that may occur in our work environment.

Individual types of jobs at Benefit Systems have an Occupational Risk Assessment, which is regularly updated in the event of changes in regulations or new circumstances. Our health and safety specialists take care of work safety in offices and fitness clubs. They also conduct health and safety training and, if necessary, prepare accident documentation.

Employee opinion surveys

At Benefit Systems we regularly analyse the opinion of our employees. In 2022 we conducted another “**Pulse Check**” survey, which is completely anonymous and voluntary. The turnout was 56% and was similar to that in 2021.

Key survey results:

- 73% of respondents rated their welfare – understood as mood, wellbeing, and stress level – as “fairly good” and “very good” (a significant increase compared to the previous survey),
- 82% of employees “usually enjoy their work,”
- 81% of employees willingly recommend Benefit Systems as an employer,
- 78% of employees maintain a work-life balance,
- 78% of employees feel that the company cares about them and 73% admit that they are included in decision-making processes,
- 85% of respondents agree with the statement “In my daily work, I have the opportunity to do what I am good at,”
- 95% of employees agree that they have the option of working from home under the current rules,
- 76% of the surveyed people admitted that they receive current information about the most important matters concerning people, the team, and the company from the management,
- 89% of people participating in the survey admitted that their supervisor communicates goals and expectations in a clear and transparent way,
- 89% of the respondents took advantage of the training provided by the employer.

The areas that were rated lower and require further work relate primarily to career development opportunities. In response to these opinions, we will continue the project of creating career paths launched in 2021 and encourage even more participation in internal recruitment as well as development talks with management based on building a career path on strengths..

Benefits for employees

[401-2] We offer our employees one of the richest and most diverse packages of non-financial benefits on the market. It includes the Group's own products such as the MultiSport card, BenefitLunch card and MyBenefit cafeteria. The range of benefits varies between companies and includes benefits related to many areas of everyday life such as health, physical activity, leisure, education, culture and entertainment, or parenthood.

Due to the very different scope of non-financial benefits in individual companies, below we present a list of all benefits available in the Group without breaking them down by individual companies, except for marking the benefits offered (among others) in the parent company, treated separately as Benefit Systems S.A. (BSSA) and Benefit Systems S.A. Fitness Unit (BSFU) because they are separate employers and have a different benefit package.

Non-financial benefits in the Benefit Systems Group in 2022:



Physical activity

- MultiSport sports card, fully financed by the employer (BSSA employees and associates; BSFU employees),
- MultiSport or FitProfit sports card, co-financed or fully financed by the employer,
- possibility of ordering additional sports cards for accompanying persons and children on preferential terms (BSSA employees and associates; BSFU employees),
- sports activities in the office (e.g. yoga, healthy spine) as well as a properly equipped exercise room, table tennis table, table football (BSSA employees and associates),
- financing participation in running competitions (BSSA employees),
- possibility of free use of fitness clubs for employees and associates employed in companies operating our chains (BSFU).

Health

- free or co-financed (higher-level package) private medical care for employees with the option of purchasing a package for a partner or family members at an attractive price (BSSA and BSFU employees and associates),
- life insurance for employees and associates fully financed by the employer,
- life insurance for employees to be purchased on preferential terms (BSSA and B BSFU employees and associates),
- free psychological and managerial support, available to employees and their immediate family members (BSSA employees),
- co-financing the purchase of corrective glasses (BSSA and BSFU employees),
- access to the MultiSport Zone with a wide range of materials containing psychologists' advice, etc. (BSSA employees and associates),
- free tests for people with suspected coronavirus infection (BSSA and BSFU),
- possibility of using sick days, i.e. additional days of paid absence related to health (foreign companies),
- co-financed BenefitLunch card with access to numerous healthy meals representing various world cuisines (BSSA and BSFU employees and associates),
- co-financing the purchase of breakfast and lunch dishes from regular suppliers at the company's headquarters, regardless of the BenefitLunch card mentioned above (BSSA employees and associates),
- weekly delivery of fresh fruit to the office (BSSA employees and associates; BSFU employees).



Culture, entertainment, and leisure

- MyBenefit cafeteria programme for employees, in which they can buy various types of benefits related to culture, leisure or entertainment for the awarded points (BSSA employees and associates; BSFU employees),
- free library with board games and specialist literature at the Benefit Systems headquarters (BSSA employees and associates),
- co-financing of holiday leave, the so-called self-arranged countryside holiday (BSSA and BSFU employees),
- seniority leave, i.e. additional days off for employees depending on the length of service (BSSA employees).

Education

- free, both specialised and general development trainings, webinars, workshops, mentoring and coaching (BSSA and BSFU employees and associates),
- free language courses on the online platform (BSSA and BSFU employees),
- co-financing for studies (BSSA and BSFU employees),
- Talent League talent programme (BSSA employees),
- Manager's Academy development programme (BSFU employees).

Working time

- flexible working time and lunch break included in working time (BSSA and BSFU employees and associates),
- shorter working hours on Fridays (BSSA employees and associates),
- additional three hours of parental leave on the start of the school year (BSSA employees and associates),
- additional two hours off for the annual "Two Hours for Family" campaign (BSSA and BSFU).

Others

- AskHenry concierge services (BSSA and BSFU employees and associates),
- co-financing of a school starter kit for a child (BSSA and BSFU employees),
- co-financing of kindergarten and nursery for children (BSSA employees).

PARENTAL LEAVES IN THE BENEFIT SYSTEMS GROUP IN 2022

Benefit Systems Group			
	Women	Men	Total
Number of employees who were entitled to a parental leave in 2022	109	34	143
Number of employees who took a parental leave in 2022 (started in 2022 or 2021)	116	3	119
Number of employees who returned to work in 2022 after a parental leave (started in 2022 or earlier)	34	3	46
Number of employees who finished their parental leave in 2021 and were employed for the next 12 months	19	1	20
Benefit Systems S.A.			
	Women	Men	Total
Number of employees who were entitled to a parental leave in 2022	31	12	43
Number of employees who took a parental leave in 2022 (started in 2022 or 2021)	74	0	74
Number of employees who returned to work in 2022 after a parental leave (started in 2022 or earlier)	28	0	28
Number of employees who finished their parental leave in 2021 and were employed for the next 12 months	10	0	10
Benefit Systems S.A. (excluding Fitness Unit)			
	Women	Men	Total
Number of employees who were entitled to a parental leave in 2022	26	12	38
Number of employees who took a parental leave in 2022 (started in 2022 or 2021)	69	0	69
Number of employees who returned to work in 2022 after a parental leave (started in 2022 or earlier)	26	0	26
Number of employees who finished their parental leave in 2021 and were employed for the next 12 months	10	0	10

In 2022 the return to work after maternity leave rate at Benefit Systems S.A. was 59%, and at Benefit Systems S.A. Fitness Unit – 40%. Because in the reporting period Benefit Systems S.A. male employees did not use the possibility of parental leave, this indicator cannot be calculated for them.

3.2.

TRAINING AND DEVELOPMENT

In this section we write about:

- development activities for employees
- average number of training hours per employee

[404-2] In the Benefit Systems Group, we believe that the development of employees' competences is an essential element of the organisation's business development. That is why we have prepared comprehensive development programmes for employees as well as the opportunity to participate in workshops and trainings as well as coaching and mentoring sessions. We want to create the best place for career development within the organisation and open promotion paths for employees within the Group.

We offer our teams internal and external training, both online and on-site. We adapt the training offer to each type of position and develop both managerial and expert competences. Employees may also apply for co-financing of studies.

In 2022 at Benefit Systems S.A. we completed the second edition of the our own two-year development program called the **Talent League**, addressed to people with above-average results and potential. Every employee of the company could aspire to the programme.¹ In the course of several stages of qualification, 24 people were selected out of nearly 100 candidates. At the end, 20 employees completed the programme. Each of them developed their potential in the general module for half a year, and then trained in two paths – expert or managerial – for the next year. In addition, participants had the opportunity to benefit from mentoring.

Benefit Systems employees could also use the **LEON e-learning platform**, which includes elements of gamification to develop competences. In 2022 there were training quizzes to consolidate knowledge on assertiveness, emotion management, feedback culture, change management and efficiency organised as well. Points were awarded for correct solutions, and the main prize – apart from competence development – was a package of individual English lessons.

In 2022 at Benefit Systems we also continued the company-wide and publicly available development programme called **4 Sides of Development** launched in 2020. Employees could gain practical knowledge of the functionality of such tools as Excel, learn how to manage their personal finances, get to know the basics of project management, develop critical thinking skills and discover the secrets of effective interpersonal communication.

¹ Applies to Benefit Systems S.A. employees (excluding the Fitness Unit, which is a separate employer)

GOOD PRACTICE

VanityStyle organises **recurring development breakfasts** for its employees. These are general development meetings, which in 2022 were devoted to skilful time management, stress, and professional burnout. The company also offers free language courses on the e-Tutor platform.

[404-1] The average number of training hours per employee in the Benefit Systems Group in 2022 was 27.5 hours (27.8 hours for women and 27.1 hours for men). In the Benefit Systems S.A. parent company this number was 21.2 hours (21.3 hours for women and 21 hours for men).

AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE IN THE BENEFIT SYSTEMS GROUP IN 2022.

	Women 2022	Men 2022	Women and men 2021 total
Benefit Systems Group	27.8	27.1	15.2
Benefit Systems S.A.	21.3	21	16.8
Benefit Systems S.A. (excluding Fitness Unit)	22	21.5	17.8



3.3.

DIVERSITY AND INCLUSION

In this section we write about:

- our approach to diversity
- work on the new Diversity Policy
- Diversity Policies for the Management Board and the Supervisory Board
- gender pay ratio figures

[2-19] [2-20] [2-23] [2-24] [2-30] [3-3] In all companies forming the Benefit Systems Group we strictly respect human rights. We operate in accordance with the Universal Declaration of Human Rights, the International Labour Organisation conventions, and the UN Global Compact principles. We do not use child labour and oppose the use of forced labour. Our rights and obligations as employers and employees are defined in our Work Regulations. Remuneration principles are set out in the Remuneration Regulations, which describe the rules for paying salaries, granting benefits, or recording working time. There is no collective labour agreement in Benefit Systems Group. In most companies all formal employee policies and regulations are available on the Intranet. We have not implemented a formal, separate human rights policy but these issues are regulated in other corporate documents, including our Diversity Policy and BS_WAY Code of Ethics.

In the Benefit Systems Group diversity means recognising the uniqueness of each person, their individual predispositions, and competences, regardless of our differences. These differences can be based on visible and invisible characteristics, innate and acquired. We believe that respect for diversity is one of the fundamental human rights and freedoms. At the same time, we are convinced that the diversity of the team is also a way to build a competitive advantage in business, better efficiency and a more creative approach to the tasks performed.

We create work environments that respond to the various needs of all people. We want them to be able to fully realise their potential both in professional and private life. Each of our employees has equal access to trainings, promotions, and benefits, including the opportunity to participate in sports activities conducted by our trainers. We also support sports sections created within the company.

We promote employees taking into consideration the assessment of their competences, results, and commitment to work. When selecting employees, we apply the equal opportunities principle, and we enable every interested person (who meets the criteria for a given position) to participate in the recruitment process. We have also implemented mechanisms preventing mobbing or discrimination. Through trainings and workshops addressed mainly to the management staff we raise awareness and knowledge on this subject

In 2022, two cases of suspected discrimination/mobbing were reported. In one case, after the initiation of the explanatory procedure, the notification turned out to be groundless. In the second, the person withdrew before the investigation began.

[406-1] In accordance with our **Diversity Policy** in force in 2022, we undertake to:

- care for the diversity of the management team,
- build diverse teams,
- follow the equal opportunities principle,
- create a friendly atmosphere at work,
- apply transparent recruitment criteria,
- support employees in the development of their passions and interests,
- promote work-life balance,
- prevent discrimination and mobbing as well as protect against unjustified dismissal actively (as a result, we did not find any cases in 2022).

In 2022, two cases of suspected discrimination/mobbing were reported. In one case, after the initiation of the explanatory procedure, the notification turned out to be groundless. In the second, the person withdrew it before the investigation began.

[3-3] In 2022 we worked intensively on our new Diversity Policy. We wanted it to be created in a participatory and democratic way, which is why we invited all employees to express their opinions during the work. We asked them to share their views on the current needs related to diversity, equal treatment, and inclusive culture of our organisation in specially prepared questionnaires. The survey was voluntary, anony-

mous, and confidential. An external expert company helped us conduct it. Employees who wanted to have a real impact on the shape of the new Diversity Policy could also take part in workshops.

In 2022 we also promoted diversity by encouraging employees to participate in external initiatives. We invited all women in our organisation to take part in the **“Let them hear us! Women’s voices in corporations”** survey. It was created in



cooperation with UN Global Compact and 30% Club Poland, which promote diversity, equal opportunities and inclusion. The survey helped identify barriers and gender stereotypes faced by women working in corporations. The answers were used in the report published in 2023, which supports communication and educational activities, creation of good practices and other initiatives connected with diversity and inclusion.

Benefit Systems also became a partner of the **“TRANSformacja – Good Inclusive Practices in the Workplace for transgender and non-binary people”** publication project. Our experts, together with representatives of other organisations operating in accordance with the idea and for diversity, equality, and inclusion, worked on creating a guide for all company employees, HR teams and managers in particular. The guide is available [for download online](#).

[2-10] At Benefit Systems S.A. there are also separate **Diversity Policies for Members of the Supervisory Board and the Management Board**. These policies were introduced as the implementation of the company’s objectives as part of the so-called sustainable corporate governance, including the appropriate management of ESG factors, as well as those in connection with the “Best Practices of WSE Listed Companies 2021” adopted by the Supervisory Board of the Warsaw Stock Exchange S.A. in March 2021.

Diversity Policy for Members of the Supervisory Board and the Management Board consider the objectives and principles of corporate governance for companies listed on the Warsaw Stock Exchange S.A. resulting from the “Best Practices of WSE Listed Companies 2021” and the guidelines of the Corporate Governance Committee regarding the application of these rules. They specify the goals and criteria of diversity. They define diversity within the Supervisory Board and the Management Board as important in building socially responsible business as well as a fairer and more sustainable economy. The assumption of the Diversity Policies for Members of the Supervisory Board and the Management Board is to provide a wider range of experience, knowledge, and competences, which in turn leads to better decision-making and high corporate culture.

The diversity criteria in these policies include higher education, knowledge, and skills as well as professional experience and seniority. The policies ensure a balanced age structure of Members of the Supervisory Board and the Management Board, which guarantees a wide range of seniority as well as appropriate experience and competence. Regarding the Supervisory Board Members delegated to the company’s Audit Committee, additional substantive and independence criteria apply, as specified in the Audit Committee Regulations and resulting from the provisions of the Auditors Act. The goal of both Diversity Policies is also to diversify in terms of gender and achieve gender rep-

resentation balance and at least a minimum share of minorities based on gender at the level of 30%.

[2-19] [2-20] At Benefit Systems S.A. the **remuneration policies for Members of the Management Board and the Supervisory Board** are also in force. The remuneration of persons sitting on the Management Board may include both fixed and variable components as well as additional financial and non-financial benefits and remuneration in the form of financial instruments. In accordance with the policy, variable remuneration motivates to achieve high and stable financial results in strategic areas of the company’s operations, while taking social interests, sustainable development, environmental protection as well as the impact on other stakeholders into consideration. Every year the Supervisory Board evaluates if Members of the Management Board fulfilled the objectives set for the previous year and decides on the bonus. Independent consultants are involved in the process of collecting market data on the remuneration of Management Board Members.

Members of the Supervisory Board receive a fixed remuneration determined by the General Meeting. The policy is available on [our corporate website](#).

GOOD PRACTICE

[3-3] In 2021 Benefit Systems S.A., as one of the first Polish public companies, joined **30% Club Poland**, an international initiative promoting gender diversity in business. One of the founding members of 30% Club Poland is James van Bergh, founder of Benefit Systems, currently the Supervisory Board President.

One of the most important postulates of 30% Club Poland is to achieve at least 30% representation of women in management and supervisory boards (calculated in total) in 140 largest Polish listed companies by 2030.

The 30% Club was launched in Great Britain in 2010 on the initiative of British financier Helena Morrissey, whose goal was to achieve a 30% share of women in the authorities of companies from the FTSE100 index. This goal was achieved in September 2018. In the following years, 30% Club was joined by the heads of the largest companies in the world.

COMPOSITION OF SUPERVISORY BODIES AND WORKFORCE IN THE BENEFIT SYSTEMS GROUP IN 2022 BY EMPLOYEE CATEGORIES BY GENDER AND AGE.

Benefit Systems Group								
Position level	WOMEN				MEN			
	<30 years old	30–50 years old	>50 years old	Total	<30 years old	30–50 years old	>50 years old	Total
Management Board	0	5	2	7	0	15	3	18
Directors and Deputy Directors	0	19	8	27	0	32	4	36
Heads and Leaders	18	104	10	132	5	84	2	91
Managers and other specific positions	18	122	8	148	14	80	2	96
Senior specialists and similar positions	38	127	11	176	23	50	1	74
Specialists and similar positions	170	249	16	435	84	94	8	186
Junior specialists and similar positions	61	19	3	83	21	14	7	42
Total	305	645	58	1,008	147	369	27	543
Benefit Systems S.A.								
Management Board	0	1	0	1	0	1	1	2
Directors and Deputy Directors	0	14	4	18	0	23	3	26
Heads and Leaders	7	67	1	75	1	43	2	46
Managers and other specific positions	12	97	0	109	12	68	2	82
Senior specialists and similar positions	18	99	1	118	11	19	0	30
Specialists and similar positions	85	159	5	249	37	49	6	92
Junior specialists and similar positions	30	15	1	46	13	5	3	21
Total	152	452	12	616	74	208	17	299
Benefit Systems S.A. (excluding Fitness Unit)								
Management Board	0	1	0	1	0	1	1	2
Directors and Deputy Directors	0	11	4	15	0	20	3	23
Heads and Leaders	3	61	1	65	0	40	1	41
Managers and other specific positions	12	91	0	103	12	64	2	78
Senior specialists and similar positions	13	94	1	108	11	18	0	29
Specialists and similar positions	64	152	3	219	35	43	1	79
Junior specialists and similar positions	24	10	0	34	13	5	0	18
Total	116	420	9	545	71	191	8	270

BASIC REMUNERATION OF MEN TO WOMEN ACCORDING TO THE POSITION HELD IN THE BENEFIT SYSTEMS GROUP IN 2022.

Benefit Systems Group			
Position level	Women	Men	Remuneration of men to women
Management Board	7	18	11.00%
Directors and Deputy Directors	27	36	10.16%
Heads and Leaders	132	91	17.10%
Managers and other specific positions	148	96	12.87%
Senior specialists and similar positions	176	74	23.68%
Specialists and similar positions	435	186	9.63%
Junior specialists and similar positions	83	42	17.59%
Benefit Systems S.A.			
Management Board	1	2	-14%
Directors and Deputy Directors	18	26	-8%
Heads and Leaders	75	46	25%
Managers and other specific positions	109	82	9%
Senior specialists and similar positions	118	30	2%
Specialists and similar positions	249	92	12%
Junior specialists and similar positions	46	21	16%
Benefit Systems S.A. (excluding Fitness Unit)			
Management Board	1	2	-14%
Directors and Deputy Directors	15	23	-16%
Heads and Leaders	65	41	22%
Managers and other specific positions	103	78	8%
Senior specialists and similar positions	108	29	-1%
Specialists and similar positions	219	79	13%
Junior specialists and similar positions	34	18	19%

The Gender Pay Gap [405-2] measures the difference between the average gross hourly earnings of men and women expressed as a percentage. It has been calculated according to the classification of employees, which allows for comparing the remuneration of women and men in similar positions. To calculate the Gender Pay Gap, the sum of the annual salaries of men in a given grade category divided by the number of men employed and the sum of the annual salaries of women in a given grade category divided by the number of women employed was used. The Gender Pay Gap value was calculated by subtracting the quotient of women's earnings from the quotient of men's earnings and then dividing it by the quotient of men's earnings. The result was presented as a percentage, which means by what percentage the average remuneration of women in the organisation is lower than the remuneration of men in the same grade category. If the Gender Pay Gap is below 0%, it means that women in a specific grade category earn more than men in similar positions.

[2-21] In 2022 the ratio of the total annual remuneration of the highest-paid person to the median of the total annual remuneration of all employees (excluding the remuneration of the highest-paid person) at Benefit Systems S.A. was 12.97 to 1. In the case of Benefit Systems S.A. Fitness Unit, which is a separate employer, this ratio was 7.03 to 1. The ratio of the percentage increase in the total annual remuneration for the highest-paid

person in the organisation to the median percentage increase in the total annual remuneration for all employees (excluding the highest-paid person) at Benefit Systems S.A. amounted to 27.95, and at Benefit Systems S.A. Fitness Unit – 0.01. Due to

the number of companies that operate in different countries in Europe with their own legal systems, we provide these values only for the parent company, distinguishing Benefit Systems S.A. and Benefit Systems S.A. Fitness Unit.



3.4.

EMPLOYEE ENGAGEMENT

In this section we write about:

- Dobry MultiUczynek volunteering programme
- our employees' involvement in charity initiatives

At the Benefit Systems Group we treat the opportunity to support employee volunteering as a privilege and a reason to be proud of. Since 2015 we have been implementing our own, internal Dobry MultiUczynek volunteering programme which has already had its sixth edition in 2022 (after a two-year break caused by the pandemic). The rules of **Dobry MultiUczynek** are simple – employees can submit their aid initiatives for various types of institutions, facilities or non-governmental organisations, and Benefit Systems finances them within a specific budget. Two types of projects can be submitted to the programme: large and small, which differ in the amount of funding. The condition for submitting a project is to include volunteering activities carried out by volunteers from Benefit Systems. People from outside the company (family or friends) may also participate in the implementation of projects. Since the beginning of the programme, our content partner is the Volunteer Centre Association.

In 2022 we received a total of 17 applications, including 8 large and 9 small projects. The Chapter of Dobry MultiUczynek, consisting of a Management Board Member, HR Director, ESG team, representative of the Works Council and representatives of the Volunteer Centre Association, decided to accept seven of them (two large and five small ones). The projects concerned renovating and equipping a day room for oncology patients and their families in the Holy Family Specialist Hospital



in Warsaw, preparing and equipping a play corner for children from a family orphanage as well as refurbishing and equipping a room in a health centre where children and their parents wait to see a doctor. The budget we allocated to the Dobry MultiUczynek programme for employees in 2022 amounted to nearly PLN 55,000.



Every year our employees and associates are also willing to get involved in other charity initiatives, such as the Akcja Gwiazdor for Christmas. The idea behind it is to buy and prepare Christmas gifts for children and teenagers in need based on letters received from them. The campaign was initiated at Benefit Systems a few years ago by our colleague from the IT department, who is responsible for its coordination and smooth running. In 2022 we broke another record – 360 people from our company were involved in the campaign. They bought a total of 260 gifts for children.

Before Christmas we also organised a collection of items for homeless people under the care of the **Community of Sant'Egidio**. Benefit Systems employees donated clothes, backpacks, and cosmetics, which were distributed among those in need through the community during the Christmas Eve meeting. They also supported the Friends' Wardrobe.

We remember about helping not only on special occasions. In 2022 in our Warsaw office we conducted another edition of the **Blood Hero** campaign, during which Benefit Systems team members could donate blood and register in the DKMS bone marrow donor database.

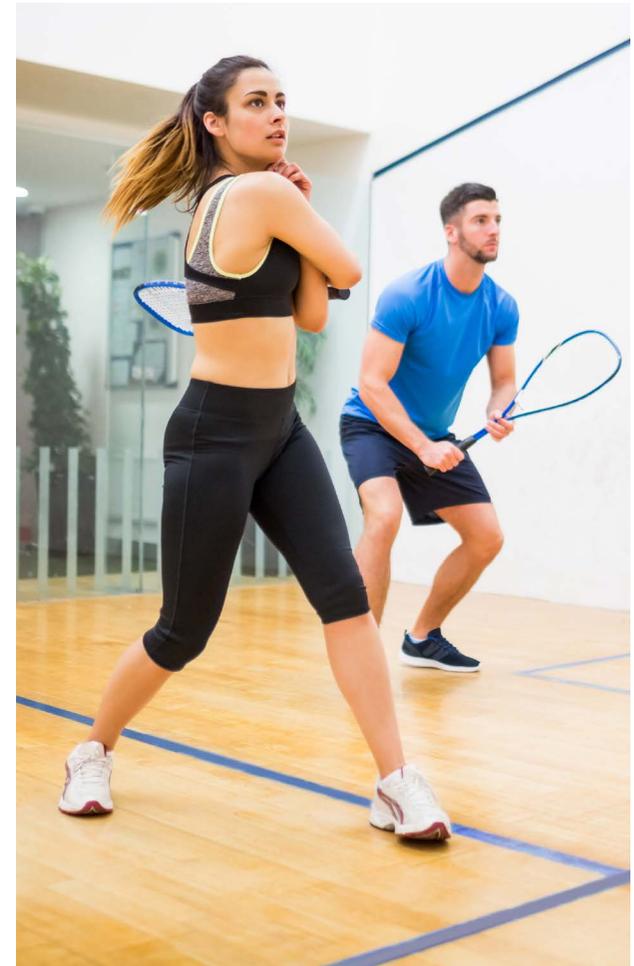
We often combine helping with physical activity, which is our hallmark. In 2022, during the **Company Run**, which we were

a sports partner of (as the MultiSport Programme), we had four teams (20 people in total). Income from the sale of starter packs was donated to sick and disabled children under the care of the **Everest Foundation**. Before the run our trainers from the Health Full Time programme conducted warm-ups for all participants.

GOOD PRACTICE

In 2022 Benefit Systems and its employees donated a total of PLN 200,000 for the Nienieodpowiedzialni Foundation which helps people injured in the war in Ukraine. Part of this amount – just over PLN 30,000 – came from a collection organised among the company's employees who could pay money directly to the foundation's dedicated bank account. The Management Board of Benefit Systems decided to triple the amount collected and as a result, in March 2022, the foundation received PLN 100,000 from us.

Another PLN 100,000 was donated as part of the MultiSport Summer Game and collection of points by game participants (MultiSport card users) to support this organisation. We write more about this in Chapter 4.



4.

Society



4.1.

WE ACTIVATE AND SUPPORT

In this section we write about:

- how we share our passion for an active life
- our social commitment
- actions taken after the outbreak of war in Ukraine

[3-3] Benefit Systems Group's business activities give us the opportunity to influence and motivate society to introduce real changes for the better in life. Concern for human beings' well-being is at the heart of our organisation. We use our knowledge, capabilities, and competences to activate various social groups. Every year we organise original campaigns, small and large, as well as various challenges that aim at motivating people to take up or continue physical activity. We share our passion, knowledge, and many years of experience not only with our clients and users but also with everyone who wants to live a healthy and active life. We also encourage people to be active through our advertising campaigns.

We are happy to join initiatives whose idea is close to us and combines sport with helping others. We organise various types of activities to support those in need and involve our users in these undertakings.

How we activated and supported society in 2022:

- At the beginning of 2022 we carried out the campaign called **“We have more in common”**, which aimed at emphasising that what divides people is less important than what unites them. Using stereotypical disputes (e.g. dogs or cats, pizza with or without pineapple) in a funny and humorous way

we promoted the idea of love for activity that unity across divisions. The ambassadors of the campaign were statistician and blogger **Janina Bąk** (known as Janina Daily) and psychologist **Karolina Tuchalska-Siermińska** (Psycholog OdNova). During the campaign, in addition to standard communication channels, we also started cooperation with the ASZ Dziennik portal. Together with the editors we created an article entitled “13 things that still unite ALL Poles.” The publication was viewed 10,000



times. The entire campaign reached 19 million people and was interrupted on the day of the outbreak of war in Ukraine.

- In May, on the international Earth Day, we conducted **Green Outdoor Trainings**. During several events, our trainers and instructors encouraged joint workouts in selected parks and green areas, and at the same time, to combine physical activity with pro-environmental activities, tidying up the area. We prepared gloves and bags for volunteers and together we changed the condition of the immediate surroundings for the better.

- In Krakow we organised **Krakow FIT Festival** – an all-day free event in the city’s popular recreation and food complex. Our experts were “demystifying” fitness clubs and proving to the visitors that training in these facilities can not only be healthy but also interesting and promote wellbeing. In the group



classes zone one could discover new Les Mills choreographies, in the runner zone – learn everything about running, and in the personal zone – consult individual workouts with experts.

- In Warsaw we combined exercise with charity. Zdrofit was a partner of the 10th edition of the **Rondo 1 Run Up**. Participants ran on time to the top of the building in Rondo ONZ in the Polish capital where one of our Zdrofit fitness clubs is also located. Before the challenge they could warm up in our club and safely prepare for the run. The event was combined with a collection for the SOS Children’s Villages organisation. Thanks to the participants’ fees, it received nearly PLN 44,000.

- Zdrofit was also a partner of **Varso Tower Run Up**. After the warm-up in our club, the participants ran on time to the top of the Varso building. The run was included in the Towerrunning Tour 2022 classification – the official ranking of the Towerrunning World Association.

- The Zdrofit Galeria Młociny club was also involved in the **“Cycle for the Great Orchestra of Christmas Charity.”** The shopping centre’s customers could “collect” kilometres on the club’s exercise bikes. For each of them the shopping centre donated PLN 1 to the 30th finale of the Great Orchestra of Christmas Charity. In total, more than PLN 11,000 were collected. The best individual result was 250 km! The **Weekend for**



Health event prepared by the Arkadia Shopping Centre was organised on a similar principle. For every kilometre covered on exercise bikes available in the Zdrofit fitness club the shopping centre donated PLN 2 to the “Krewniacy” European Foundation of the Blood Donor. In total, PLN 3,000 were collected. The best individual result was 122 km.

- As Benefit Systems, we took part in the 10th edition of the **National Sports Day** – a nationwide campaign during which everyone can take advantage of free training and sports activities organised throughout the country. Once again, we were present at the sports and family picnic on the commons of the National Stadium in Warsaw, where we promoted physical activity under the MultiSport, Health Full Time, Atmosfera MultiSport and MultiSport Foundation banners. All those who visited our stands could undergo a body composition analysis and consult a nutritionist or sports trainer.



- VanityStyle was the main partner of the **HR Professionals Congress**. Substantive discussions on team management were diversified by the display of an exercise bike on which participants could burn five thousand calories in total and jointly “collect” a donation of PLN 5,000 to the K2 Zaborowscy Foundation founded by Karolina Zaborowska – one of the first Polish women fighting in the UFC – and her husband. The money will help children from poor families pursue their sports passions.
- In April and May we shared our sports knowledge during the open MultiSport challenge called “Be Fit in 7 Steps.” Materials on how to set sports goals and successfully persevere in achieving them were addressed mainly to people who have made unsuccessful attempts to become fit so far. The challenge was joined by over 5,200 people who received mailings containing substantive content.

- We are present in the podcast zone all the time. We address our new podcast series – **“What Makes You Move. Running”** – to everyone who is already running or wants to start running. Our podcasts help runners organise their knowledge and motivate them to act. For a series of expert talks full of advice and recommendations we invited a doctor, personal trainer, psychologist, nutritionist, etc.
- We started the second edition of the MultiSport educational cycle and challenge called **“Sugar detox in 30 days.”** Benefit Systems experts suggested how to eliminate or replace sugar in the diet, how to read product labels so as not to fall into “sweet traps” and how to break free from the habit of “eating feelings” with sugar. From year to year, more people join the challenge (over 10,000 in 2022). Participation in the “Sugar detox” is free for everyone, also for those who do not use the MultiSport card. 77% of people who took part in the challenge said it helped them reduce sugar in their daily diet and 60% declared feeling better thanks to the challenge.
- As every year, we prepared the **MultiSport Summer Game** for MultiSport card users. We set the participants of the game a series of sports tasks. For completing them we awarded points that could be exchanged for vouchers of a certain value or spent on **Dobry MultiUczynek**, i.e. a specific, predetermined goal for the organisation of one’s choice. After collecting

a predetermined number of points, we donated PLN 100,000 for the **Nienieodpowiedzialni Foundation**, which supports the victims of the war in Ukraine. More information about our help to Ukraine can be found at the end of this section.

- We encouraged stress reduction through physical exercise in outdoor **“Train your stress”** campaigns on billboards in large cities in Poland.
- A lot happened also abroad. **Our companies in the Czech Republic, Slovakia, Bulgaria, and Croatia**, both those responsible for the development of the MultiSport Programme and the management of fitness clubs, carried out a number of initiatives promoting physical activity and a healthy lifestyle. These activities were targeted at B2B clients and MultiSport card holders as well as B2C customers using our facilities. In addition to



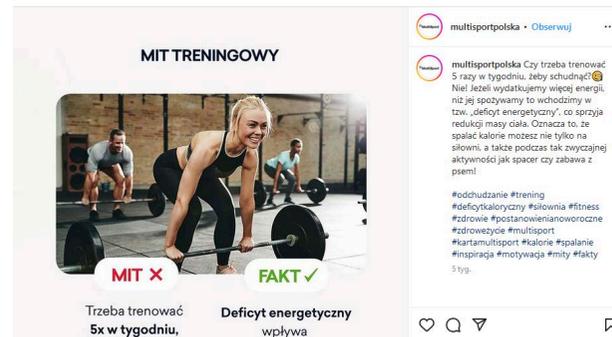


communication activities and campaigns, in 2022 the companies organised hundreds of events for clients and their employees, including Health Days promoting physical activity during working hours, the formula of which is similar to the Health Full Time Programme. In Croatia we organised MultiSport Health-Fest – a public event on the Jarun Lake that aims at promoting sport and a healthy lifestyle. In the Czech Republic we were a partner of large urban runs, and in Bulgaria we organised – as every year on the first Friday of spring – Sneakers Day, during which we combined promotion of sport with CSR activities. For each visit with the MultiSport card on that day we donated BGN 1 to charity. The collected funds were contributed to the Cedar Foundation and SOS Children's Villages Bulgaria.

- In order to increase MultiSport users' awareness of the possibility of ordering additional cards for people over 60, e.g. their parents, and to motivate them to be active, in 2022

we conducted the **SI, SENIOR!** campaign promoting the MultiSport Senior card. Messages were also addressed directly to seniors. In this way we made people aware of the importance of physical activity for people over 60.

We also encourage a healthy lifestyle in our social media. We want to inspire people to take up new activities and share the joy of an active lifestyle with their family members and loved ones. We regularly publish substantive content, e.g. facts and myths about training and diet, or other valuable information useful for people who care about their health and fitness. In 2022, we had 20,000 Instagram followers (177% more than in 2021) and over 105,000 Facebook followers (an increase of 30%). We are also happy about the discussion in the MultiSport Facebook group, which at the end of 2022 already had 13,000 members.



Social media is also used to promote physical activity by our foreign companies. An interesting example of communication in this channel was an inspiring campaign carried out between August and December 2022 by the Czech company, Form Factory CZ. It focused on good and bad habits related to healthcare in society. The amounts that the statistical Czech spends on an unhealthy diet and cigarettes were compared with the price of a fitness pass. The effect of the message supported by expert content encouraged people to change their health habits.

We also inspire people to be active in our newsletters. Our weekly newsletter for MultiSport users is a solid dose of knowledge for those who are looking for motivation and inspiration in the field of building healthy habits. It is created based on proven advice and experience shared with the recipients by trainers, nutritionists, and psychologists.



GOOD PRACTICE

In 2022 we organised an advertising campaign called **HOW GOOD** using external media and the Internet. The motivation for the campaign was a sentence that we often – too often, in our opinion – hear from customers: “I would like to, but I am afraid of because I don’t know how to exercise, if I’m good for it, if it makes any sense at all.” These words express the repeated fears and barriers that beginners have before their first visit to a fitness club.

Answering these nagging questions and doubts, we created a campaign in the “Q&A” convention supported by realistic photos of people exercising. In a simple way, they talked about the pleasure of exercise, health, and support, that is about the benefits of training in the club.

HOW GOOD it is to have support, HOW GOOD it is to exercise at your own pace, HOW GOOD it is to have a light start – with these slogans we wanted to encourage people to take up activity in our clubs where everyone can exercise at their own pace, regardless of their level of advancement and receive support from a professional trainer.

The campaign was complemented by a competition for our club members also called “How good.” We encouraged them to share posts with the #HowGood hashtag in social media to express their emotions and observations related to exercise in fitness clubs. In total, 2,500 people took part in the game and 312 applications were qualified for the final competition for attractive prizes.



We are part of the B Corporation community

Our social commitment is confirmed by the B Corp certificate, which Benefit Systems received in 2018 as the first public company in Poland as well as Central and Eastern Europe. In this way we joined the group of B Corporation companies that received expert and independent confirmation of incorporating the principles of corporate social responsibility into their business model as part of the certification. In 2022 we started a demanding and complex recertification process and in February 2023 we officially became the first B Corp organisation to be recertified in Poland. This certificate confirms that as an organisation we are involved in solving the most important social problems and the basis of our functioning is a partnership and ethical model of cooperation with all stakeholders. We write more about the B Corp certificate in section 1.1.



Our help for Ukraine and support for employees in this difficult time

In 2022 Benefit Systems and the company's employees donated a total of PLN 200,000 for the **Nienieodpowiedzialni Foundation**, which aids people injured because of war in Ukraine. Part of this amount – just over PLN 30,000 – came from a collection organised among the company's employees who could pay money directly to the Foundation's dedicated bank account. Benefit Systems Management Board decided to triple the collected amount and as a result, in March 2022, the Foundation received a total of PLN 100,000 from us.

Another PLN 100,000 was donated to the Nienieodpowiedzialni Foundation as part of the **MultiSport Summer Game**, which we organise each year for MultiSport card holders. People who take part in the game collect points for various activities for two months. The accumulated points can be exchanged for prizes or donated to the charity campaigns we suggest. These are specific projects (goals), previously agreed with the beneficiaries for the needs of the Sum-

mer Game. After collecting the required number of points, Benefit Systems financially supports a given campaign. In 2022, after the outbreak of war in Ukraine, we decided to collect points and donate funds for one purpose – humanitarian aid for Ukrainian citizens organised by the Nienieodpowiedzialni Foundation.

The funds donated to the foundation supported **the purchase of an ambulance**, a transport ventilator with the neo function (as an ambulance equipment that can transport new-borns and infants), medical equipment for negative pressure wound treatment (the equipment went to a hospital in Sarny in western Ukraine) and an AED defibrillator as equipment for medics – volunteers. The remaining funds were used for medical supplies and essential products. The ambulance and equipment are used by rescuers from the **Humanosh Med Evacuation** medical group who transport the wounded from the territory of Ukraine to Polish and foreign hospitals.

Since the beginning of October 2022 our **MultiSport Foundation**, which supports and

promotes sports activities, e.g. among children and teenagers, has been conducting free sports activities for children from the **Warsaw Ukrainian School** (SzkoUA). Classes are held as part of the “Active MultiSport Schools” programme in one of our Zdrofit fitness clubs. They are conducted by qualified instructors, including a trainer from Ukraine hired especially for this purpose so that children feel safe, understand everything, and take advantage of the classes as much as possible. As of 31 December 2023, we organised a total of 120 hours of sports activities, which were attended by over 150 Ukrainian refugee children. Classes will be carried out until the end of the 2022/2023 school year. In 2022 alone, 90 hours of classes were held. *dnik dla kierowników i szefów zespołów o tym, jak wspierać pracowników w trudnej sytuacji. Emocje związane z wojną w Ukrainie były również tematem webinarów organizowanych w VanityStyle i Focusly.*

In 2022 we also carried out other activities to support people affected by the war in Ukraine. We organised free classes for Ukrainian children in our sports facilities dedicated to chil-

dren (Atmosfera MultiSport and Wesolandia Aquapark). Lunching.pl provided ready meals to refugees from Ukraine. We donated various types of first aid, such as first aid kits and medical supplies, as well as power banks and training mats (which went to people taking shelter in the undergrounds of the Kiev metro). We provided care and support to our employees of Ukrainian nationality. We also organised a webinar with a lawyer specialising in immigration issues on supporting people from Ukraine seeking security in Poland.

In addition, with our employees in mind, we have developed a special guide entitled “How to talk to children about the war in Ukraine and how to support them.” We supplemented the document with a list of free webinars and podcasts available online, attended by psychologists and child psychotherapists. We have also prepared two guides: how to take care of yourself and a guide for managers and team leaders on how to support employees in a difficult situation. Emotions related to the war in Ukraine were also the topic of webinars organised by VanityStyle and Focusly.

4.2.

MULTISPORT FOUNDATION

In this section we write about:

- reasons why we established the MultiSport Foundation
- programmes run by the MultiSport Foundation

[3-3] The MultiSport Foundation was established because of... lack of physical activity or rather our desire to prevent it. Statistically, Poles spend 10 hours a day in front of their screens. This means as many as 159 days a year spent only in front of smart-phones, computers, or TV sets. Three out of ten adults in Poland are physically inactive and the vast majority are people over 55.¹

The situation among the youngest is equally alarming. 17%² of students in Poland require immediate help related to improving their physical condition and one in five children feel ill, exhausted and lack life energy. What's more, children in Poland are gaining weight the fastest in Europe.

Meanwhile, physical activity is considered the foundation of a healthy, happy, and quality life. Many studies confirm the positive impact of physical activity on the psychophysical wellbeing of every human being. At Benefit Systems we see this in practice every day. That is why we have established the MultiSport Foundation. Our goal is clear: we want to help all those who are most affected by the lack of physical activity.

The **mission of the MultiSport Foundation** is to popularise health and promote an active lifestyle among various social

¹ MultiSport Index 2022 Survey.

² A nationwide study of the quality of life of children and youth commissioned by the Ombudsman for Children.



groups. We believe that everyone – regardless of age or psychophysical abilities – should have access to modern sports infrastructure.

Our foundation focuses its activities on the most vulnerable groups. We promote pro-health activities among children and teenagers, and we break stereotypes about sport among people with disabilities.

INTERESTING FACT

Hypokinesia, i.e. lack of physical activity, has been recognised by the World Health Organisation as one of the key threats to modern civilisation.

According to the National Health Fund, the probability that an obese preschooler will become an obese adult is more than four times greater than that of his peers with the correct body weight.

MultiSport Foundation tasks:

- promoting an active and healthy lifestyle by encouraging children, teenagers, and people with disabilities and their carers to engage in regular physical activity,
- promoting physical activity as a chance for a happy, healthy, and long life,
- shaping proper health habits in children and adolescents,
- teaching correct attitudes towards other children through healthy competition, demonstrating how important physical activity is in our lives through expert and educational activities aimed at children and their parents,
- supporting the organisation of sports activities for children and youth.

In 2022 the MultiSport Foundation carried out the **“Full of Sport”** campaign addressed to people with disabilities. The project integrated and encouraged them to sports activity. In cooperation with the **Kulawa Warszawa Foundation**, we con-

ducted eight meetings at schools and eight educational events during the Full of Sport Days, which gathered a total of nearly 6,000 participants. The meetings were attended by our ambassadors – great athletes with disabilities – who not only refuted stereotypes but made people aware that sport is a universal language that connects people and that disability does not exclude them from it during conversations and joint trainings.

“Full of Sport” Ambassadors:

- **Bartek Mróz** – Paralympic badminton player and Paralympian,
- **Maciej Bartniak** – rugby player from the “Four Kings” Warsaw Wheelchair Rugby Association sports club,
- **Andrii Demchuk** – Ukrainian fencer and Paralympian, forced to leave Ukraine due to armed conflict,
- **Monika Kukla** – Amputee Football Poland player, Paralympian.

Project partners: “Four Kings” Warsaw Wheelchair Rugby Association, Widzimy Inaczej Foundation – Blind and Visually Impaired Tennis Academy, Amputee Football Poland, Rozwój Integracja Sport Foundation. The campaign itself was carried out under the honorary patronage of the Polish Paralympic Committee.



“Full of Sport” in numbers:

- 8 meetings in schools
- 8 Full of Sport Days and 8 educational events
- 7 educational videos
- huge media coverage (millions of viewers)

Short videos about the “Full Sport” Ambassadors, our campaign and the sport of people with disabilities can be viewed on the [Foundation's YouTube channel](#).

The foundation has launched a new edition of the **“Active MultiSport Schools”** project, which is our response to overcrowded gyms, uninteresting physical education lessons often conducted in school corridors and limited access to modern sports infrastructure. We offered schools that face such challenges to conduct PE lessons in our Zdrofit fitness clubs. The training plan includes four modules of sports activities and the classes are held under the supervision of our trainers and instructors.

The programme was launched in September 2022 in Mazovia. By the end of 2022 we conducted a total of about 780 hours of classes in 11 Zdrofit clubs. More than 2,500 children from 17



schools took part in the trainings. In 2023 we plan to continue the programme and organise more classes.

In 2022 the MultiSport Foundation prepared a programme called **“MultiSport Classes with elements of corrective and compensatory gymnastics”** for 1-6 grade students all over Poland. The exercise programme was developed by an expert in motor rehabilitation from the Academy of Physical Education in Warsaw and included elements of acrobatics, dance, tennis, team games and martial arts as well as corrective and compensatory gymnastics. Classes were attended by 825 students from 20 schools. A total of 1,055 classes were held under the supervision of 40 instructors.



“Active MultiSport Schools” in numbers:

- 2,513 students
- 13,893 club visits
- 26 trainers
- 11 Zdrofit clubs
- 17 schools
- 4 class modules

“MultiSport Classes with elements of corrective and compensatory gymnastics” in numbers:

- 1,055 classes
- 825 children
- 20 schools
- 40 instructors

GOOD PRACTICE

Programmes aimed at young people are supplemented by the promotion of physical activity during sport events. In September 2022 the MultiSport Foundation was one of the exhibitors during the National Sports Day at the National Stadium in Warsaw. The event attracted 10,000 visitors and the Foundation's stand was visited by 2,000 people. In October, during Poznań Run Expo, over 1,300 people took part in competitions organised by the foundation.

Every child and teenager who, thanks to the programmes run by the MultiSport Foundation, is motivated to take up physical activity, is our success. We are pleased with the growing number of these successes. Our task is to remind how addictive and easily accessible sport and physical activity are (also for people with disabilities) in a motivating and engaging way. The rest is done by endorphins and better mood. We're turning hypokinesia into kinetics, and it is great fun to see it work.

More information about the MultiSport Foundation can be found in the "Responsible Business" section on [our corporate website](#) and in our social media. The Foundation's website will also be available soon.



4.3.

WE SHARE OUR KNOWLEDGE

In this section we write about:

- **MultiSport Index 2022 Survey**
- **Health Full Time programme**

We know a lot about health and physical activity. We do not keep this knowledge for ourselves. On the contrary. We willingly share it with the environment, using various communication channels and face-to-face meetings. We run large wellbeing programmes, such as Health Full Time, and we suggest how to exercise safely, eat healthy or take care of one's mental condition. This knowledge is addressed not only to our users and clients but to all interested parties who can find it in our social media or on dedicated product platforms. Every year we survey the activity of Poles, which we summarise in the MultiSport Index report. External experts help us in analysing the results and the report itself is often quoted by the media. All this means that the knowledge about the benefits of physical activity reaches millions of Polish homes. We also participate in industry meetings, conferences, and seminars, where we share our experience in improving the psychophysical condition of employees, preventing burnout and diseases of affluence as well as increasing motivation.

MultiSport Index Survey

[3-3] At Benefit Systems we see sharing knowledge about physical activity as part of the sustainable development of our organisation. Since 2018 we have been conducting regular **MultiSport Index** surveys that comprehensively measure the sports activities of Poles. We publish the results in a special

annual report, treating it not only as a very important source of knowledge for our organisation but also a way to inspire society and help in the development of the entire fitness market in Poland.

The MultiSport Index comprehensively examines physical activity (training at least once a month) and sports activity (regular workouts at least once a week). Every year we enrich the survey with a special part. In 2022³ it was devoted to the impact of the pandemic on the health and wellbeing of Poles.

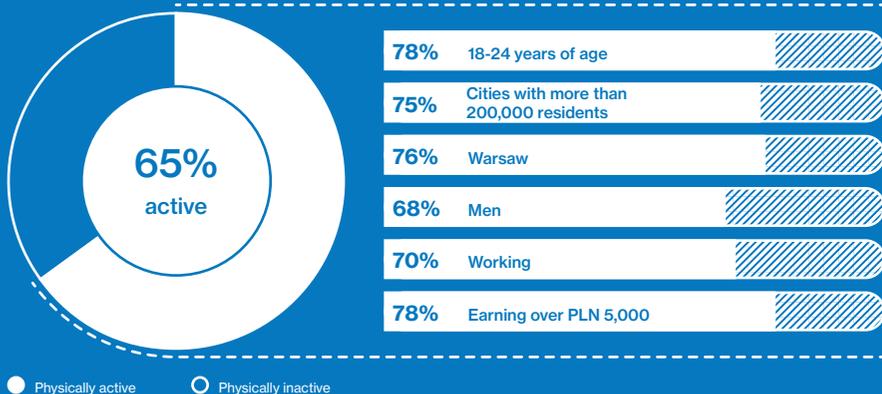
The results allow us to tailor our offer to the users' expectations. Over the years, the MultiSport Index has become an important element in planning not only our business but also our partners' activities as it motivates owners of sports facilities to develop their offer, purchase new equipment or hire instructors. This is always a reason for great joy for Benefit Systems because we believe that the easier access to activities Poles have the healthier and happier our society we will be.

³ The MultiSport Index 2022 survey was conducted by Kantar in cooperation with the Minds&Roses research company on 14-24 November 2021 on a representative, random sample of 1,400 Poles over 18 years of age using the computer-assisted telephone interviewing (CATI) technique.

MultiSport Index 2022 survey results:

- 65% of Poles declare undertaking physical activity at least once a month
- 40% of Poles meet the WHO physical activity recommendations
- The most physically active groups are:
 - people aged 18-24 (78%)
 - working people (70%)
 - people earning at least PLN 5,000(78%)
 - residents of cities over 200,000 inhabitants (75%)

Physically active Poles are mainly people who are young, educated, who study or work, and who live in cities with more than 200,000 residents.



Research on the impact of the pandemic showed a significant increase in walkers (+7% compared to 2021). Walking took first place among the most popular activities, ahead of cycling, which has been in the lead for many years – 31% of physically active Poles practice this activity (-3% compared to 2021). After months of sports and recreation facilities being closed, one in five physically active Pole choose training in fitness clubs (20 percent, +8% compared to 2021). It was the activity undertaken in fitness clubs, gyms or swimming pools that recorded the greatest increase in popularity compared to 2021.

For the first time in the history of the MultiSport Index survey, mental health became the main motivation for Poles to exercise. The survey results show that physical activity has become an important element of taking care of mental wellbeing for 42% of Poles.



Health Full Time Programme

We also share our knowledge about health and physical activity directly with our clients' employees. The flagship project here is **Health Full Time (Zdrowie na Etacie)** – a well-being programme that has been helping our clients to take care of the health and motivation of their employees since 2018. It consists of lectures and meetings with experts, workouts with trainers, series of workshops as well as relaxation and mindfulness sessions (offline or online, in Polish and English). All employees of our clients can participate in offline and online meetings conducted by the Health Full Time team, regardless of whether they use MultiSport cards or not.

Health Full Time benefits:

- lower staff turnover
- reduced recruitment costs
- fewer sick leaves
- greater motivation and efficiency

Examples of Health Full Time activities for selected companies in 2022:

- **Company A:** conducting as many as 48 “Good Morning Yoga” classes and 46 “Active Break” classes,
- **Company B:** availability of our trainer for employees for a total of 133 hours during the nine-month cooperation and its extension to 2023 with the availability of the trainer for 280 hours,
- **Company C:** involvement of 6 nutritionists, 6 masseurs and 2 trainers in one day in three company locations.

In 2022 the “body zone” in the Health Full Time programme was complemented by the “mind zone.” Thanks to cooperation with a psychologist, we offered professional support in rebuilding the sense of teamwork among employees after a long period of only remote work. The popularity of workshops on building mental resilience and team building shows how much such classes were needed in companies.

We have also extended the offer with new relaxation sessions, e.g. Yoga Nidra and Focus Break, i.e. classes that, thanks to simple breathing exercises, elements of self-massage and relaxation, help to calm down, relax and improve concentration.

We have also introduced a series of meetings with a trainer called “Quarter for Health”, on-site self-defence workshops, a breathing workshop and two lectures on the circadian rhythm. The series of meetings called “New Year’s resolutions” available in Polish and English was also popular among employees.

The success of our programme is best evidenced by our clients’ decisions to extend their cooperation for another year. Clients continue regular meetings with trainers and extend their packages with massages, lectures, and workshops.

GOOD PRACTICE

In 2022 we also intensively promoted our Health Full Time programme. We prepared a video that allows clients to learn about the main assumptions of the programme and visualise individual elements of the offer, e.g. massages, ergonomic workshops or body composition analysis. The video is available to the public and can be viewed [here](#).

We also talk about the benefits of the programme on our LinkedIn profile. We explain the principles of operation to clients and post photos of our classes (with the consent of the participants). We also started work on creating an eBook promoting a healthy lifestyle and the Health Full Time programme.

We also promoted the Health Full Time programme during the 3rd edition of our HR conference organised in April 2022: The Power of Calm – relaxation of the body and mind. The meeting for clients cooperating with Benefit Systems S.A. was attended by 113 people.

5.

Everyone's environment



5.1.

OUR IMPACT ON THE ENVIRONMENT

In this section we write about:

- our impact on the environment and climate, providing data on carbon footprint as well as energy and water consumption

[3-3] We are aware that climate change and the related threats are an important challenge for our business. What's more, as a B-Corp, we feel obliged to set an example: we minimise our negative impact, maximise those activities that have a positive effect on the climate and environment, and share our best practices with the surrounding world. We implement new pro-environmental initiatives, educate employees and associates, and when selecting suppliers, we pay attention to their approach to environmental issues. We also know that to manage something effectively, it must be measured first. That's why we regularly calculate our carbon footprint and energy consumption.

We have been measuring the Benefit Systems Group's carbon footprint since 2020. In 2020 and 2021, due to the COVID-19 pandemic and the lockdown, our fitness clubs - which are the main source of emissions in the Group - did not operate throughout the year, therefore the measurement did not reflect our emissions for full-time operations. The year 2022 is the first year when our business functioned without disruptions, and we treat the carbon footprint calculation for this period as the baseline for further year-on-year comparative analyses.

The carbon footprint measurement for 2022 includes all companies within the Group, including new entities that joined the Group in 2021 and were not included in the calculation for 2021

(including Total Fitness Sp. z o.o. that manages a network of several fitness clubs and Lunching.pl that joined the Group in 2022). At the same time, due to the merger of Benefit Systems S.A. and Fit Fabric Sp. z o. o., the data for the Benefit Systems S.A. parent company includes additional 17 fitness clubs.

As in the previous year, the Benefit Systems Group's carbon footprint for 2022 was measured **in scope 1 and 2 and selected indicators in scope 3**, considering direct and indirect emissions. When determining significant sources of emissions, we relied on the analysis of our business activities made for the first measurement carried out for 2020 (in 2021 and 2022 there were no significant changes in our operations that could generate new emission sources).

[302-1]

Energy consumption in the Benefit Systems Group.

TOTAL ENERGY CONSUMPTION [GJ]				
Consumption type	Benefit Systems Group		Benefit Systems S.A.	
	2022	2021	2022	2021
Petrol	7,255	5,396	4,548	3,322
Diesel	2,700	2,670	970	1,385
Natural gas	78,457	16,453	20,091	15,530
Electricity	140,261	87,243	114,151	65,930
Heat	42,688	45,964	39,432	36,462
Cool	17,855	no measurement	15,363	no measurement
Total consumption [GJ]	289,216	157,726	194,554	122,629

RENEWABLE ENERGY CONSUMPTION [GJ]		
Consumption type	Benefit Systems Group	Benefit Systems S.A.
Electricity	1,384	1,205
Heat	1	1
Cool	775	775
Total consumption [GJ]	2,160	1,980

In 2022 energy consumption in the Benefit Systems Group amounted to a total of 289,200 GJ, including almost 2,200 GJ from renewable resources (1% of total consumption). In the coming years we will strive to increase the share of renewable energy in the total energy consumption in the Group.

[303-5]

ELECTRICITY, HEAT, COOL, AND WATER CONSUMPTION expressed in own units				
Consumption type	Benefit Systems Group		Benefit Systems S.A.	
	2022	2021	2022	2021
Electricity [kWh]	38,961,465	24,234,046	31,708,699	18,313,890
Heat [GJ]	42,688	45,964	39,432	36,462
Cool [GJ]	17,855	no measurement	15,364	no measurement
Water [m3]	359,720	214,051	289,870	169,234

In the Benefit Systems Group, the largest energy and water consumption occurs in the parent company, Benefit Systems S.A. It is generated by its fitness clubs (170 clubs at the end of 2022), managed by Benefit Systems S.A. Fitness Unit.

Direct and indirect energy as well as other indirect greenhouse gas emissions in the Benefit Systems Group.
GHG EMISSIONS EXPRESSED IN tCO₂e

Emission scope/source	Benefit Systems Group		Benefit Systems S.A.	
	2022	2021	2022	2021
SCOPE 1	2,165	1,601 ¹	1,607	1,248
Fuels	1,852	1,484	1,421	1,194
Refrigerants (R410A)	313	117 ²	186	54
SCOPE 2	34,383	21,113	28,815	16,155
Purchased electricity	27,624	15,801	22,481	11,941
Purchased heat	4,934	5,312	4,557	4,214
Purchased cool	1,825	no measurement	1,776	no measurement
SCOPE 3	4,064	4,047	2,895	3,154
Cat. 1. Purchased raw materials and services	1,686	908	1,060	677
Cat. 3. Energy and fuel related emissions not included in scope 1 and 2	2,191	3,025	1,754	2,441
Cat. 6. Business trips	187	114	81	36
TOTAL EMISSIONS [tCO₂e]	40,611	26,761 ³	33,317	20,557

^{1,2,3} Correction of information: correction of data for the Group - emissions for refrigerants, total emissions in Scope 1 and total emissions for 2021.

Benefit Systems Group's carbon footprint in 2022 was 40,611 tCO₂e.

Compared to 2021, the Group's emissions increased by 13,800 tCO₂e. As explained in the introduction, the data disclosed for 2022 includes a larger number of companies and fitness clubs as well as the time when our business was fully operational after the pandemic. Compared to 2022, emissions for the Benefit Systems S.A. parent company, which – as the Fitness Unit – manages 156 clubs in Poland, were higher by 12,700 tCO₂e. This is due to both the uninterrupted activity of the clubs throughout the year and the merger with Fit Fabric Sp. z o. o. In addition, in 2022 cooling energy was included in the measurement (the measurement of which was not included in 2021).

Sources closely related to the daily functioning of fitness clubs, i.e. **electricity and heat consumption**, account for 84.6% of all the Benefit Systems Group's emissions. Most of them (82%) were created as part of the activities of the parent company Benefit Systems S.A.

In 2022 and in subsequent years we will take steps to reduce our carbon footprint, mainly by decreasing electricity consumption. In 2023, as part of further work on the ESG Strategy, we will define specific goals (KPIs) related to the reduction of greenhouse gas emissions.

Emission volume calculations have been prepared in accordance with the following standards: the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), GHG Protocol Scope 2 Guidance and Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Greenhouse gases identified and included in the calculations are CO₂, CH₄

and N₂O, which are expressed as CO₂ equivalent (CO₂e). Biogenic CO₂ emissions have not been identified. Emission factors were based on publications by KOBiZE (National Centre for Emissions Management), DEFRA database (UK Department for Environment, Food & Rural Affairs), Ecoinvent 3.6 database and scientific publications. The share in companies criterion was adopted as the criterion for consolidating the emission volume for the Group, which means that 100% of companies' emissions were attributed to the Group. Emission volume from the generation of purchased electricity used in the facilities was calculated according to the location-based method which uses the average emissions for Poland.

Fuel and energy consumption is monitored in the companies' internal registers. In the case of purchased heat and cool, due to the lack of access to actual data (the Group rents space in third-party buildings and it is not possible to obtain data from lessors in all locations), some of the data was estimated. The conversion of fuel consumption into energy expressed in GJ was made using the "Calorific values and CO₂ emission factors in 2019 to be reported under the EU Emissions Trading System (EU ETS) for 2022" published by KOBiZE.



5.2.

OUR PRO-ENVIRONMENTAL ACTIVITIES

In this section we write about:

- **actions we take to minimise our negative impact on the natural environment and climate**

In our office spaces and fitness clubs belonging to the Group we use various types of pro- environmental solutions. At the same time, we are looking for new opportunities and implement initiatives to minimise our negative impact on the natural environment and climate. We are guided by the principles contained in the Benefit Systems S.A. Environmental Policy under which we undertake to search for new ways to reduce the impact on the natural environment, for example by reducing energy and water consumption and the amount of waste generated or involving our employees and associates in further pro-environmental activities.

At the Benefit Systems S.A. headquarters in Warsaw 100% of electricity comes from renewable sources. We use energy-saving office equipment and save energy thanks to motion sensors installed in common areas. Touchless washbasin faucets and urinals with motion sensor photocells help us reduce water consumption. In office kitchens we have tap water filtering devices installed, thanks to which we do not buy water in plastic bottles. Sorting and reducing waste is our everyday life – we recycle used paper and dispose of computer equipment as well as other hazardous waste in accordance with environmental protection regulations. In our offices and clubs, we collect plastic milk and beverage caps which we then donate to organisations as part of charity campaigns (plastic is sold, processed and reused, while the money is given to those in need).

In fitness clubs managed by Benefit Systems S.A. Fitness Unit, as part of measures to reduce energy consumption, we are gradually replacing traditional lighting with LED lights (around 45% of clubs at the end of 2022). We have also limited the operation time of saunas during the day as they are available at certain times according to the agreed schedule. We use regenerated sports equipment – we buy used machines and regenerate them, which means they get a “second life” and can be used again. To reduce paper consumption, in the sales process we do not print documents and regulations – we use online ones. In most clubs we have separate bins for plastic bottles and bottle crushers to use waste containers as efficiently as possible and improve waste sorting. We do not use plastic cups – we sell drinks in paper ones. When renovating clubs and opening new facilities, we care for the appropriate quality of the materials used so that they are subject to as little exploitation as possible, we install devices with reduced demand for energy and water, and we ensure an appropriate level of construction waste management. We open new clubs in modern office buildings subject to certification (e.g. BREEAM, LEED, DGNB).

An important element of our pro-environmental activities is also the education of employees and associates. We have been implementing small and larger commitments that encourage reflection and actions for the environment since 2017, e.g. as part

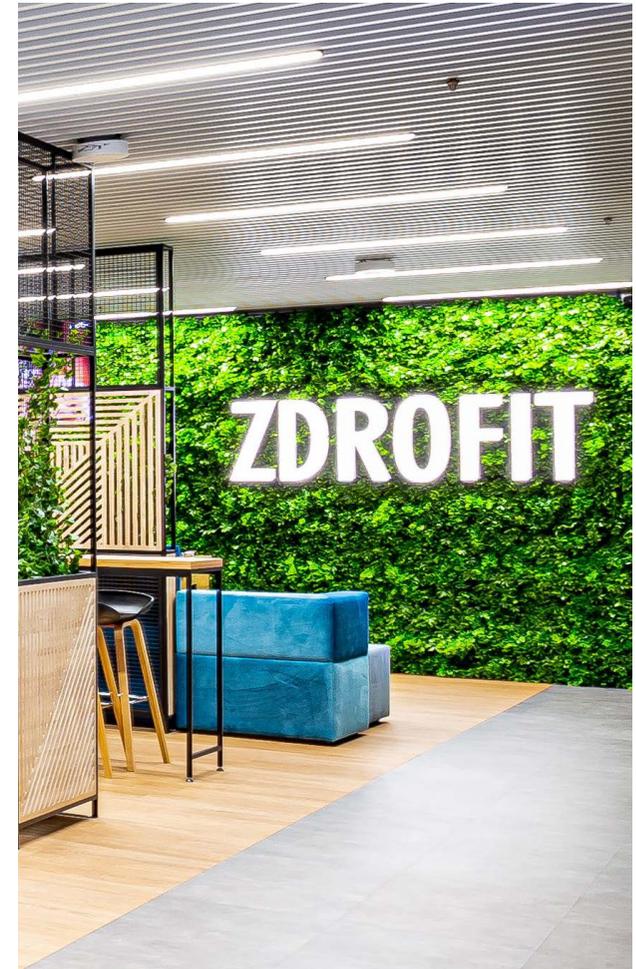
of the internal **Fair Play with Nature** described in the Group's non-financial reports from previous years.

At VanityStyle, in the first half of 2022 we organised a special ecological activity for employees every month. We inspired pro-environmental changes both in private and business life, and we strengthened the message with attractive competitions. We indicated the best ways to save electricity and water, methods to reduce plastic consumption and the benefits of riding a bike or public transport instead of a car. In the company's office we also put stickers reminding employees about the pro-environmental approach to saving electricity, water, and paper. A collection of e-waste was also organised – we planted one tree for each donated device. In the company's offices, cleaning and hygiene products are 75% ecological and 90% of the paper used is recycled paper. The company also uses tap water filtering devices and water dispensers, which eliminates the purchase of water in plastic bottles. In addition, energy-saving devices and lighting reacting to motion sensors were installed allowing for additional energy savings when no one is present in a specific part of the office. In 2022 VanityStyle received the Ecological Company 2022 title awarded by Gazeta Finansowa as well as the Green Office certificate.

In Bulgaria, as part of the Health Day campaign for clients, we organised special sessions devoted to the zero waste philoso-

phy and a campaign to clean the park in the vicinity of the local office that included planting new trees. In Slovakia, as an addition to our sports cards, we offered the possibility of renting public bikes to motivate the use of this means of transport. In the Czech Republic, we use only recycled paper for disinfection of sports equipment and for hygienic purposes. We also do not buy water in plastic bottles.

In 2022 we worked on the **Benefit Systems Group's ESG Strategy** under which we defined the main priorities and commitments in three areas, including the environment. In the first half of 2023 we will continue our work, set goals, metrics and KPIs, and plan specific actions for the next three years needed to implement them. We will also create a new Climate and Environmental Policy. More information on the ESG Strategy can be found in Chapter 2 of this report.



5.3.

CLIMATE RISKS AND OPPORTUNITIES

In this section we write about:

- process of identifying climate risks and opportunities

[3-3] Climate change and related new environmental regulations imply the need to adapt the organisation accordingly. However, the prospect of climate risks that need to be mitigated is complemented by climate opportunities related to the expectations of financial markets and social attitudes. We intend to use these opportunities in our business.

In 2021 we started a comprehensive and detailed process of identifying key climate risks and assessing their materiality. We examined economic, regulatory, technological, and social factors. We verified potential consequences for our business, ways to manage them and methods to monitor them. The process allowed us to simultaneously assess the adequacy of the already implemented policies and indicated any necessary changes. When starting the analysis process, we considered the European Commission's guidelines on reporting non-financial information, Supplement on reporting climate-related information as well as TCFD (Task Force on Climate-related Financial Disclosures) recommendations.

[2-25] We continued the risk analysis in 2022. As a result, **a list of climate risks divided into transition risks and physical risks** was created. Along with the process of identifying key risks, we started further work on determining the probability of their occurrence in various time perspectives. We plan to complete it in 2023 and enter climate risks into the



Risk Register in accordance with the Benefit Systems Risk Management Policy.

The entire process related to the climate risks analysis is the basis for the Climate and Environmental Policy as well as our new ESG Strategy, which take into consideration reducing emissions. The conducted analysis will also be one of the bases for defining key areas of activities and further analyses for the team responsible for sustainable development in the company and the Group.

CLIMATE RISKS IDENTIFIED FOR THE BENEFIT SYSTEMS GROUP

Transition risks

Market risks

- **Risk:** an increase in energy prices which may affect the rise in operating costs of the company and the Group, including its own fitness clubs (operating and investment costs resulting from the need to reduce energy consumption and search for alternative renewable energy sources).
- **Risk:** an increase in energy prices which may also have an impact on the deterioration of the financial situation of households (disposable income), and thus limit the use of employee benefits and fitness facilities.
- **Risk:** an increase in energy prices which may also affect the deterioration of the financial situation of our partners, and thus result in a reduction in the number of partners.
- **Opportunity:** expansion into new market segments, products and services resulting from pro-climate preferences of customers/users.
- **Opportunity:** more favourable capital and insurance conditions for sustainable investments. Diversification of financing sources – better availability and more favourable financing conditions (green bonds).

Regulatory and legal risks

- **Risk:** financial penalties imposed on the company by market regulators in the event of failure to comply with the new regulations.
- **Risk:** an increase in the cost of raising capital for investments and insurance costs for environmentally unsustainable investments resulting from new EU regulations and requirements.

Reputational risks

- **Risk:** loss of the company's good image, reputation, and credibility in the eyes of various stakeholder groups (investors, clients, users, partners, etc.) as a result of insufficiently ambitious climate declarations.

Physical risks

Sudden and chronic weather-related changes/anomalies caused by climate change

- **Risk:** interruptions (so-called blackouts) or restrictions in energy supply due to network failures caused by climate change (e.g. recent intensification of natural disasters such as floods, heat waves, droughts in Europe) which will have a significant impact on the operations of the company and the Group (IT server rooms) and the functioning of fitness clubs.

5.4.

TAXONOMY

In this section we write about:

- **assessment of the compliance of our activities with EU Taxonomy**

In accordance with Art. 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (hereinafter referred to as “Regulation (EU) 2020/852”) (Taxonomy), below we present information on how and to what extent the activities of the Benefit Systems Group are related to economic activities that are eligible as environmentally sustainable (taxonomy-aligned activities). Key performance indicators have been prepared in accordance with the requirements set out in the Commission Delegated Regulation 2021/2178, to the best of our knowledge and with due diligence.

The assessment of the taxonomy alignment of economic activities under individual key performance indicators was carried out based on technical criteria set out in EU delegated acts 2021/2139 and 2022/1214.

MINIMUM SAFEGUARDS

Pursuant to the provisions of Art. 18 of Regulation (EU) 2020/852 on minimum safeguards, the Benefit Systems Group analysed the compliance of its business activities with the requirements set out in Art. 18 to confirm the fulfilment of minimum safeguards. The compliance test was carried out in accordance with the recommendations contained in the “Final

Report on Minimum Safeguards” published by the EU Platform on Sustainable Finance.

The Benefit Systems Group meets all four conditions included in the report:

Human rights

The organisation has a human rights due diligence process in place, in accordance with the requirements of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The organisation plans to expand and improve the implemented human rights due diligence processes on an ongoing basis and to increase the resource of tools to monitor human rights risks across the group more effectively.

Verification of the completeness of the due diligence processes was carried out based on internal verification of the existence and operation of the elements of this process resulting from the framework contained in the documents listed in the definition of minimum safeguards. When assessing the due diligence process, the methodology of “The Corporate Human Rights Benchmark (CHRB) Core UNGP indicators, for all companies in all sectors” as proposed by the World Benchmarking Alliance was applied.

There were no violations of labour law and no notifications from the OECD National Contact Point as well as allegations made by the Business and Human Rights Resource Centre (BHRR) against entities of the Benefit Systems Group.

Corruption

The Benefit Systems Group has an anti-corruption system in place. Neither the organisation nor a representative of its highest governance bodies (including those of its subsidiaries) have been convicted by a court of corruption.

Taxes

Tax compliance and tax management is an important element of the Benefit Systems Group's corporate governance. The organisation has appropriate tax risk management strategies and processes in place.

Benefit Systems and its subsidiaries were not found guilty of breaching the tax law.

Fair competition

The organisation builds its employees' awareness in terms of compliance with all regulations and legal requirements regarding fair competition. Neither the company nor a representative

of its highest governance bodies (including those of its subsidiaries) have been found guilty of breaching the competition law.

The Benefit Systems Group meets the minimum safeguards referred to in Art. 3 (c) of Regulation (EU) 2020/852, i.e. applies procedures to ensure compliance with the OECD Guidelines for Multinational Enterprises and the UN Guidelines on Business and Human Rights, including the principles and rights set out in the eight basic conventions indicated in the ILO Declaration on Fundamental Principles and Rights at Work as well as the principles and rights set out in the International Bill of Human Rights.



1.1. KPI: Turnover

Economic activities	Code	Total revenue (PLN \000)	Revenue share	Substantial Contribution Criteria						"Do no significant harm" Criteria						2022		Category (supporting activities)	Category (transition activities)
				Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Minimum safeguards	Share of taxonomy-aligned activities in revenue		
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Acquisition and ownership of buildings	7.7	32	0	100	0	0	0	0	0		T	T	T	T	T	T	0		
Revenue from environmentally sustainable activities (taxonomy-aligned) (A.1)		32	0	0	0	0	0	0	0										
A.2. Taxonomy-eligible activities other than environmentally sustainable activities (not taxonomy-aligned)																			
Acquisition and ownership of buildings	7.7	3,589	0.19																
Programming and broadcasting activities	8.3	196	0.01																
A.2. Revenue from taxonomy-eligible activities other than environmentally sustainable activities (not taxonomy-aligned)		3,785	0.20																
TOTAL (A.1 + A.2)		3,817	0.20														0		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Revenue from taxonomy-non-eligible activities		1,905,303	99.80																
TOTAL (A + B)		1,909,120	100.00																

NUCLEAR ENERGY AND NATURAL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
1	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
2	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
3	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	32	0	32	0	0	0
8	Total applicable KPI	32	0	32	0	0	0

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	32	0	32	0	0	0
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	32	0	32	0	0	0

BUSINESS ACTIVITIES ELIGIBLE BUT NOT IN CONFORMITY WITH THE SYSTEMATICS

Row	Economic activities	Amount (PLN) and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of economic activity eligible to taxonomy but not in conformity with the systematics, in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of economic activity eligible to taxonomy but not in conformity with the systematics, in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of economic activity eligible to taxonomy but not in conformity with the systematics, in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of economic activity eligible to taxonomy but not in conformity with the systematics, in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of economic activity eligible to taxonomy but not in conformity with the systematics, in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of economic activity eligible to taxonomy but not in conformity with the systematics, in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of the other economic activity eligible to taxonomy but not in conformity with the systematics, not in accordance with lines 1-6 above in the denominator of the applicable KPI	3,785	0.20				
8	Amount and total proportion of economic activity eligible to taxonomy but not in conformity with the systematics, in the denominator of the applicable KPI`	3,785	0.20				

TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,905,303	99.80
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	1,905,303	99.80

ACCOUNTING POLICIES

With regard to the turnover KPI, the denominator is the Group's total consolidated revenue in 2022, disclosed in the consolidated income statement presented in the Benefit Systems Capital Group Consolidated Financial Statements under Sales revenue.

The part of the Group's net revenues which, as a result of the review, was identified as relating to taxonomy-eligible and taxonomy-aligned activities, was assigned to the denominator.

Compliance with Regulation (EU) 2020/852

The vast majority (99.8%) of the revenue generated by the Benefit Systems Group remains outside the scope described in the taxonomy. The Benefit Systems Group generates revenues from the sale of non-financial employee benefits in sports, healthy lifestyle, physical recreation, culture, and entertainment as well as adapted cafeteria programmes. Our main product is the MultiSport Programme sports card sold to B2B clients (employers) which enables the card users (employees) to access over 4,000 sports and recreation facilities in Poland and abroad. The Group's key source of revenue is also the operation of its own fitness club networks (194 facilities at the end of 2022). This activity is not included in the taxonomy in the scope of Annexes I and II to the delegated act on climate change (Delegated Regulation (EU) 2021/2139 of 4 June 2021), containing technical qualification criteria.

Within the Group we also sell online products and services via the Yes2Move and Focusly platforms, which provide access to the database of training videos used for exercises. We identify these activities as taxonomy-eligible (activities included in point 8.3 Programming and broadcasting activities).

The second identified area is revenue generated from renting space to third parties in own buildings and third-party buildings (activities included in point 7.7 Acquisition and ownership of buildings). For both these areas of activities we verified the Technical Qualification Criteria and determined that they are met for some revenues classified under 7.7. Acquisition and ownership of buildings. Revenue amounts for activities identified as taxonomy-eligible were assigned to the KPI numerator.

To avoid double counting, individual revenue amounts have been assigned to one activity. Once assigned to a given activity, they were not included in further analyses. *ej działalności, nie były uwzględniane w dalszych analizach.*

Contribution to multiple objectives

Not applicable. Activities identified as taxonomy-eligible do not contribute materially to more than one objective.

Disaggregation of KPIs

Not applicable.

Contextual information

Total revenues reported in the KPI numerator come from contracts signed with clients. Both in the KPI numerator and in the taxonomy-eligible activity amounts related to the activity conducted for the Benefit System Group's own consumption were not shown

1.2. KPI: CapEx

Economic activities	Code	Capital expenditures in absolute terms	Percentage share of capital expenditures	Substantial Contribution Criteria						"Do no significant harm" Criteria						2022		
				Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Minimum safeguards	Share of taxonomy-eligible activities in capital expenditures	Share of taxonomy-eligible activities in capital expenditures
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (taxonomy-aligned)																		
Installation, maintenance and repair of energy efficiency equipment	7.3	3,909	1.37	100	0	0	0	0	0	T	T	T	T	T	T	1.37		
Capital expenditures for environmentally sustainable activities (taxonomy-aligned) (A.1)		3,909	1.37	1.37	0	0	0	0	0							1.37		
A.2. Taxonomy-eligible activities other than environmentally sustainable activities (not taxonomy-aligned)																		
Transport by motorbikes, passenger cars and commercial vehicles	6.5	4,078	1.43															
Renovation of existing buildings	7.2	3,851	1.35															
Installation, maintenance and repair of energy efficiency equipment	7.3	809	0.28															
Data processing, hosting and related activities	8.1	205	0.07															
Computer programming, consultancy and related activities	8.2	44,190	15.47															
Programming and broadcasting activities	8.3	1,665	0.58															
A.2. Capital expenditures for taxonomy-eligible activities other than environmentally sustainable activities (not taxonomy-aligned)		54,798	19.19															
TOTAL (A.1 + A.2)		58,707	20.55													1.37		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
Capital expenditures for taxonomy-non-eligible activities		226,920	79.45															
TOTAL (A + B)		285,627	100															

NUCLEAR ENERGY AND NATURAL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
1	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
2	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
3	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	3,909	1.37	3,909	1.37	0	0
8	Total applicable KPI	3,909	1.37	3,909	1.37	0	0

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	3,909	1.37	3,909	1.37	0	0
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	3,909	1.37	3,909	1.37	0	0

TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	54,798	19.19				
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	54,798	19.19				

TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the dominator of the applicable KPI	226,920	79.45
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	226,920	79.45

ACCOUNTING POLICIES

With regard to capital expenditures, the KPI denominator is the increase in intangible assets, tangible fixed assets and right-of-use assets, acquisition assets, production assets as well as those resulting from taking control over entities acquired by the Group in the reported period. In addition, some changes in the value of leases due to changes in the scope of contracts (modifications) for the total amount of PLN 55,997,000 were included in the increases.

In accordance with Regulation (EU) 2021/2178, Annex I, point 1.1.2.2. some capital expenditures were assigned to the numerator.

Information on the assessment of compliance with Regulation (EU) 2020/852

Individual categories of capital expenditures of the Benefit System Group have been analysed in accordance with the provisions of Regulation (EU) 2021/2178, Annex I point 1.1.2.2 to determine whether they meet one of the following conditions:

- a. are related to assets or processes that are associated with taxonomy-aligned economic activities,
- b. are part of a plan to expand taxonomy-aligned economic activities or to allow taxonomy-eligible economic activities to become taxonomy-aligned (“CapEx plan”) under the conditions specified in the second subparagraph of point 1.1.2.2,

- c. are related to the purchase of output from taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, notably activities listed in points 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other economic activities listed in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

As a result of the conducted analyses, capital expenditures covering the purchase of products or services from taxonomy-eligible activities enabling the target activity to reduce greenhouse gas emissions were identified, so they were considered taxonomy-eligible based on condition c) indicated above and concerned products or services purchased from the following activities:

- 6.5. Transport by motorbikes, passenger cars and commercial vehicles
- 7.2. Renovation of existing buildings
- 7.3. Installation, maintenance and repair of energy efficiency equipment

and capital expenditures related to taxonomy-eligible activities were therefore considered taxonomy-eligible based on condition a) indicated above and related to the products or services purchased from the following activities:

- 8.1. Data processing, hosting and related activities
- 8.2. Computer programming, consultancy and related activities

- 8.3. Programming and broadcasting activities

Contribution to multiple objectives

Not applicable. Capital expenditures related to environmentally sustainable activities (taxonomy-aligned) have not been identified.

Disaggregation of KPIs

The KPI has not been disaggregated.

Contextual information

The numerator of the key performance indicator concerning capital expenditures shows expenses related to the business activity conducted by the Benefit Systems Group. Capital expenditures reported as taxonomy-eligible, related to activities 8.1 and 8.2, relate to taxonomy-eligible business activities conducted for the Benefit Systems Group’s own consumption.

The Group does not have a capital expenditure plan referred to Regulation (EU) 2021/2178, Annex I, point 1.1.2.2., and therefore the expenditures shown in the KPI numerator are not part of such a plan.

1.3. KPI: OpEx

Economic activities	Code	Operating expenditures in absolute terms	Percentage share of operating expenditures	Substantial Contribution Criteria						"Do no significant harm" Criteria						2022		
				Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Minimum safeguards	Share of taxonomy-eligible activities in operating expenditures	Share of taxonomy-eligible activities in operating expenditures
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (taxonomy-aligned)																		
Operating expenditures from environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0	0	0	0	0	0	0								0	
A.2. Taxonomy-eligible activities other than environmentally sustainable activities (not taxonomy-aligned)																		
Transport by motorbikes, passenger cars and commercial vehicles		6.5	310	0.93														
Renovation of existing buildings		7.2	28,390	84.88														
Installation, maintenance and repair of renewable energy technologies		7.6	33	0.10														
A.2. Operating expenditures from taxonomy-eligible activities other than environmentally sustainable activities (not taxonomy-aligned)			28,732	85.90														
TOTAL (A.1 + A.2)			28,732	85.90													0	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
Operating expenditures from taxonomy-non-eligible activities			4,716	14.10														
TOTAL (A + B)			33,449	100.00														

NUCLEAR ENERGY AND NATURAL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
1	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
2	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
3	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0	0	0	0	0
8	Total applicable KPI	0	0	0	0	0	0

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	0	0	0	0	0	0
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	0	0	0	0	0	0

TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	28,732	85.90				
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	28,732	85.90				

TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES

Row	Economic activities	Amount	Percentage
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	4,716	14.10
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	4,716	14.10

ACCOUNTING POLICIES

The denominator of the key performance indicator for operating expenditures are the costs of ongoing fixed assets management (such as maintenance, repairs, inspections, cleaning, security) as well as costs related to the rental of passenger cars.

No such operating expenditures were identified that could be assigned to the numerator, in accordance with Regulation (EU) 2021/2178, Annex I, point 1.1.3.2.

Information on the assessment of compliance with Regulation (EU) 2020/852

Individual categories of Benefit System Group's operating expenditures have been analysed in accordance with the provisions of Regulation (EU) 2021/2178, Annex I, point 1.1.2.2 to determine whether they meet one of the following conditions:

- d. are related to assets or processes that are associated with taxonomy-aligned economic activities,
- e. are part of a plan to expand taxonomy-aligned economic activities or to allow taxonomy-eligible economic activities to become taxonomy-aligned ("CapEx plan") under the conditions specified in the second subparagraph of point 1.1.2.2,

- f. are related to the purchase of output from taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, notably activities listed in points 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other economic activities listed in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

As a result of the conducted analyses, operating expenditures covering the purchase of products or services from taxonomy-eligible activities enabling the target activity to reduce greenhouse gas emissions were identified, so they were considered taxonomy-eligible based on condition c) indicated above and concerned products or services purchased from the following activities:

- 6.5. Transport by motorbikes, passenger cars and commercial vehicles
- 7.2. Renovation of existing buildings
- 7.6. Installation, maintenance and repair of renewable energy technologies

Contribution to multiple objectives

Not applicable. Expenditures related to environmentally sustainable activities (taxonomy-aligned) have not been identified.

Disaggregation of KPIs

Not applicable.

Contextual information

The KPI numerator did not show any operating expenditures related to taxonomy-eligible activities.

The Benefit Systems Group does not have an operating expenditures plan referred to the Regulation (EU) 2021/2178, Annex I, point 1.1.2.2.

6.

About the report



[2-1] [2-2] The Benefit Systems Group Non-Financial Report 2022 meets non-financial reporting requirements in accordance with the Accounting Act, art. 55 sec. 2b.

Unless stated otherwise, the information contained in the document refers to the Benefit Systems Capital Group and its parent company, Benefit Systems S.A. located at 2, European Square, (00-844) Warsaw. The Capital Group consists of Benefit Systems S.A. (including Fitness Unit), YesIndeed Sp. z o.o., Vanity Style Sp. z o.o., Focusly Sp. z o.o., Lunching.pl Sp. z o.o., MultiSport Foundation, Benefit Systems International S.A., Multisport Benefit s.r.o., Benefit Systems Slovakia s.r.o., Benefit Systems Bulgaria OOD, Benefit Systems d.o.o., Form Factory Slovakia s.r.o., Fit Invest International Sp. z o.o., Benefit Systems Spor Hizmetleri Limited Sirketi, Form Factory s.r.o., Beck Box Club Praha s.r.o., Next Level Fitness eood, Benefit Partners Sp. z o.o., and Total Fitness Sp. z o.o. The report includes the merger of Benefit IP Sp. z o.o. and Benefit IP Sp. z o.o. sp. k. with Benefit Systems S.A. and Fit Fabric Sp. z o.o. with Benefit Systems S.A., which took place in 2022. The non-financial report for 2022 does not include the companies associated in the Capital Group (Get-Fit Katowice II Sp. z o.o., Instytut Rozwoju Fitness Sp. z o.o., Calypso Fitness S.A., and Baltic Fitness Center Sp. z o.o.). The group operates in Poland, Czech Republic, Slovakia, Croatia, Bulgaria and Turkey.

The report contains a description of the business model and of the activities of individual operating segments within the Benefit Systems Group. Due to its importance in the operations of our organisation, the report focuses on the Poland Segment.

[2-3] [2-4] Non-financial issues are reported by the Benefit Systems Group on an annual basis, on the date adopted for the annual financial statements. This report covers the period from 1 January to 31 December 2022.¹ Our previous report for 2021 was published on 15 April 2022. The 2022 report includes two restatements of the information for 2021. One of them concerns the number of MyBenefit Programme partners (it should be 3,500 instead of 2,034). The second one concerns the Group's carbon footprint and results from the correction of partial data of one of the companies.

In the report we disclose significant data and information on the policies and procedures applied as well as the actions taken. We also present an approach to social and labour issues, human rights, anti-corruption, and environmental issues management.

¹ Unless otherwise indicated in the report.

We also describe the results of applying individual policies in the form of key non-financial performance indicators related to the operations of the entity and the Group.

This report has been prepared by the team responsible for the ESG area in the parent company and has been approved by the Management Board of Benefit Systems S.A. Individual chapters of the report were subject to internal verification by key people in the company. We would like to thank the employees of all companies within the Benefit Systems Group for their involvement in the process of reporting non-financial information for 2022 and for their help in the preparation of this report.

[3-1] For the needs of the ESG Strategy we defined important topics as well as analysed and assessed the positive and negative impact of the Benefit Systems Group on the environment. When creating the ESG Strategy, we also examined the market and important topics defined by entities like the Benefit System Group as well as new regulatory requirements in the field of sustainable development. Based on these activities and the results of the stakeholder panel conducted in 2021 the project team developed a list of important topics, which is reflected in our non-financial report for 2022 and became the basis for the ESG Strategy.

[3-2]

Key area of influence	GRI	Section in the report	Numer strongy
Climate change	Energy Emissions	5.1. Our impact on the environment	77
Employees in the organisation	Employment	3.1. Attractive workplace and benefits	43
Employees' health and safety	Health and safety	3.1. Attractive workplace and benefits	43
Diversity, equality, and inclusion	Equality and equal treatment	3.3. Diversity and inclusion	54
Local communities	Local communities	4.1. We activate and support the welfare of society	63
		4.2. MultiSport Foundation	69
Consumers and users	Consumers' health and safety	4.3. We share knowledge	73
Responsible management	Management/corpo rate governance	1.4. Management	26
		1.5. Ethics, compliance, and anti- corruption	30

The 2022 report has been prepared in accordance with the international standards of the Global Reporting Initiative (GRI Standards). The reporting process carried out in compliance with the GRI Standards guidelines made it possible to identify the most important reporting aspects for Benefit Systems. In line with the materiality principle expressed in the GRI Standards guidelines, the report covers aspects that reflect the significant economic, environmental, and social impact of the organisation.

Contact regarding the report and CSR/ESG issues at Benefit Systems:
csr@benefitsystems.pl

**More information about our activities in this area
 can be found on the Benefit Systems website at:**
www.benefitsystems.pl/o-nas/odpowiedzialny-biznes/

GRI STANDARD/ OTHER SOURCE	Standard number and name	Section in the report	Page	
General Disclosures				
GRI 2: General Disclosures 2021	2-1	Organisational details	6. About the report	109
	2-2	Entities included in the sustainability reporting	6. About the report	109
	2-3	Reporting period, frequency and contact point	6. About the report	109
	2-4	Restatement so of information	6. About the report	109
	2-5	External assurance	6. About the report <i>The report has not been subject to external assurance</i>	111
	2-6	Activities, value chain and other business relationships	1.1. About Benefit Systems	5
			1.2. Clients and users	16
			1.3. Partners as key suppliers	21
			1.5. Ethics, compliance, and anti-corruption	30
	2-7	Employees	3.1. Attractive workplace and benefits	43
	2-8	Workers who are not employees	3.1. Attractive workplace and benefits	43
	2-9	Governance structure and composition	1.4. Management	27
	2-10	Nomination and selection of the highest governance body	1.4. Management	28
			3.3. Diversity and inclusion	55
2-11	Chair of the highest governance body	1.4. Management	27	
2-12	Role of the highest governance body in overseeing the management of impacts	1.4. Management	26	
2-13	Delegation of responsibility for managing impacts	1.4. Management	26	

2-14	Role of the highest governance body in sustainability reporting	1.4. Management	27
2-15	Conflicts of interest	1.5. Ethics, compliance, and anti-corruption	32
2-16	Communication of critical concerns	1.5. Ethics, compliance, and anti-corruption	31
2-17	Collective knowledge of the highest governance body	1.4. Management	27
2-18	Evaluation of the performance of the highest governance body	1.4. Management	28
2-19	Remuneration policies	3.3. Diversity and inclusion	54
2-20	Process to determine remuneration	3.3. Diversity and inclusion	54
2-21	Annual total compensation ratio	3.3. Diversity and inclusion	59
2-22	Statement on sustainable development strategy	2.1. Our priorities and commitments	35
		2.2. The process of creating the ESG Strategy	41
2-23	Policy commitments	1.3. Partners as key suppliers	24
		1.4. Management	28
		1.5. Ethics, compliance, and anti-corruption	30
		3.3. Diversity and inclusion	54
2-24	Embedding policy commitments	1.3. Partners as key suppliers	24
		1.5. Ethics, compliance, and anti-corruption	30
		3.3. Diversity and inclusion	54
2-25	Processes to remediate negative impacts	1.5. Ethics, compliance, and anti-corruption	30
		5.3. Climate risks and opportunities	83
2-26	Mechanisms for seeking advice and raising concerns	1.2. Clients and users	19
		1.5. Ethics, compliance, and anti-corruption	30

	2-27	Compliance with laws and regulations	1.5. Ethics, compliance, and anti-corruption	32
	2-28	Membership associations	1. About Benefit Systems	13, 15
	2-29	Approach to stakeholder engagement	1. About Benefit Systems	11
	2-30	Collective bargaining agreements	3.3. Diversity and inclusion	54
Material topics				
GRI 3: Material topics 2021	3-1	Process to determine material topics	6. About the report	109
	3-2	List of material topics	6. About the report	110
Material topic: Responsible management				
GRI: Management/corporate governance				
GRI 3: Material topics 2021	3-3	Management of material topics	1.5. Ethics, compliance, and anti-corruption	30
GRI 205: Anti- corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	1.5. Ethics, compliance, and anti-corruption	32
	205-3	Confirmed incidents of corruption and actions taken	1.5. Ethics, compliance, and anti-corruption	32
GRI 206: Anti- competitive behaviour 2016	206-1	Legal actions for anti- competitive behaviour, anti-trust, and monopoly practices	1.5. Ethics, compliance, and anti-corruption	33
GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	1.5. Ethics, compliance, and anti-corruption	33
Material topic: Employees in the organisation				
GRI: Employment				
GRI 3: Material topics 2021	3-3	Management of material topics	3.1. Attractive workplace and benefits	43
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	3.1. Attractive workplace and benefits	46
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.1. Attractive workplace and benefits	48

GRI 401: Employment 2016	401-3	Parental leave	3.1. Attractive workplace and benefits <i>Partially reported</i>	51
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee by employment structure	3.2. Development and knowledge sharing	53
	404-2	Programmes for upgrading employee skills	3.2. Development and knowledge sharing	52
Material topic: Employees' health and safety				
GRI: Health and safety				
GRI 3: Material topics 2021	3-3	Management of material topics	3.1. Attractive workplace and benefits	43
GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	3.1. Attractive workplace and benefits	48
	403-5	Worker training on occupational health and safety	3.1. Attractive workplace and benefits	48
Material topic: Diversity, equality, and inclusion				
GRI: Equality and equal timing				
GRI 3: Material topics 2021	3-3	Management of material topics	3.3. Diversity and inclusion	54
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees broken down by employee category by gender, age, minority group and other diversity indicators	3.3. Diversity and inclusion	57
	405-2	Ratio of basic salary and remuneration of men to women according to the position held	3.3. Diversity and inclusion	58, 59
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	3.3. Diversity and inclusion	54
Material topic: Local communities				
GRI: Local communities				
GRI 3: Material topics 2021	3-3	Management of material topics	4.1. We activate and support the welfare of society	63
			4.2. MultiSport Foundation	69

Material topic: Consumers and users				
GRI: Health and consumer's safety				
GRI 3: Material topics 2021	3-3	Management of material topics	4.3. We share knowledge	73
Material topic: Climate change				
GRI: Energy, Emissions				
GRI 3: Material topics 2021	3-3	Management of material topics	5.1. Our impact on the environment	77
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	5.1. Our impact on the environment	77
GRI 303: Water and Effluents 2018	303-5	Water consumption	5.1. Our impact on the environment <i>Indicator partially reported</i>	78
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	5.1. Our impact on the environment	79
	305-2	Energy indirect (Scope 2) GHG emissions	5.1. Our impact on the environment	79
	305-3	Other indirect (Scope 3) GHG emissions	5.1. Our impact on the environment	79

BENEFIT SYSTEMS GROUP NON-FINANCIAL REPORT 2022

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