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UBM Group ESG Report 2024

Greetings

(GRI-2-22)

Dear Investors, Dear Readers,

The UBM Group has reached a new and important milestone in ESG.

In parallel with our Annual Report, we are now publishing our GRI Standard ESG Report.

This milestone is part of a planned process in which at the end of last year we published a nonstandard Sustainability Report, this year we are doing so observing the GRI Standards - still on a voluntary basis - and next year we will fully comply with the ESRS Standards.

We do this not only because as a listed company we operate in an even tighter regulatory environment than other players in the economy, but also because we want to set an example of how the framework for responsible behaviour has to be defined and then adhered to based on internal motivation.

The UBM Group has always operated in a transparent and responsible manner with investors, customers, suppliers and partners, with care for its employees, local communities and the needy supported by donations, and with a conscious concern for the environment. Our greatest value lies in our employees, and we are proud that the fruit of our labour, our strong employer brand, is now confirmed by objective awards - Family Friendly Company, Workplace and Responsible Employer.

As a responsible manager I pay attention to raising awareness, developing professional competences in leadership and ESG, putting this approach into practice, implementing the sustainability criteria in the supply chain and achieving our objectives and commitments.

This report is a milestone on our journey, but it is far from the end. In the future we will continue to do our utmost to play an active role in creating a better, more liveable world through our own means in our own economic environment.

Best regards,

Péter Horváth

CEO of the UBM Group





As CFO of the Group, I am following the development of ESG "standards" with interest, a development which have had an impact comparable to the rise of international accounting standards in financial reporting over the last two decades. As a senior manager and as a private citizen I see a need to broaden the horizons of corporate decision-making, and it is highly timely to start using non-financial metrics besides the exclusively financial approach prevalent so far. The difficulty is: how can we turn what is otherwise a legitimate social expectation into a public consensus in which stakeholders place the same confidence as in the financial reports, and also believe what is presented?

Large companies, including UBM, have a prominent role to play in this process. We have a responsibility to

- respect the commonly agreed rules not only formally,
- present what we are doing and why in a transparent way, discussing it with stakeholders where appropriate,
- signal to the regulator if we think it is on the wrong track.

Without this the "public trust" needed to channel sustainability efforts and ultimately to bring about real change cannot be created.

Balázs Janositz

Deputy CEO and CFO of the UBM Group

The past year has not been an eventful one in the field of sustainability only for UBM but also for me - it has been a year of learning and development. ESG is receiving an increasing role on a global level as well as in the operation of the company. I would like to contribute to the understanding, reinforcement and acceptance of the ESG pillars among my colleagues. As an important step in this process we have developed a quarterly reporting system, measuring and evaluating our environmental, social and governance performance so that we can continuously improve.

In this "noisy", rapidly evolving world it is increasingly essential to recognise our own responsibility, to adapt, to step out of our comfort zone, to take conscious and decisive action, and to integrate this mindset into our business decisions. It has become clear to me that delivering this message is my personal mission for the next period.

This report details the actions we have taken so far, the decisions we have made, the challenges we face and our goals for the future. In writing this report we have tried to be direct, engaging with readers as much as possible, focusing on the importance of sustainability and our approach to it.

I trust that what we have to say will not be a burden but an inspiration to you, serving the achievement of our sustainability goals.

Bettina Baksa

ESG-sustainability officer of the UBM Group





About our report

(GRI 2-1, 2-2, 2-3, 2-4, 2-5, 2-6, 2-14)

Our ESG Report is published in Hungarian and English to inform our investors, the Budapest Stock Exchange, our stakeholders and all interested parties. Our aim is to provide clear and transparent information about our sustainability efforts, our achievements to date and the impacts of our activities on the environment, society, the economy and human rights.

The Group's central company

UBM Holding Nyrt., 2085 Pilisvörösvár, Kisvasút utca 1.

Scope of the report

The report covers UBM Holding Nyrt. as the parent company and the entire operating areas of its subsidiaries¹ presented in the 2023/2024 consolidated financial statements, including the head office in Pilisvörösvár, as well as offices, production units, warehouses, factory premises, laboratory units, etc. in other areas of the country and abroad.

Area of operation

Hungary, the Slovak Republic, Romania, the Republic of Serbia, Austria, Italy

Companies included in the report, their registered office and activities

Company name	Country	Headquarters	Activity
UBM Holding Nyrt.	HU	2085 Pilisvörösvár, Kisvasút utca 1. Hungary	The parent company of the UBM Group. Its main activities are asset management and the provision of internal audit and controlling services.
UBM Trade Zrt.	HU	2085 Pilisvörösvár, Kisvasút utca 1. Hungary	It mainly provides back office services within the group.
UBM Agro Zrt.	HU	2085 Pilisvörösvár, Kisvasút utca 1. Hungary	Its main profile is trade in feed raw materials both domestically and abroad. In 2018 the company acquired the sole ownership of UBM Agro Slovakia, s.r.o. which in 2018 purchased the feed mixing plant in the village of Hernádcsány. This legal entity also owns the foreign commodity trading companies UBM Agrar GmbH (AT), UBM Agri Trade Srl (RO), UBM d.o.o. (SRB) and UBM Italy S.r.l. (IT).
UBM Consulting Zrt.	HU	2085 Pilisvörösvár, Kisvasút utca 1. Hungary	Provides administrative services to the group.
UBM Grain Zrt.	HU	2085 Pilisvörösvár, Kisvasút utca 1. Hungary	The main focus is on grain and oilseeds trading (commodity). In 2023 the grain trading activity of UBM Grain Zrt. was merged with the protein trading activity of UBM Agro Zrt. on the basis of a long-term legal restructuring plan.
UBM Feed Zrt.	HU	2085 Pilisvörösvár, Kisvasút utca 1. Hungary	The most important company in the feed business activity of the group: its market activity covers the production of feed, concentrates, premixes, feed supplements and the trade in feed materials, feed supplements and concentrates. Currently UBM Feed Zrt. is also the parent company of the livestock business investment.
UBM Szeleste Zrt.	HU	9622 Szeleste, Kossuth Lajos utca 24/B. Hungary	The company owns the Szeleste feed mixing plant with a capacity of 200,000 tonnes, which was completely rebuilt in 2015 and has the largest feed mixing capacity within the group.
"AGROMIX" Kft.	HU	4700 Mátészalka, Meggyesi út 0119/24. Hungary	The company owns the feed mixing plant in Matészalka with a capacity of 80,000 tonnes, acquired in 2019.
Búzamag Kft.	HU	2073 Tök, 036/31 hrsz. Hungary	Its main activity is the production of animal feed and medicated feed.

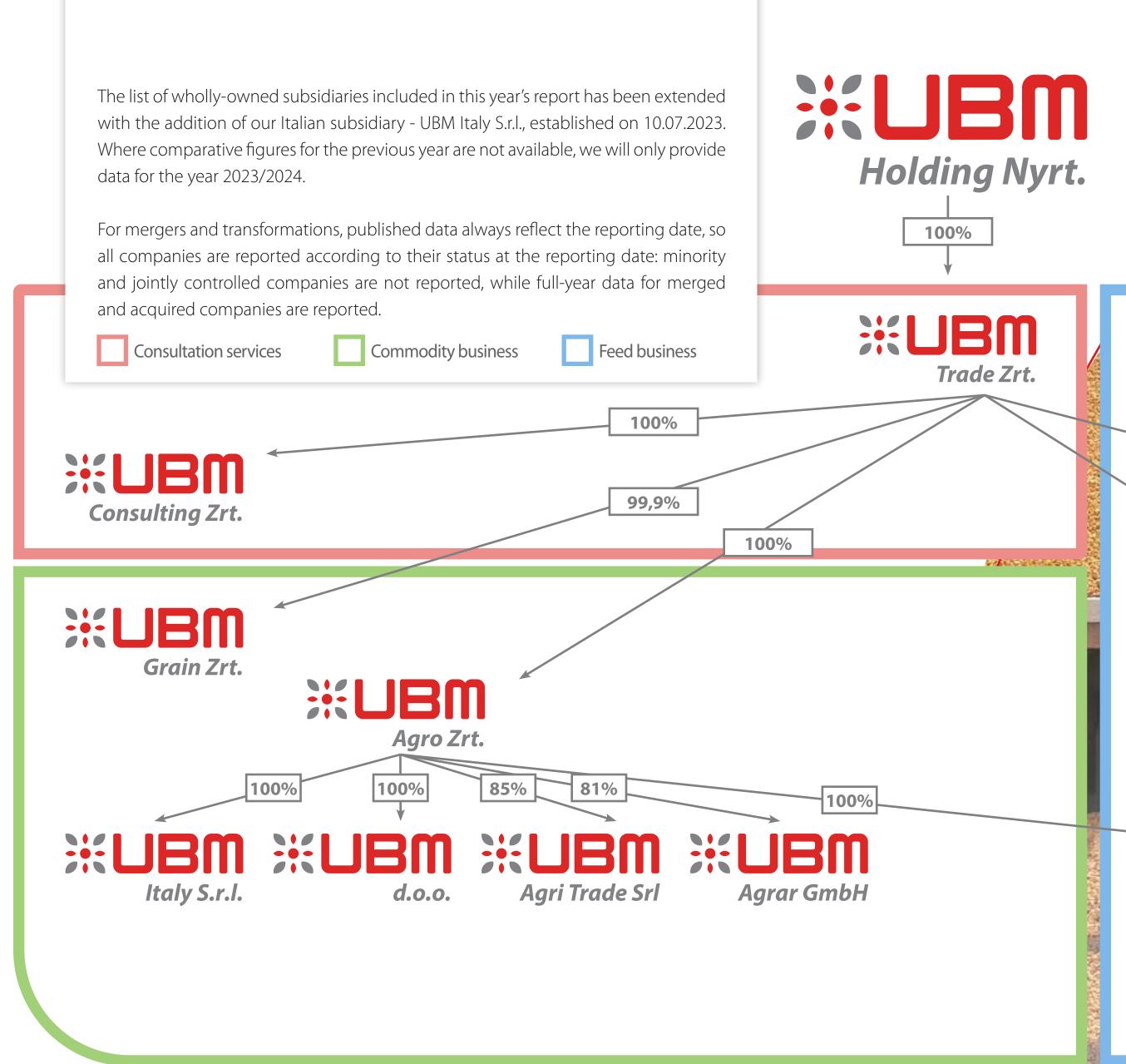
UBM Group ESG Report 2024 — 5

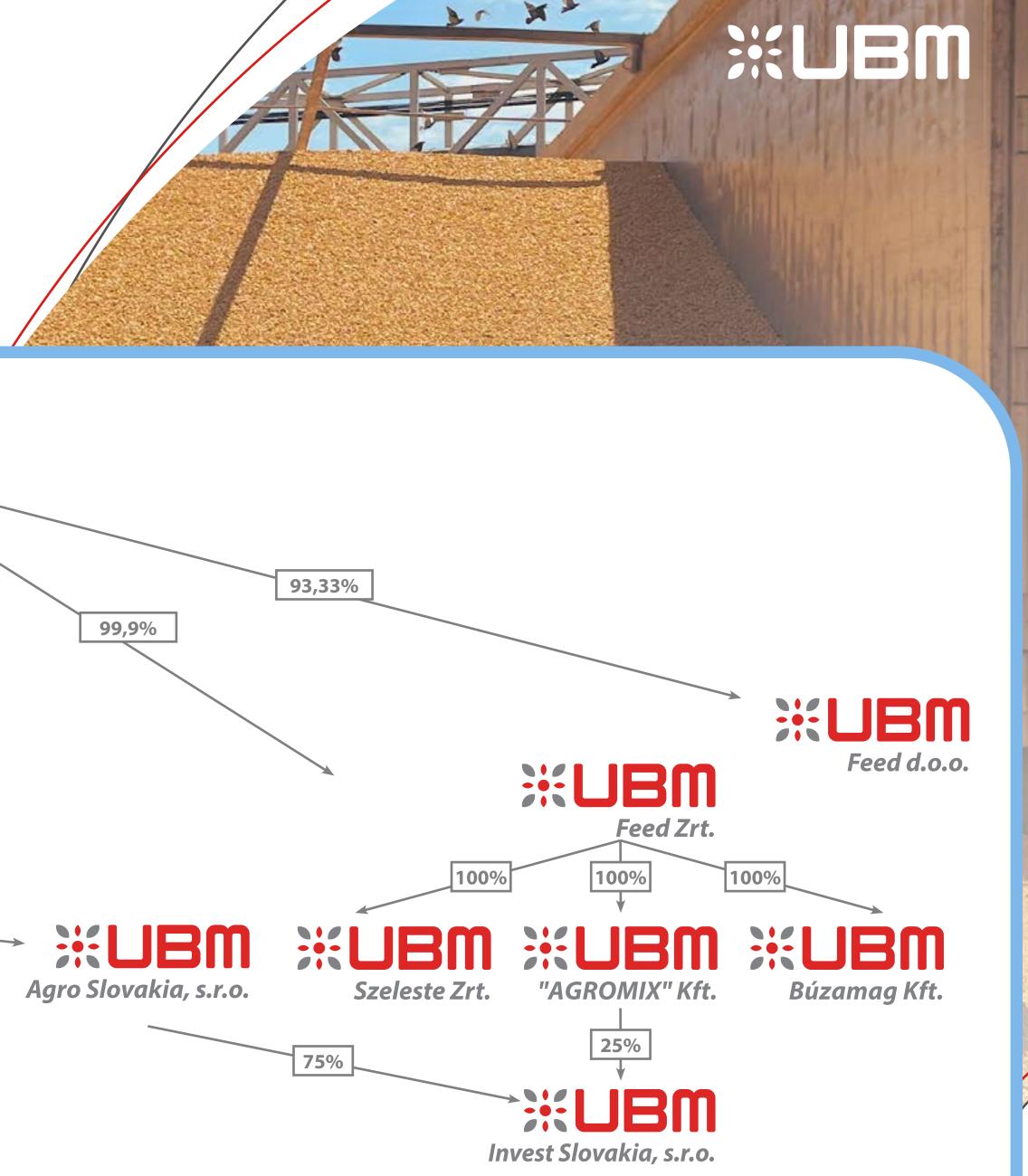
¹ Except for the two associated and jointly controlled companies: MA-KA Takarmánykeverő és Forgalmazó Kft. and UBM Feed Romania Srl. Our 2023/2024 ESG report only includes our majority-owned companies. However, UBM Feed Romania Srl is preparing an ESG report independently and has published it for the first time for the year 2023 (Sustainability – UBM Feed)





Company name	Country	Headquarters	Activity
UBM Invest Slovakia, s.r.o.	SK	044 14 Čaňa, Železničná 2., Slovakia	Owns and operates the assets of the feed mixing plant in Hernádcsány, Slovakia.
UBM Agro Slovakia, s.r.o.	SK	044 14 Čaňa, Železničná 2., Slovakia	It is a subsidiary of UBM Agro Zrt., representing the Group in Slovakia for the activities within the Group's profile. The company owns the feed mixer in Hernádcsány, Slovakia. The company owns 75% of the shares in UBM Invest Slovakia, s.r.o. (the remaining 25% is owned by "AGROMIX" Kft., also belonging to the Group).
UBM d.o.o.	SRB	Bulevar Mihajla Pupina 10i/223, 11070 Novi Beograd Serbia	A Belgrade-based trading office mainly trading in cereals and soybeans and supporting the Group's presence in Serbia.
UBM Feed d.o.o.	SRB	Bulevar Mihajla Pupina 10G/464, 11070 Novi Beograd Serbia	Also based in Belgrade, the UBM Group's Serbian company specialising in the sale of feed materials and premix.
UBM Agrar GmbH	AT	4020 Linz, Bismarckstrasse 02, Austria	Soya and cereals trading office in Austria.
UBM Agri Trade Srl	RO	Strada Tăbliței 4, București 077190, Romania	Soya and cereals trading office in Romania.
UBM Italy S.r.l.	П	Viale Monte Nero 66., 20135, Milano, Italy	A Milan-based commercial agency trading in cereals and soya pulp and representing the UBM Group in Italy.







Companies not included in the report

Although the consolidated financial statements of UBM Holding Nyrt. for the financial year 2023/2024 include two associated and jointly controlled companies - MA-KA Takarmánykeverő and Forgalmazó Kft. and UBM Feed Romania Srl - in addition to the subsidiaries presented above, our ESG report for 2023/2024 does not cover these companies. Similarly to our 2022/2023 ESG report, which was published for the first time last year, this year we intend to include only our majority-owned subsidiaries in our ESG reporting.

At the same time, our 50% subsidiary UBM Feed Romania Srl independently prepares its ESG report, which is published for the first time on the year 2023.

UBM Feed Romania ESG-Report 2023

Content of the report

Based on the ESG materiality assessment of the UBM Group's first ESG Report for 2022/2023 this report presents the material topics related to the company's operations, the programmes and initiatives developed in this context, the sustainability milestones achieved in the past period, the current status of our commitments and our further objectives.

Reporting period

The reporting period is the period from 1 July 2023 to 30 June 2024, corresponding to the financial year. The data reported relate to 30 June 2024.²

Reporting cycle

Our report is published annually in line with the consolidated financial statements of the UBM Group.

Classification of the report

GRI Standards 2021 "in accordance with the GRI Standards"

This report is the second ESG report of the UBM Group, our first report was prepared last year for the year 2022/2023 I. UBM ESG-report 2023. Last year's report was prepared in a non-standard format and we have set a target to report in a standard format from 2023/2024 onwards. Thus, this ESG Report was prepared based on andin accordance with the guidelines of the current GRI Standards 2021, without external independent certification.

As a complementary sectoral standard GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022 was considered as the reference.

The statements made in our non-standard report for the previous year 2022/2023 are valid and we did not consider it necessary to restate them. In some cases we made clarifications which will be reported separately.

Data sources

The collection of the data presented in this report was coordinated by the UBM Group ESG Sustainability Officer with the involvement of the relevant entities and areas and validated by the managers of the areas concerned.

Management approval

The UBM Group ESG Committee approves and the UBM Group Operating Board adopts the annual ESG report and the material topics included in it. The ESG Committee also has the authority to oversee the sustainability strategy and targets, as delegated by the Operating Board, and is responsible for the climate strategy and its risks.

Accordingly, the full content of this ESG Report, including the material topics covered, is subject to the approval of the UBM Group's Operating Board.

Place and means of publication

This report and our previous reports are available on the Home - UBM Investors website under ESG in the ESG Reports section. ESG Reports - UBM Investors. We also take sustainability aspects into account when publishing the report, which is why it is published online only. This publication is the second ESG report and the first GRI-compliant report of our Group. Our previous report was published on 31.10.2023.

Date of publication of the report

31 October 2024.

The following documents are mandatory annexes to this publication

GRI index and glossary
Our key ESG performance indicators

More information

In preparing our reports we took into account the views of our stakeholders and we are grateful for their cooperation. Any questions regarding this ESG Report or the information contained herein can be addressed directly to Bettina Baksa (bettina.baksa@ubm.hu)UBM Group ESG Sustainability Officer, or by email to esg@ubm.hu.

cluding the material topics covered,
erating Board.

² Any other information is clearly indicated in the accounts.

2023/2024: Facts and figures: the UBM Group in figures

(GRI-2-6



First place

- Hungary's market-leading feed manufacturing and trading group
- The world leader in palm oil-free certified animal feed products



number of countries we export to with 54% export share



~1,7 million

tons trade in crops and raw materials



~1 500

partners



28+

years of experience



~500 products



6

number of countries where we have active presence (with factories, commercial and sales offices)



100% Hungarian ownership

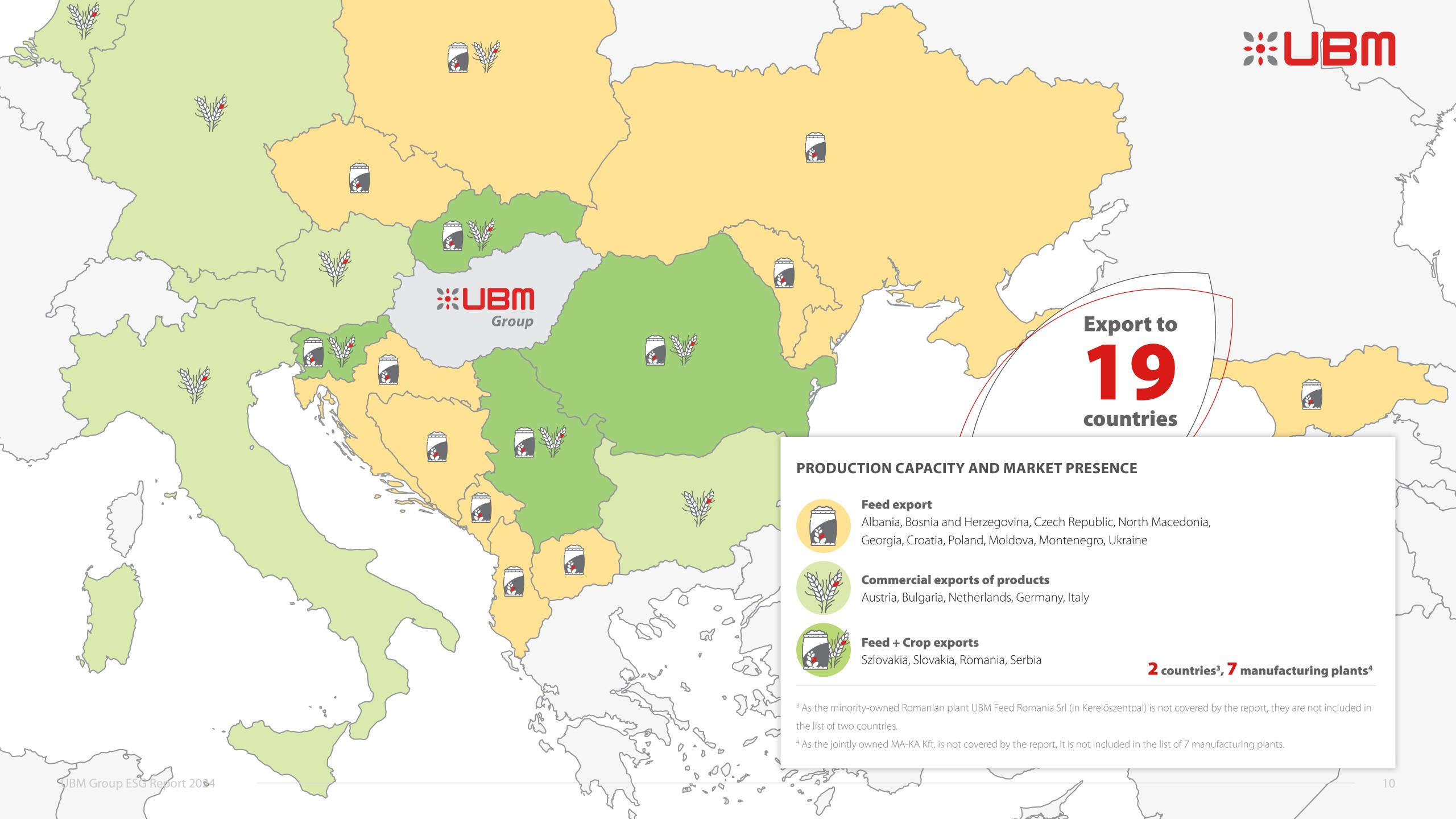


420 person

employed staff*

* (on 30.06.2024)







Company	Location	Type of plant	Species of animals concerned	Capacity data (tonnes/year)
		Feed mixer	poultry pigs ruminants	40 000
UBM Feed Zrt.	Környe (HU)	 Soya processing plant Products: 1. Production of full-fat soya raw material for feed production 2. Soypreme, either as a finished product for ruminants or as a raw material for ruminants for feed production. 	poultry pigs ruminants	30 000
		Premix plant raw material either for own feed production or for resale to other feed producers	poultry pigs ruminants	18 000
UBM Szeleste Zrt.	Szeleste (HU)	Feed mixer in 2 plants Small mixer Big mixer	poultry pigs ruminants	240 000
"AGROMIX" Zrt.	Mátészalka (HU)	Feed mixer	poultry pigs ruminants	80 000
UBM Agro Slovakia, s.r.o.	Hernádcsány (SK)	Feed mixer	poultry pigs ruminants	100 000
Total				508 000

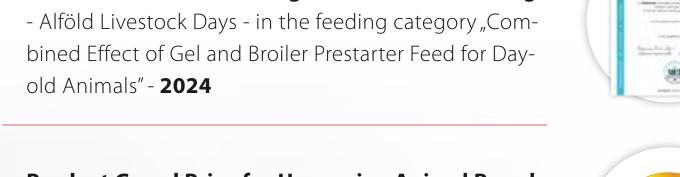


UBM Group ESG Report 2024

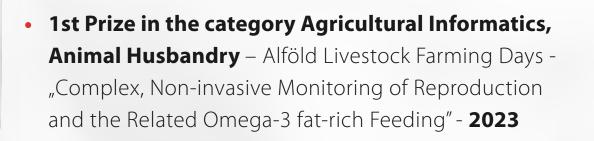
PROFESSIONAL RECOGNITION AND AWARDS 2023/2024⁵



Product 1st Prize for Hungarian Animal Breeding



Product Grand Prize for Hungarian Animal Breeding - Alföld Livestock Days - "For the Development of Palm Oil-free Feeding of Dairy Cows and for Obtaining the Certifying Trademark" - 2023





HR RECOGNITIONS AND AWARDS 2023/2024



• Mental Health Certificate "Advanced" certification + "Creative Solutions" special prize - 2024.



• Family Friendly Place trademark - 2024



BeneFit Prize Public Prize - 2023



BeneFit Prize Special Award in the Family Friendly category - 2023



Responsible Employer Gold rating - 2023

XUBM







Introduction

(GRI-2-6)



Feed production and trade

UB Merchants Kft..., founded in 1996, grew into the UBM Group headed by UBM Holding Nyrt., which is now the largest feed manufacturer and trader of raw materials in Hungary with a turnover of 1.7 million tonnes. The Group is active in the production of feed, feed supplements, premixes and the sale of all these products. Specialised feed supply and consultancy services for different animal species (poultry, pigs and ruminants) provide an important back-up for our partners.

Our main activity is **feed production**, which is carried out in four plants in Hungary (Szeleste, Környe, Szentes, Mátészalka), Romania (Kerelőszentpál) and Slovakia (Hernádcsány). Our plants are efficient not only in technology but also in plant size. The plants in Szentes and Romania are not presented in our ESG report because these production capacities are owned by two related companies (MA-KA Takarmánykeverő és Forgalmazó Kft. and UBM Feed Romania Srl), which are not covered by the report due to the non-majority ownership of UBM.



International wholesale trade in produce

Our other segment is **feed materials and commodity trading**, which covers the buying and selling of cereals, oilseeds and protein crops, both in the Hungarian and Central European regional markets, from the Black Sea to Italy. We also have commercial offices in Bucharest, Belgrade, Pilisvörösvár, Linz and Milan.

One of the focal points of our business strategy is the further growth of the Group, which can only be ensured by sales and presence in export markets due to the limited market opportunities in Hungary. The UBM Group has an active acquisition programme in Eastern and Central Europe and Central Asia



Large-scale livestock farming

In order to expand our domestic activities, we launched a new **livestock production** business in August 2023: on 01 August 2023 we acquired a 24.9% stake in Mangal Ilona Sertéshízlalda Kft. through UBM Feed Zrt. This new investment actively contributes to the exploitation of vertical integration benefits. We do not go into more detail about this business in our report as we do not have a majority share in this company, but it is very important to emphasise that this new business also brings numerous benefits to UBM. First of all, we have access to a secure and large volume feed sales market based on accurate forecasts, direct feedback on our products and services, large-scale trials in different plant environments and technological conditions, direct and real feedback on other feed producers' solutions which we can incorporate into the development of our own competences as a market feed producer. We can use in-house production capacities and markets to build further synergies and collaborations within our own partner circle, such as piglet buying, inclusion in a fattening circuit or joint fattener sales.

UBM Group ESG Report 2024 — 13



Thanks to its diversified domestic and international activities the UBM Group now integrates the activities of 21 companies in the three main areas of activity described above, but in this ESG report we will limit ourselves to the 16 majority-owned entities.

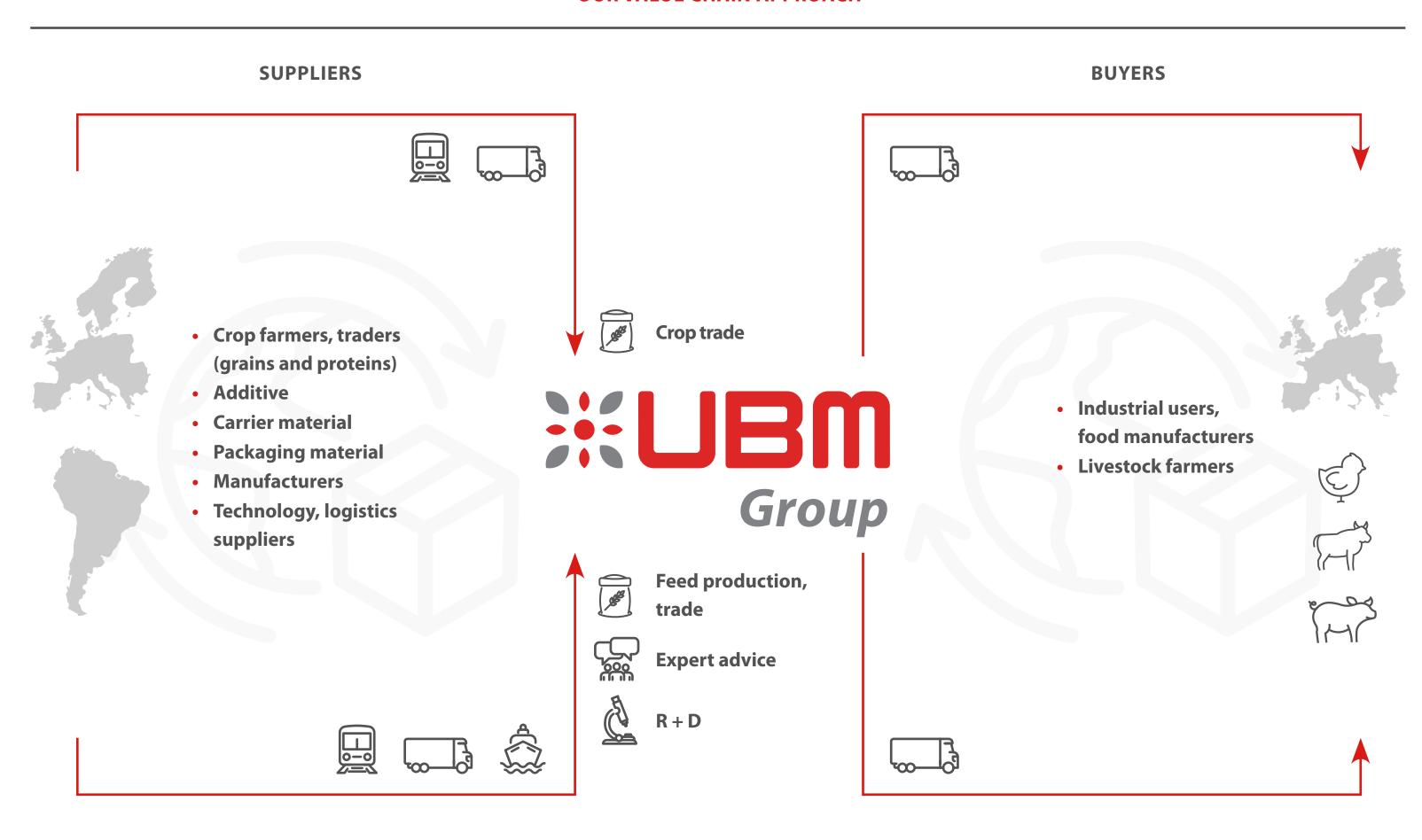
PRESENTATION OF THE UBM GROUP VALUE CHAIN

OUR VALUE CHAIN APPROACH

UBM GROUP SALES BREAKDOWN BY BUSINESS LINE IN TONNES FOR THE LAST TWO FINANCIAL YEARS

CONSOLIDATED (tonnes)	2022/2023	2023/2024	Difference %
Total feed business	435 831	453 555	4%
Mixture feed	324 111	338 085	4%
Premix	13 157	13 419	2%
Soypreme	16 221	16 849	4%
Feed material sales	82 342	85 203	3%

CONSOLIDATED (tonnes)	2022/2023	2023/2024	Difference %
Total commodity business	1 023 414	1 288 186	26%
Total grain	825 028	1 048 642	27%
Wheat	277 455	339 535	22%
Maize	281 361	376 823	34%
Barley	66 980	180 559	170%
Other	199 232	151 725	-24%
Total protein carriers	198 386	239 544	21%
Soypulp	162 258	194 870	20%
Soybeans	36 126	44 674	24%





In our almost 30 years of operation we have continuously deepened and developed our relationships with our partners, thinking together along the following main lines:

- **customer-centric sales and service:** constantly available expert advice, incorporating customer feedback into our manufacturing and product development processes,
- **research and development** for a more efficient, sustainable and economical product range, with a particular focus on reducing our carbon footprint,
- **knowledge and information transfer** to share good practices and global market trends with our partners and the future generations,
- **responsible sourcing of materials** and support for the **circular economy,** both on the procurement and sales side,
- **impeccable and continuous quality assurance** for animal welfare and food safety.

UBM GROUP'S GOALS AND VISION

The results we have achieved provided a sound basis for the listing of UBM Holding Nyrt. on the stock exchange and the dynamic growth of the Group. As the only agro-industrial company on the Budapest Stock Exchange (BSE) it is important to formulate and present our clear, medium-term strategic goals and a vision of the future.

OUR VISION

- UBM is a Hungarian-based professional group of companies with a stable capital structure in the agricultural sector
- transition from a leading domestic feed producer/ trader and crop trader to a regional player
- a vertically expanding, dominant livestock and integrator role

- quality with concentrated production
- significant international protein and grain trade









Achieve an annual feed production volume of **1 million tonnes**⁶

Achieve an annual feed material trade volume of **2 million tonnes**⁶

Expansion in Central and Eastern Europe

acquisitions and investments

Increasing the operational vertical

by exploring entry into livestock breeding

Opening more commercial offices

in Eastern and Western Europe

The trend in Western European livestock and feed production is to shift their activities from Hungary to Central and Eastern Europe, a process facilitated by an over-regulated economic environment. UBM can see excellent opportunities in this process of transformation:

- in Romania, Serbia and the Balkan countries intensive livestock farming is expected to increase in the next 5-15 years alongside the declining backyard livestock farming, which we can support by producing the best quality feed, so this is an area of particular focus;
- the production technology of UBM feeds and feed supplements is at the forefront in Europe, and we would like to establish and represent it in other countries as well:
- we also aim to further expand our commercial activities by opening new offices in Eastern and Western Europe as well as in Central Asia by 2025, which will enable the Group to serve all markets within a 2,000 km radius of Hungary within two years.

Research and development is the engine that drives the efficiency of our products which our partners expect for better performance, and it is the key to our business success. Our laboratory - which is also available to our partners - performs 17,000 tests a year, helping to ensure our partners are professionally informed and data-aware. The network of consultants plays a key role in the livestock product trajectory, monitoring feed utilisation and animal welfare. We maintain strategic links with universities and research centres at home and abroad to incorporate current developments and technology into our company's feed production practices.

⁶ In defining our business objectives we also include companies that are included in our consolidated financial statements but not in our ESG reporting, such as the jointly controlled MA-KA Kft. and the associate UBM Feed Romania Srl.

Our history



1997

Start of grain trade



2004

Launch of feed business



2012

- The Soypreme® plant starts up in Környe Production of unique full-fat soy products
- Start-up of the MA-KA feed plant in Szentes The most modern feed mixing plant in our country



2014

Launch of Slovak feed trading office in Kassa

1996

Establishment of UBM Merchants Kft. Soy trade in the center



2000

• Trade in feed supplements For all farm animals



2008

Purchase of Környe feed mixer













2016

Inauguration of Környe premix plant

We have become a key player in premix production



2018

Purchase of the Čaňa mixing plant in Slovakia

Acquiring ownership in the company "AGROMIX"



2020

• Starting an Austrian grain trading office in Linz Opening new market



2022

 Reconstruction of the feed mixer in Szeleste and Čaňa *Investment to serve the needs* of the future

- CFO of the Year Award
- The first UBM RedRun kicks off



2024

 Agricultural Marketing Award Gold Product 1st place in the feed category Exhibition at the Milan Fair

- ESG Club Hungary membership, Chair of the Agricultural Working Group ISO 14001 implementation in Szeleste
- Premix plant renovation in Környe
- Establishment of the ESG Committee
- Publication of the ESG Report according to GRI Standards

2017

 Opening a grain trading office in Bucharest

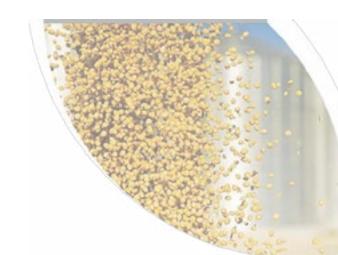
The first step of our Romanian market launch

2019

Opening of a Serbian grain trading office in Belgrade Strenghtening regional trade

Romania, inauguration of Sânpaul feed mixer

The largest independent feed mill in the region



Starting a Serbian feed

Building up market

for expansion

sales company in Belgrade

2021

2023

Palm Oil Free Certificate

Establishment of the UBM Feeding Club coupled with the announcement of the "Feeding Award"

Appointment of a dedicated ESG-sustainability officer

Opening of a commercial office in Milan, Italy

Romanian warehouse acquisition for capacity expansion in Budesti

Launch of the livestock business

Publication of the first ESG Report







Sustainability

(GRI-2-22)

Thinking in terms of the whole life cycle is a key element of our business, so in each of our business units we continuously assess the external factors that impact our own operations from a sustainability perspective, while also analysing how the activities carried out by the UBM Group impact the outside world and our partners.

In the feed sector **our R&D team** is continuously working on improvements that will allow our breeding animals to grow and be fed **with the best feed efficiency**, while at the same time **aiming** to **measurably reduce emissions and environmental impact** from **livestock production**, one of our major feed markets. Efficient feed utilisation is unthinkable in a stressful environment for livestock, and these issues are an integral part of our consultancy service. Our more absorbent feeds can indirectly reduce feed material requirements and thus the ecological footprint of crop production. The UBM Group is actively involved in and is at the forefront of the scientific work in this field, as evidenced by the feed awards we have won.

Through our regular partner meetings and strategic collaborations, we address the challenges that drive the industry, seeking solutions to the dilemma of lower carbon footprint of intensive livestock production compared to conventional backyard farming, while at the same time meeting the increasingly stringent animal welfare and health requirements. The sustainability aspect of our commercial business can be seen both in finding logistics solutions with a lower ecological footprint and in finding or developing alternative sources of supply that meet either deforestation-free requirements (e.g. substitution with animal protein) or other food safety standards.

In the past year the appointment of a dedicated ESG Sustainability Officer Bettina Baksa, who leads and coordinates these issues, and the establishment of our ESG Committee in July 2024 have brought about a significant and positive change in the way we deal with day-to-day sustainability issues. The work of our Sustainability Officer and our achievements and objectives to date are explained in more detail in the section on Responsible Corporate Governance under Managing sustainability issues.

INTEGRATING ESG THINKING INTO EVERYDAY LIFE

Over the past year many initiatives on sustainability issues have been launched to improve information and data collection, and to raise awareness of sustainability issues among our colleagues and external partners.

Here is a summary of our results so far:

Quarterly data collection

We have developed our quarterly ESG reporting system with the involvement of our partner departments. We have defined our key sustainability performance indicators, which are measured, reviewed and analysed every three months. We continuously monitor our energy use (electricity, gas, fuel) and thus our CO_2 emissions, which are then assessed at the plant level. A very important step forward is that we measure our GHG intensity i.e. our GHG emissions per unit of feed produced (g CO_2 e/kg) both per production unit and for the UBM Group as a whole, so that we can both assess our individual plants and compare our emissions with those of our competitors.

We also monitor quantifiable data related to employment (e.g. employee turnover, male-female ratio, loyalty) and welfare measures, and present ESG measures for the quarter to management.

This method also helps us to compare our sustainability commitments with our actual performance, and provides an opportunity to analyse the differences and examine the causes. We can also see where and what further action is needed. Monitoring our Group's performance not only from a financial perspective but also through the lenses of the environment, social and corporate governance helps to reduce or even avoid risks. We consider **improvements in our corporate governance system** as a key factor for data input, collection and management. We are constantly working to produce data as quickly and accurately as possible and with fewer and fewer human resources, thus reducing the administrative burden on our employees.





A mindset change

We are working together across the organisation to integrate a sustainability approach into our daily operations, not only at the company level but also at the level of individual responsibility. We believe it is important for colleagues to take this mindset "back home" to their families. They should collect their garbage separately, travel responsibly and be "sensitive" to their environment. We believe that through individual initiatives, small but real actions we can achieve results.

There is a growing interest in ESG among colleagues. Our aim is to provide ESG trainings in the future, firstly for employees who would like to attend on a voluntary basis. We are convinced that in the long term motivation from within, rather than compulsory education, will be more effective in implementing a change in approach. In addition, we are consciously working with our suppliers, e.g. our transportation partners, on how we can measure our indirect Scope3 emissions or, together with our packaging suppliers, what measures we can take to either reduce waste generation or our emissions. Our credo is that it is not enough for us to act, we must mobilise the rest of our value chain to achieve our common goal. Many of our customers are facing the same challenges and tasks, either on their own initiative or under pressure from their own customers, so our partners are increasingly open to constructive cooperation to improve environmental, social and corporate governance awareness.









ESG milestones for the financial year 2023/2024	Environmental aspect	Social aspect	Corporate governance aspect
Quarterly reporting system, setting up KPIs	✓	✓	✓
Wellbeing Ambassador, CSR Coordinator		✓	
Starting volunteering		✓	
Introduction of a Code of Conduct and Ethics		✓	✓
ESG-sustainability officer	✓	✓	✓
CSR application form		✓	
Materiality survey (450 completions)	✓	✓	✓
Effekteam membership		✓	✓
ESG Club Hungary Membership, Head of Agricultural Working Group	✓	✓	✓
Extending the procurement policy		✓	✓
Waste management policy Környe	✓		✓
ISO 14001 Szeleste	✓		✓
Packaging materials survey	✓		
ESG-relevant developments in the IFS corporate governance system	✓		✓
Establishment of the ESG Committee	✓	✓	✓
ESG education	✓	✓	✓
ESG - partner meetings	✓	✓	✓



Our values

Our successful operations have a solid foundation in our corporate values including community building, consciousness, sustainablity, and environment responsibility.



We form a community

We accept ourselves and others, we take care of each other, we show tolerance. We strive to achive our own identity - believing that this is how we can get the most out of our work and our private life



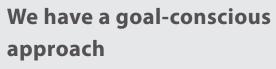
We do the right thing

We are law-abiding, we have high moral values, we are genuine in our own and other's eyes



We are in progress every day

Professionalism, innovation, creativity, resilience, adaptibility, flexibility



Determination, focus, concentration, structuring, organisation environmental awareness, sustainablity



We have faith in our partners

We strive for equality in all relationships of UBM; starting from our employees through our business partners to the controlling authorities

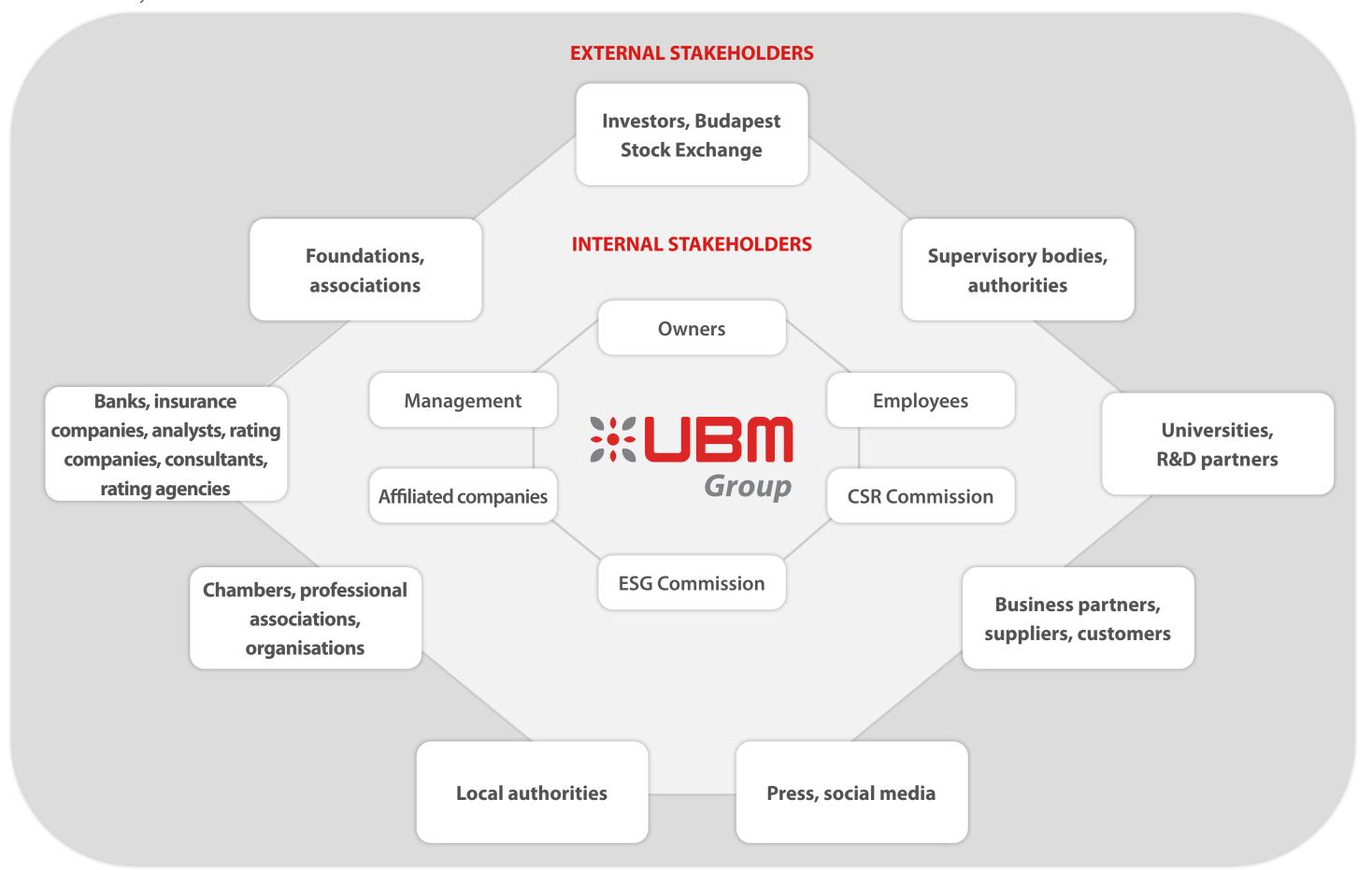


Our stakeholders

(GRI-2-29)

Similarly to our first ESG report last year, this year we have also defined the stakeholders that surround us in our day-to-day operations and divided them into internal and external stakeholders based on their relationship to our Group.

We attach great importance to an ongoing dialogue and close cooperation with our stakeholders. We actively communicate with them, with a particular focus on sustainability.





The ways we are reaching our stakeholders and the active-interactive solutions through which we communicate with them are very diverse.

The cooperation platform with our key stakeholder groups is illustrated in the list below:



1. Investors/owners/ BSE/Banks and other financial market participants:

- Constant and active presence on all official stock exchange platforms (e.g. in the form of disclosures, financial reports, press releases, information releases),
- On the UBM Group Investor Relations (IR) website and blog, which is specifically dedicated to our investors,
- In-person investor forums, annual general meetings, roadshows and meetings



2. Employees / managers:

- via e-mail, WhatsApp, LinkedIn,
- on our intranet,
- in employee events, get-togethers, informal programmes,
- through involving managers and HR in performance appraisal and feedback, career planning, training opportunities,
- in our quarterly UBM News Plus online publication, available to internal and external stakeholders on our website,
- offline with posters, notices,
- at information handover, internal personal training and educational events





3. Business - our partners, suppliers, customers:

- Our team of professional advisors strives to maintain continuous and intensive personal contact with our customers and partners, whether through "field" meetings, telephone, e-mail or Team meetings.
- Throughout the year, we continuously participate in conferences, events and fairs on agricultural, financial, sustainability, HR and other professional topics, both in Hungary and internationally, where we are represented as exhibitors and/or invited speakers. We report on our product development achievements and our insights on industry issues and development directions for our partners.
- We regularly organise customer meetings, e.g. the foundation of the UBM Feeding Club and granting Feeding Awards.
- We actively engage with suppliers in person, by email, or even through plant visits, whether on sustainability, circular economy issues, or sharing research, development or innovation results.



4. Local communities, municipalities, authorities, chambers, professional associations:

- Continuous and seamless communication by e-mail, in person and by phone,
- On social media platforms, in podcasts, vlogs



5. University collaborations, strategic R&D partners:

- Regular contact by e-mail, in person, ont he telephone,
- Joint research, working groups,
- Written online-offline media coverage



Our material topics

(GRI-3-1, GRI 3-2, GRI-3-3)

In full compliance with the GRI requirements, we prepared our materiality analysis again this year, which last year was also used to inform our ESG strategy. It clarifies the topics that most define our operations from a sustainability perspective.

In the previous year we identified our material topics by involving external and internal stakeholders. However, it is important to note that the legislative environment for sustainability and the goals and expectations to be achieved are constantly changing, and we therefore consider it necessary to review our material topics, related strategic orientations and areas of intervention on an annual basis. Through constructive and intensive dialogue with our stakeholders it has also become clear that environmental, social and governance considerations and their integration into our day-today operations play an increasingly important role. In line with our ESG roadmap this year we prepared our ESG report according to the guidelines of the internationally accepted GRI Standards. As a result, we reviewed the relevant industry standards of the new GRI Standards and expanded the potential scope of material topics accordingly. Prior to preparing our ESG report we had assessed the impacts of sustainability on our business and involved our stakeholders (employees, suppliers, partners, etc.), asking them through an anonymous questionnaire on their views on the relationship between our business and sustainability, and the actual and potential positive and negative impacts of each topic on our operations. We are proud to have received nearly 450 responses to our materiality questionnaire (completed by 51%-49% of our internal and external stakeholders), providing us with robust feedback on our stakeholders' views.

In addition, the relevant topic list is supplemented with a benchmark analysis (identifying relevant topics of international competitors and business partners) and MSCI industry-specific aspects.

LIST OF MATERIAL TOPICS



ENVIRONMENTAL

- Energy consumption
- Emissions
- Research and development (R&D)
- Product quality and quality assurance
- Waste management
- Water use



SOCIAL

- Employment, diversity, loyalty
- Training and education of our staff
- Employee well-being
- Health and safety at work
- Social responsibility, local communities
- Food safety, feed safety



CORPORATE GOVERNANCE

- Management of UBM Group
- Ethical conduct and compliance
- Economic performance
- Indirect economic impact
- Tax
- Data protection
- Purchasing practices, supplier evaluation

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Our key professional memberships and cooperations

(GRI-2-28)

Our professional memberships provide an opportunity to build valuable partnerships, gain knowledge, share knowledge, exchange experiences, continuously develop, learn and transfer good practices. We actively participate in a number of national and international professional organisations, industry associations and advocacy groups, promoting sustainability programmes. We also pay particular attention to professional forums on ESG and human capital.



Professional membership



Hungarian Chamber of Agriculture



Hungarian Chamber of Commerce and Industry



Association of Hungarian Cereal Processors, Feed Manufacturers and Traders



UBM Agrar GmbH - Austrian Federal Economic Chamber



UBM Agrar GmbH - Gesellschaft für Gesunde Tierernährung (Healthy Animal Feed Society)



UBM Italy S.r.l. - AGER S.r.l. (European Agricultural Technical Assistance Centre)



UBM Italy S.r.l. - Associazione Granaria Milano (Grain Association)



UBM Feed d.o.o. - Association of Serbian Veterinarians



UBM d.o.o. - Serbian Chamber

XUBM

CHAMBER OF COMMERCE AND INDUSTRY OF SERBIA

UBM Agri Trade Srl - ANFNC



UBM d.o.o. - Serbian Grain Association



Cooperation



Hungarian Agricultural and Life Sciences
University (MATE) strategic cooperation
agreement for our participation in education and adult education, in dual and practical training and joint R&D and innovation
programmes, professional cooperation,



Long-term cooperation with the Dutch Schothorst Feed Research, a knowledge centre for feed recipe development and pilot plant,

AGROLCOP

Strategic cooperation agreement with Agroloop Hungary Kft., a start-up company for the large-scale production and use of insect proteins to partially replace expensive and environmentally damaging imported plant proteins,



A cooperation with the Effekteam
Association (formerly known as the
Hungarian Donors' Forum) on CSR,
responsible corporate citizenship and
sustainability issues since 2023,



Membership of the ESG Club Hungary, a non-profit organisation dealing with sustainability issues and leader of its Agricultural Working Group since 2023,



Membership of the Flow HR Benchmark Loyalty Club, which is both an inspiring professional HR community and a service that has allowed the company's HR metrics to be better benchmarked against other industry and non-industry players since 2021

Megatrends

(GRI-3-3, GRI 13.2, GRI 201-2)

As a group of companies with a leading role in the region, we constantly monitor megatrends in the feed and animal product manufacturing processes, from which no actor in the value chain can be independent.

Long-term and far-reaching changes in the world, which have a major impact on our own activities, affect not only our environment, but also our society and our economy. These factors can both pose serious risks and, if we give relevant and proactive responses, can also bring new business opportunities.

For our operating units and locations, we have assessed the potential negative physical risks associated with climate change (e.g. flooding, earthquakes), but these are negligible for all our units. However, we are also continuously assessing and analysing the risks associated with the transition to carbon neutrality. Compliance with tightening regulations and legal requirements and the necessary measures are managed by our ESG Officer and our newly established ESG Committee at UBM Group level.

We also take a dual materiality approach to our operations, analysing our impact, which includes the impact of climate change on our operations, and the positive, negative, actual or potential impact of our operations on the environment, society, human rights and the economy. This impact analysis has also helped us to review and identify our material topics, which are discussed in detail in the relevant chapters.

The megatrends affecting our activities and their impacts, opportunities and market potential are presented in the table below.







Determining trends in the feed and animal product manufac- turing process		Opportunity	Solution that can be influenced and applied by UBM
Environmental trends, impacts	S		
		1. Growing crops that are more resistant to weather conditions (e.g. soybean, sorghum), selecting appropriate seeds	X
	Extreme weather conditions, heatwave-induced drought, tor-	2. Promoting less water-intensive crop production practices, using more efficient irrigation	X
	rential rain, storm-induced crop failures	3. Use of alternative protein sources in animal feed: e.g. the rise of insect protein, peas	√
		4. Use of feed materials that are more easily and efficiently absorbed, development of production technology solutions	√
	The spread of pests, invasive species, animal diseases, epidemics	1. Development of feeding solutions and advice on husbandry techniques to reduce production losses due to heat stress	√
		2. Biosecurity, disease prevention, use of specific vaccination programmes where necessary	√
		3. Improving the gut health of animals by using appropriate feeds, special additives, pre- and probiotics	√
	Negative effects of mycotoxins in feed, reduction in livestock production/yield	4. Increased control of feed materials quality, maintenance/improvement of feed hygiene	√
		5. Risk assessment through laboratory tests (e.g. toxin situation)	√
		6. Precision, IT and Al-based disease detection / prevention and treatment	X
	Negative impact on logistics routes (e.g. rail, river shipping, etc.).	1. Identifying alternative raw materials and sources of supply	√
Climate change and its impacts		2. A range of products better adapted to local resources	√
		3. Warehouse optimisation	√
	The size of areas suitable and usable for crop production is decreasing, changing, shifting e.g. northwards.	1. To make greater use of local or nearby feed material supply options, reducing logistical costs	√
	The range of crop production in each region is changing due to the impact of climate change	2. Crop rotation control (e.g. grouping crops according to their photosynthetic capacity (T1,T2,T3))	X
		3. Opening up to livestock production in the form of vertical integration	√
	The marginalisation of higher emitting animal species and production technologies (such as methane emissions from ruminants) to achieve the CO_2 emission reduction target	1. Focusing on sectors with a lower environmental impact, improving production efficiency (feed marketing, water use)	✓
	For poultry, reducing stocking density or using slow-growing hybrids (animal welfare priority)	2. Developing specific feed management	√
	Additional costs, crop losses due to environmental impacts, damage	Taking out insurance to reduce risks	X





Determining trends in the feed and animal product manufacturing process	Risk	Opportunity	Solution that can be influenced and applied by UBM
Social trends, impacts			
	Although global population growth will continue, the population in Europe will decline (more significantly in Eastern Europe and more moderately in Western Europe, due to migration).	1. Meeting the food needs of the regions through "local", regional production, instead of expensive and environmentally damaging world trade	✓
Demographic changes		2. Exporting modern, integrated production systems and know-how rather than exporting products	✓
		3. The appreciation of food production in Eastern Europe and Central Asia	√
	Religious reasons: As the consumption of certain meats is forbidden in different religions, the production rate of meat products and the supply must follow the changing demand due to demographic changes.		✓
Changes in consumer habits	Health/sustainability focus: There will be a shift towards vegetarian, vegan diets in developed societies, which will lead to a somewhat reduced meat consumption. This will not reduce world demand for meat, but will shift regional proportions.	Diversification of commercial and production activities: meeting livestock and food production needs with feed materials (cereals, protein products, oilseeds and other supplements) for all market segments	✓
	awareness/quality/price/value focus: Although the demand for food is primarily driven by the price of commodity products, the issues of product quality is becoming increasingly important as well as sustainability in production, healthy eating and animal welfare.	Incorporation of integrated quality and ESG aspects into the whole value chain process (e.g. carbon footprint reduction) encompassing the whole product track	√
Labour market cituation	Global labour shortages, which have reached critical levels in developed countries (both physical and skilled labour) which can	Digitalisation, robotisation, precision production	✓
Labour market situation	veloped countries (both physical and skilled labour), which can only be solved by organised labour "imports" and migration	The rise of AI solutions	✓





Determining trends in the feed and animal product manufacturing process	Risk	Opportunity	Solution that can be influenced and applied by UBM
Business, economic impacts			
	1. Changes in energy demand (milder winters but hotter summers)	1. To replace as much of energy demand as possible with renewable, green energy	✓
	2. Higher overheads	2. Improving the efficiency of production	✓
Cost increase	3. Inflationary pressures, exchange rate fluctuations	3. Fixed-term commodity and foreign exchange contracts	✓
	Infrastructure and technology expansion pressures due to tightening animal welfare standards, with serious negative financial consequences (e.g. CAPEX, OPEX surplus)	1. Prioritising energy efficiency investments to reduce costs and save energy	✓
		2. Exploring/choosing a more efficient renewable energy technology	✓
A tightening ESG-focused regulatory environment	In the world, but especially in the EU, there are increasingly stringent animal welfare, food safety, health and other sustainability requirements that are often contradictory and make it difficult to compete.	Finding the most appropriate solution for the market while respecting the regulations	✓





Our ESG approach and sustainability strategy

(GRI 2-17)

In our 2023/2024 financial year we progressed in line with the ESG strategy we had developed a year earlier, and achieved significant progress and reached milestones on a very wide range of issues. Under the guidance and mentorship of our ESG Sustainability Officer, we developed our quarterly metrics to achieve our energy efficiency and emissions reduction targets. This provides us with an accurate picture of the current carbon footprint of our operations during the year, which greatly facilitates the actions we take to reduce our environmental footprint.

We have made a number of investments to reduce energy use, and by the end of this year we will have completed our first solar farm which will significantly reduce our carbon emissions. We also plan to shift our fleet towards electromobility where it makes rational sense to do so.

Our emissions reduction targets are based on accurately measuring not only our own direct and indirect emissions (Scope 1, 2), but also those of our value chain members (Scope 3 upstream/downstream). Thus, an important element of the coming years will be to complete our Scope 3 inventory and start measuring and estimating our related emissions, with a target to collect transport-related data in our 2024/2025 financial year as one of the steps.

We also moved towards a conscious reduction in waste management, so over the years we have adopted smaller bag sizes for certain packaging materials, which helps us to reduce waste. The pallet sizes used for deliveries have also been reduced over the years, saving a significant amount of wood.

Over the past year, we have worked to raise awareness of the importance of sustainability across the company in a number of ways. Together we have launched small and large projects to educate our staff and raise awareness of the importance of the issue.

We also consult intensively with our external stakeholders on sustainability-related issues, so in addition to sensitising our suppliers, we consciously seek partners with whom we can work, including in R&D, to develop solutions that are forward-looking or can offer environmental alternatives that can reduce our environmental footprint.

THE MAIN PILLARS OF OUR ESG STRATEGY

ESG COMMISSION

ESG SUSTAINABILITY OFFICER

THE MAIN PILLARS OF THE UBM GROUP'S ESG STRATEGY

ENVIRONMENTAL

- Efficient energy management
- Renewable energy focus
- Measuring and conscious reduction of carbon emissions (Scope 1,2,3)
- Conscious waste management
- Quality management, quality assurance
- R&D
- Green financing

SOCIAL

- Employee wellbeing
- Conscious CSR activity
- Supporting local communities
- Health and safety at work
- ESG competence development and awareness raising

GOVERNANCE

- Responsible corporate governance
- ESG-compatible operations
- Responsible procurement
- Customer contacts
- Risk management





















ETHICS COMMITTEE

CODE OF ETHICS AND BUSINESS CONDUCT



OUR OBJECTIVES FOR 2030 AND THEIR CURRENT STATUS



ENVIRONMENTAL

2024	TARGET Efficient energy management	STATUS		
	LED lighting replacement in Környe and Szeleste.	It has been implemented in Környe.	√	
	An energy efficiency plan for each site and related energy efficiency investments	Implemented and ongoing: energy efficiency plans are in place, investment priority list is available	√	
	Investment in a solar power plant, which will generate green electricity to cover 15-20% of the UBM Group's electricity needs per year	Ongoing: from 2025 the 4 MW solar farm in Nyírmeggyes, to be completed by the end of 2024, will be able to produce and feed into the grid green electricity equivalent to approximately 40-60% of the annual electricity consumption of the UBM Group entities covered by the ESG Report.		
25	Expanding the fleet with at least 5 new plug-in hybrid or electric cars	Achieved: in our 2023/2024 financial year we increased our stock by a total of 5 hybrid/electric cars compared to the previous year	√	
	We will set up a monitoring system for the whole group to assess the environmental performance of the fleet.	Ongoing: we are making continuous improvements in this area.	$\overline{\mathbb{Z}}$	
	Waste management	Examined and rejected:		

Reducing the environmental burden and waste generated by introducing a deposit scheme for bagged products	the deposit scheme cannot be introduced for bagged products due to legal requirements (e.g. product and food safety reasons).	
NEW: review of packaging materials (recyclability, material composition)	Ongoing: we have reduced the size of certain bags to improve the fill rate and thus reduce packaging waste, saving 12 tonnes of bagged paper waste per year.	4





2025	

Measuring and reducing emissions (Scope 1,2,3)

Scope 3 inventory preparation: mapping and designing data collection	Ongoing: as one element we have started to assess the emissions generated by external carriers and will publish the relevant data in the 2024/2025 financial year.	
Scope 3 calculation for all feed produced	In progress: not yet implemented	
We also want to offer the measurement of CO_2 emissions per product automatically as a content parameter, as an extra service for our partners.	In progress: not yet implemented	$\overline{\mathbb{Z}}$
In our ESG report for the 2024/2025 financial year we will calculate Scope 3 for all feed produced.	Not yet started	()
NEW: reduction of Scope 1 and Scope 2 emissions by 15% compared to base year (base year: FY 2022/2023)	Ongoing: the solar power plant investment will make it feasible.	
Achieving a 20% specific reduction in GHG intensity of Scope 1 and 2 emissions compared to the base year (base year: fiscal year 2022/2023)	In the 2023/2024 business year the GHG intensity from total Scope 1 and Scope 2 emissions decreased by 1.4% compared to the 2022/2023 base year.	$\overline{\mathbb{Z}}$
achieving a 15% specific reduction in Scope 3 GHG emission intensity (feed production product scope) compared to the base year (base year: financial year 2010)	Work has already started on setting up the Scope 3 inventory and measuring some of its elements (e.g. measurement of external fleet operations, emissions data).	



SOCIAL

	TARGET		STATUS	
2024	ESG education	In progress		√
2025	NEW: Comprehensive monitoring and recording of data and indicators on training hours	In progress		$\overline{\mathbb{Z}}$
	Continuing to raise awareness and practical application of the Code of Ethics through annual trainings	In progress		√
2026	Examination of the EPD ⁷ for each product, product group	Not yet started		(<u>)</u>

⁷ EPD stands for Environmental Product Declaration, an independently verified and registered document that provides transparent and comparable information on the environmental impacts of a product's life cycle.





CORPORATE GOVERNANCE/ECONOMICS

	TARGET	STATUS	
1	Introduction of Code of Conduct Ethics	Completed	
	Preparation of a procurement policy	Completed	
	Full implementation of digital signature	In progress	
	Setting up an ESG and Ethics Committee	Completed	
	Preparation for green financing	In progress	
	ISO 14001 KIR implementation in Szeleste	Completed	
	Integrating ESG metrics into investment decisions	Completed	
	Review/extension of procurement policy	In progress taking into account legal requirements (e.g. ESG Act requirements)	
	Introduction of the ESG module during the upgrade of the corporate governance system	Ongoing: the development of our own ESG relevant data collection system is underway and the scope of data collection is continuously expanding.	
	NEW: introduction of a digitalised and unified partner rating system	Not yet started	
	NEW: development of a unified waste management policy	Not yet started	
	NEW: implementation of ISO 14001 KIR in Környe	Not yet started	



Our commitment to the environment

(GRI-3-3)

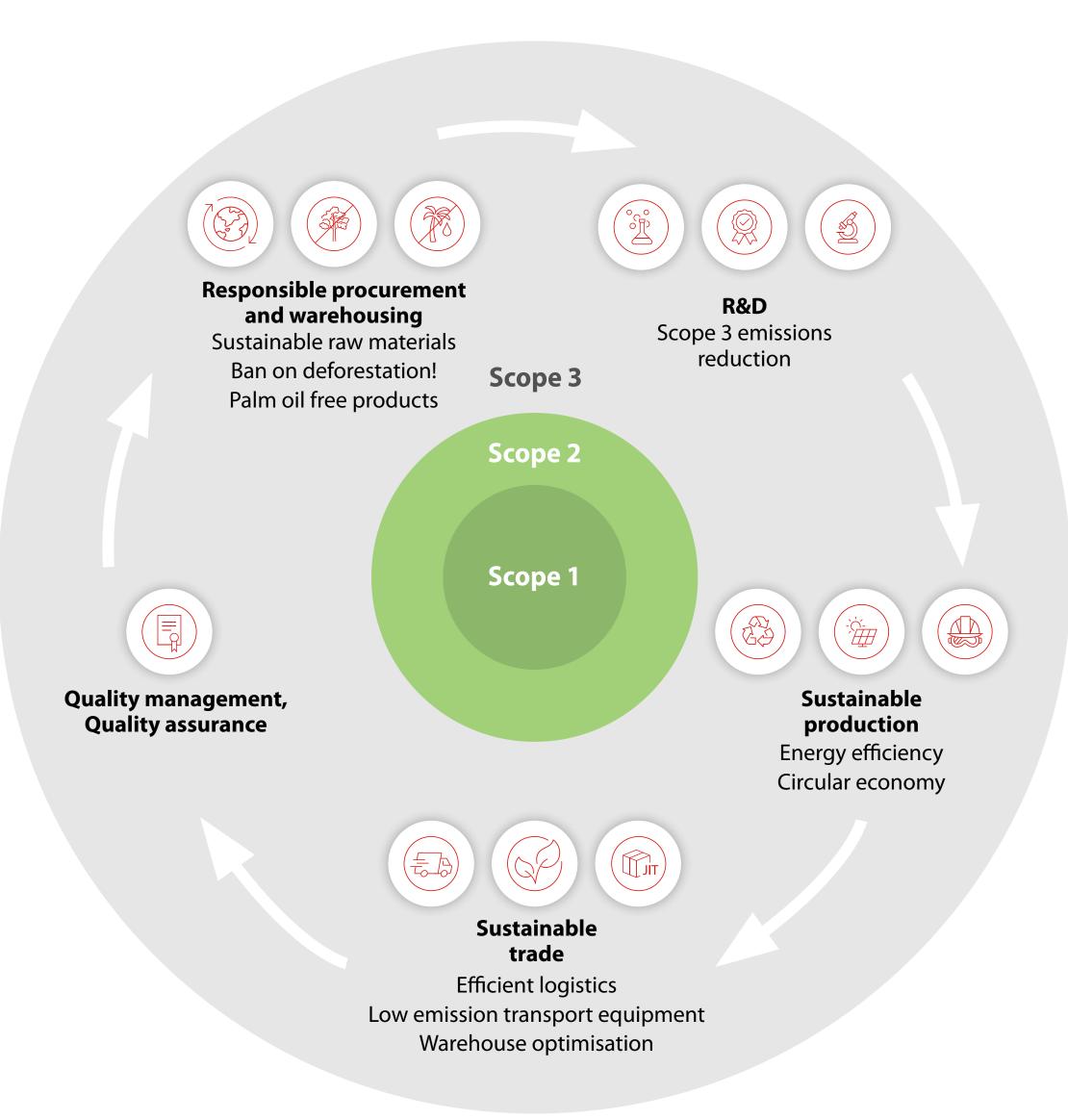
The global importance of the agricultural sector is reflected not only in food supply, but also in environmental pressures. Agriculture, including land management and forestry, accounts for 18.4% of humanity's total greenhouse gas emissions, making a greater commitment to sustainability inevitable⁸. It is therefore crucial for the sector to take steps to reduce its environmental footprint, in particular to increase energy efficiency and reduce emissions.

As a major player in the Hungarian agricultural sector, our company is particularly keen to consciously reduce the energy used in its production and commercial activities and to rely increasingly on renewable sources. One of our most significant steps in this direction is the implementation of our solar power plant project, which will make a significant contribution to the transition to renewable energy, enabling part of the company's electricity needs to be met from green sources. We have also made significant progress in reducing our environmental impact through investments in energy efficiency under the EDF.

We prioritise reducing our Scope 1 and Scope 2 emissions by improving our production technology, using energy efficient equipment and optimising our logistics processes. In the logistics area we aim to systematically improve the measurement of emissions not only from our own fleet but also from external transport companies throughout the supply chain. As more accurate data becomes available, we will take further action to reduce the environmental impact of our activities in this sector.

With our innovative feed formulae and product range we help our livestock partners to contribute to sustainability goals. Through these developments we not only reduce protein, nitrogen and phosphorus levels, but also reduce water uptake and emissions from animals, helping to reduce Scope 3 emissions. Our R&D team is constantly working to ensure that these improvements are as widely applicable as possible and that we achieve positive environmental impacts throughout the product life cycle.

FOCAL POINTS OF THE UBM GROUP'S SUSTAINABLE OPERATIONS



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⁸ https://ourworldindata.org/ghg-emissions-by-sector

Energy consumption

(GRI 302-1, 302-2, 302-3, 302-4, 302-5)

Our energy management is based on several areas of activity, which together determine the energy use of our operations. These include our manufacturing and trading activities, our logistics processes and the consumption of our offices. The energy we use is made up of four main sources: electricity, fuel (petrol and diesel), natural gas and LPG. We also use environmental heat recovery through a heat pump. Other renewable energy sources, such as solar PV systems, will play a significant role in our energy mix in the coming years.



Aggregate energy consumption of UBM Group companies

(01.07.2023-30.06.2024)

kWh/year	Total UBM Group	UBM Trade Zrt.	UBM Grain Zrt.	UBM Feed Zrt.	UBM Szeleste Zrt.°	"AGROMIX" Kft.	Búzamag Kft.	UBM Slovakia ¹⁰	UBM Serbia ¹¹	UBM Agri Trade Srl	UBM Agrar GmbH	UBM Italy S.r.l.
Electricity	11 110 418,80	31 130,03	4 195,42	2 519 589,25	4 499 924,04	2 253 869,35	10 777,93	1 691 411,42	5 199,90	93 503,45	620,00	198,00
Natural gas (piped)	17 063 497,00	82 115,00	11 067,00	6 948 560,00	4 128 603,00	3 579 392,00	79 017,00	2 208 491,00	0,00	24 528,00	1 724,00	0,00
Petrol	1 614 572,00	348 680,00	216 904,00	776 468,00	23 488,00	14 446,00	0,00	127 318,00	64 235,00	35 289,00	4 658,00	3 086,00
Gas oil	9 534 584,00	124 397,00	59 537,00	1 500 717,00	5 689 295,00	1 988 738,00	0,00	107 206,00	64 694,00	0,00	0,00	0,00
PB gas	12 790,00	0,00	0,00	1 827,00	10 963,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	39 335 861,80	586 322,03	291 703,42	11 747 161,25	14 352 273,04	7 836 445,35	89 794,93	4 134 426,42	134 128,90	153 320,45	7 002,00	3 284,00

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⁹ Also includes consumption data of UBM Agro Zrt.

¹⁰ Aggregated data of UBM Invest Slovakia, s.r.o, UBM Agro Slovakia, s.r.o

¹¹ Aggregated data of UBM d.o.o., UBM Feed d.o.o.

Natural gas accounts for the largest share of our Group's total energy consumption (43%). Electricity accounts for nearly a third of our energy consumption (28%), gas oil for a quarter (24%), and petrol and LPG for a relatively small share of less than 5%.

In the 2023/2024 financial year our total energy consumption was 39 335 861.8 kWh, 97% of which was consumed by our manufacturing sites. As in the previous year, UBM Szeleste Zrt. remains the largest electricity consumer among the individual companies, while UBM Feed Zrt. is the largest consumer of natural gas, mainly due to the supply of process steam for the bean plant. More than 95% of the diesel oil consumption is accounted for by the fleet of our three largest production companies (UBM Szeleste Zrt.; UBM Feed Zrt.; "AGROMIX" Kft.).

The increase in UBM Slovakia's energy consumption compared to the previous financial year is due to the significant expansion of the production capacity of our plant in Hernádcsány, resulting in increased production volumes.

Distribution of total annual energy use

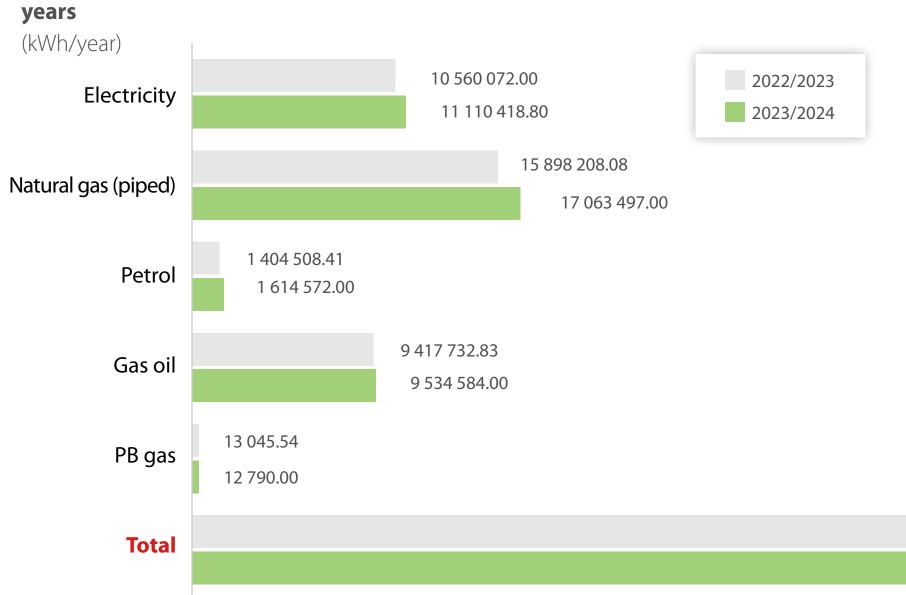
(01.07.2023-30.06.2024)

Aggregated annual energy consumption		Total companies
Energy type	%	MJ/év
Purchased energy uses	99.4%	135 628 349
Renewable energy uses	0.6%	764 055
Total	100.0%	136 392 404

Annual energy consumption of the UBM Group in the last two years in original units

	Unit of measurement	Total UBM Group 2022/2023	Total UBM Group 2023/2024
Electricity	kWh/year	10 560 072.00	11 110 418.80
Natural gas (piped)	m³/year	1 462 002.00	1 569 162.17
Petrol	litres/year	156 539.70	179 952.37
Gas oil	litres/year	963 177.20	975 127.89
PB gas	kg/year	1 021.00	1 001.00

Annual energy consumption of the UBM Group in the last two financial







Share of annual gas consumption

of the UBM group in relation to the largest consumers

(01.07.2023-30.06.2024)

	Unit of measurement	Total UBM Group	UBM Trade Zrt.	UBM Grain Zrt.	UBM Feed Zrt.	UBM Szeleste Zrt.	"AGROMIX" Kft. E	Búzamag Kft.	UBM Slovakia	UBM Serbia	UBM Agri Trade Srl	UBM Agrar GmbH	UBM Italy S.r.l.
Natural gas (piped)	m³/year	156 916 2.17	7 579.95	1 021.56	638 620.10	379 449	330 555.07	7 192.33	202 347	0	2 238.90	158.25	0
Rate	%	100	0.48	0.07	40.7	24.18	21.07	0.46	12.9	0	0.14	0.01	0

40.7%
UBM Feed Zrt.

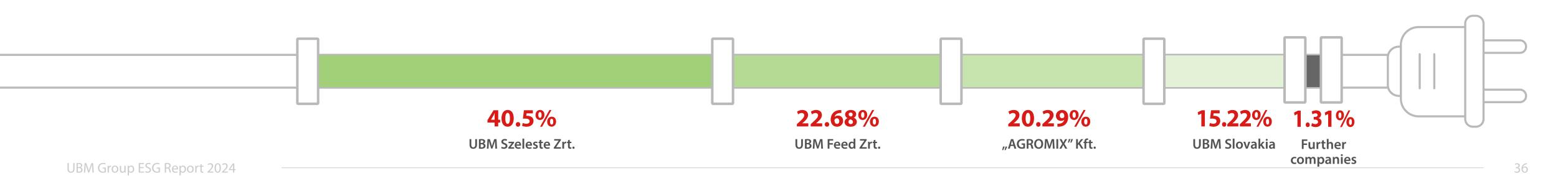
24.18%
UBM Szeleste Zrt.

21.07%
UBM Slovakia Further companies

The annual electricity consumption rates of the UBM group of companies for the largest users

(2023.07.01.-2024.06.30.)

	Unit of measurement	Total UBM Group	UBM Trade Zrt.	UBM Grain Zrt.	UBM Feed Zrt.	UBM Szeleste Zrt.	"AGROMIX" Kft. E	Búzamag Kft.	UBM Slovakia	UBM Serbia	UBM Agri Trade Srl	UBM Agrar GmbH	UBM Italy S.r.l.
Electricity	kWh/year	11 110 418.80	31 130.03	4 195.42	2 519 589.25	4 499 924.04	2 253 869.40	10 777.93	1 691 411.40	5 199.90	93 503.45	620	198
Rate	%	100.00	0.28	0.04	22.68	40.50	20.29	0.10	15.22	0.05	0.84	0.01	0





OUR ENERGY SAVING PROJECTS (EEOS)

Sustainable and energy-conscious operations are continuously integrated into our daily operations, and we have recently implemented several energy saving projects. These initiatives not only increase the cost efficiency of the company, but also contribute significantly to reducing our environmental impact.

In our first ESG Report 2022/2023 we committed to implementing the replacement of lighting in both Környe and Szeleste by the end of 2024, which has been done for Környe.

At the same time, also as part of last year's commitment, we prepared energy efficiency plans for our key domestic sites, which delivered energy efficiency improvements at several of our sites by the end of our 2023/24 financial year. These include the installation of demountable insulation, upgrading the gas heating system and modernising lighting with LED lights. These projects were implemented at our sites in Környe and in Matészalka. Our total energy savings from these improvements are expected to be about 1800 GJ, which is equivalent to about 500 000 kWh. These savings will allow us to reduce the total energy consumption (electricity and gas) of our three largest plants by nearly 5% per year.

RENEWABLE ENERGY

In recent years, there has been a significant shift towards the increasing use of renewable energy sources, both globally and in Hungary. In Hungary the capacity of solar PV generation has reached 6 GW in 2024. The shift to renewables is an important part of our long-term strategy to reduce our reliance on fossil fuels.

Energy saving projects

in the UBM Group

(01.07.2023-30.06.2024)

		Company	Location	Energy saving (GJ/year)	Energy saving (kWh/year)
	Construction of demountable insulation	UBM Feed Zrt	Környe	663.58	184 328.78
IO	Modernisation of gas heating system	UBM Feed Zrt	Környe	50	13 889
	Lighting modernisation (replacement of luminaires)	UBM Feed Zrt	Környe	328.4	91 222.22
	Construction of demountable insulation	"AGROMIX"	Mátészalka	744	206 667
Total				1 785.98	496 106

In the framework of the Factory Rescue Programme our 4 MW solar farm will be built in Nyírmeggyes in 2024 - partly with state support already received - and will feed the green energy generated into the grid. We expect to produce 5 800 MWh of electricity per year, which will be equivalent to approximately 40-60% of the annual electricity consumption of the UBM Group members included in this ESG report.

The project aims to cover 15-20% of the Group's total energy consumption with green energy, which is a significant step towards achieving our sustainability goals. The authorisation procedure is underway and the preparation of the construction works has started, so the project is expected to be completed by the end of 2024.







FLEET DATA

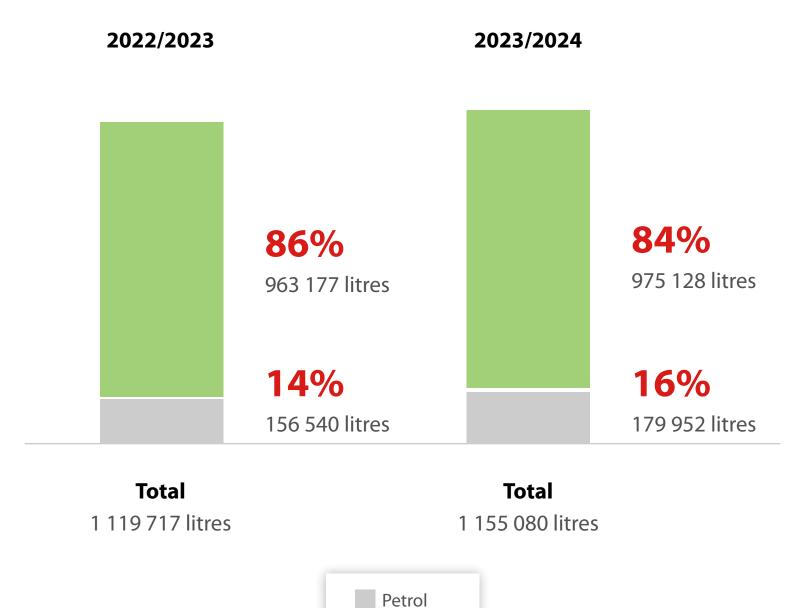
We have a diverse fleet of vehicles, including our own and leased cars, trucks, trailers, semi-trailers and various types of machinery. We always select the vehicles that are best suited to the task at hand, so colleagues who visit partners frequently and travel significant distances each year use reliable and economical diesel vehicles. For office workers who mainly travel shorter distances, we prefer plug-in hybrid or fully electric vehicles.

We currently have 11 hybrid vehicles in our fleet of nearly 145 vehicles, including plug-in hybrids and diesel hybrids. In terms of fuel mix, our diesel vehicles continue to dominate compared to our petrol vehicles.

By 2024 we have already managed to increase the number of hybrid and electric cars to reach the number set in our 2025 target. Our group is installing electric car chargers that can be connected to an industrial power socket in Szeleste, Hernádcsány and Környe. In addition, we have undertaken to implement an environmental monitoring system in our feed business, which will be implemented in an expanded form compared to the original plans in the UBM Group.

in the last two financial years¹²

Annual fuel consumption of the UBM Group



Gas oil

Our targets by 2025:

- At least 1 electric and/or plug-in hybrid charging point on each site.
- We will set up a monitoring system for the whole Group to assess the environmental performance of the fleet.

¹² The UBM group also had a minimum consumption of LPG (1001 kg/year).



Emissions

(GRI 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7, GRI 13.1)

Operating in the agricultural sector which is responsible for nearly 20% of global CO₂ emissions¹³, it is imperative for the UBM Group to make carbon reduction an essential part of its sustainability strategy. In our efforts to contribute to the UN Sustainable Development Goals we regularly monitor and measure our Scope 1 and Scope 2 greenhouse gas emissions at our sites. We also plan to measure our Scope 3 emissions in the next financial year to gain an even more comprehensive picture of our company's environmental impact.

Our corporate carbon footprint has been determined using the globally recognised and widely used guidelines of The Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard, which ensures the reliability and easy comparability of the data. To ensure that the calculations are accurate and comprehensive, as in previous years, we have enlisted the help of external experts to ensure that our results meet the highest international standards.

The UBM Group's Scope 1 and Scope 2 emissions for the financial year 01.07.2023-30.06.2024 totalled 10 115.3 tonnes of CO₂ e/year.

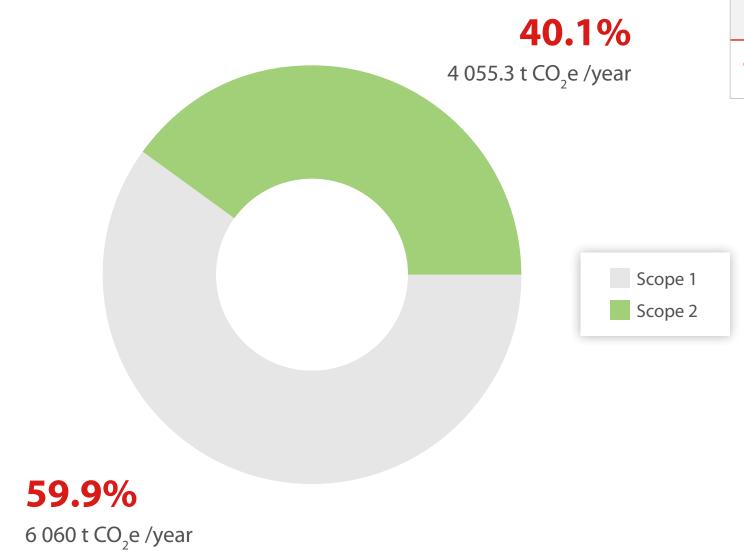
Compared to FY 2022/2023, our total Scope 1 and Scope 2 emissions increased by 5.1%, with both categories increasing in value over the past year compared to the previous fiscal year, with a smaller increase than that of the feed produced. While our Group's volume produced increased by 6.6% compared to last year, GHG intensity improved.

The GHG intensity of Scope 1 and Scope 2 emissions¹⁴ in the business year 2022/2023 was 28.1 g CO e_2^{15} per kg of feed produced, while in the business year 2023/2024 this value decreased minimally to 27.7 g CO₂ e per kg. In terms of GHG intensity this represents an improvement of 1.4% compared to the base year¹⁶.

UBM Group's total Scope 1,

Scope 2 emissions

(01.07.2023-30.06.2024)



Scope 1: Direct emissions that are generated on the company's premises, such as the combustion of natural gas, emissions from manufacturing processes and the use of vehicle fuel.

Scope 2: Indirect emissions that do not take place on the company's premises but are linked to the energy sources used, such as purchased electricity, district heating and steam consumption, the use of which contributes to emissions.

Scope 3: Indirect emissions (upstream and downstream) that are outside the company's direct control. Throughout the value chain the company is responsible for emissions from the treatment of products that become waste, the use of public transport by employees, or the transportation of products sold.

Annual aggregated Scope 1 and Scope 2 emissions of companies	t CO ₂ e /year	%
Scope 1	6 060	59.9%
Scope 2	4 055.3	40.1%
Total	10 115.3	100%



¹³ https://ourworldindata.org/ghg-emissions-by-sector

¹⁴ Total Scope 1 and Scope 2 emissions (t CO₂ e) / Total annual production (t) in the UBM Group

¹⁵ In our current ESG report we recalculated the GHG intensity value resulting from the total Scope 1 and Scope 2 emissions in 2022/2023, as the specific benchmark in last year's report was based on the quantity sold and not the quantity produced. The correct total quantity produced in 2022/2023 is 342 091 tonnes, which is used to calculate the current indicator.

¹⁶ Base year: fiscal year 2022/2023: 2022.07.01-2023.06.30.



UBM Group Scope 1 and 2 emissions at the level of the companies concerned t CO₂ e /year (01.07.2023-30.06.2024)

Scope	t CO₂e/year	Total companies	UBM Trade Zrt.	UBM Grain Zrt.	UBM Feed Zrt.	UBM Szeleste Zrt. ¹⁷	"AGROMIX" Kft.	Búzamag Kft.	UBM Slovakia ¹⁸	UBM Serbia ¹⁹	UBM Agri Trade Srl	UBM Agrar GmbH	UBM Italy S.r.l.
	Natural gas	3 110.70	15	2	1 266.70	752.6	652.5	14.4	402.6	0	4.5	0.3	0
	Petrol	402.8	87	54.1	193.7	5.9	3.6	0	31.8	16	8.8	1.2	0.8
Scope 1	Gas oil	2 543.60	33.2	15.9	400.4	1 517.70	530.5	0	28.6	17.3	0	0	0
	PB gas	2.9	0	0	0.4	2.5	0	0	0	0	0	0	0
	Total	6 060.00	135.1	72	1 861.20	2 278.70	1 186.70	14.4	463	33.3	13.3	1.5	0.8
Scope 2	Electricity purchased	4 055.30	11.4	1.5	919.7	1 642.50	822.7	3.9	617.4	1.9	34.1	0.2	0.1
Total		10 115.30	146.5	73.5	2 780.90	3 921.20	2 009.30	18.3	1 080.30	35.2	47.4	1.7	0.8

UBM Group Scope 1 and Scope 2 emissions with special focus on production units

(01.07.2023-30.06.2024)

t CO ₂ /é	UBM Feed Zrt	UBM Szeleste Zrt.	"AGROMIX" Kft.	UBM Slovakia	Other companies
Total (Scope 1 and Scope 2)	2 780.90	3 921.20	2 009.30	1 080.3	323.6

¹⁷ Also includes consumption data of UBM Agro Zrt.

Our target by 2025



• We will calculate a Scope 3 carbon footprint for all feed produced in our ESG report for the 2024/2025 financial year.

Our target by 2026



 To reduce Scope 1 and Scope 2 emissions by 15% compared to base year.20

Our target by 2030



- To achieve a 20% specific reduction in GHG intensity of Scope 1 and 2 emissions compared to the base year.21
- To achieve a 15% specific reduction in Scope 3 GHG emission intensity (feed production product scope) compared to the base year. 22

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¹⁸ UBM Invest Slovakia, s.r.o, UBM Agro Slovakia, s.r.o

¹⁹ UBM d.o.o., UBM Feed d.o.o.

²⁰ Base year: financial year 2022.07.01-2023.06.30.

²¹ Base year: financial year 2022.07.01-2023.06.30. GHG intensity formula: total Scope 1 and Scope 2 emissions (tonnes of CO₂ e) / total production volume (tonnes) in the UBM Group in the given business year

²² Base year: the financial year from 01.01.2010 to 31.12.2010. GHG intensity formula: Scope 3 emissions related to feed production activities in a given business year (tonnes of CO_2 e) / Total feed production volume (tonnes) in the UBM Group in a given business year.

NON GREENHOUSE GAS EMISSIONS

In addition to greenhouse gas emissions, our Group also regularly measures non-greenhouse gas emissions at its production sites, as required by law. In the business year 2023/24, NOx (1 680 kg) and particulate matter (PM) (5 541 kg) emissions were more significant at the sites of UBM Feed Zrt., UBM Szeleste Zrt., "AGROMIX" Kft. and UBM Slovakia. SOx emissions were present only at UBM Slovakia, at a low level (2.4 kg). Due to the company's activities no persistent organic pollutants (POPs), volatile organic compounds (VOCs) and toxic air pollutants (HAPs) were detected at any of the company's sites.

Polluting substance	UBM Feed Zrt	UBM Szeleste Zrt.	"AGROMIX" Kft.	UBM Slovakia	Total (kg)
NOx	606.32	320.9	369	383.47	1 679.69
SOx	0	0	0	2.359	2.359
Persistent organic pollutants (POPs)	0	0	0	0	0
Volatile organic compounds (VOCs)	0	0	0	0	0
Toxic air pollutants (HAPs)	0	0	0	0	0
Particulate matter (PM)	1401.07	2755.1	1365	19.66	5 540.83
Other air pollutants subject to central regulation - CO	0	0	0	154.86	154.86



UBM Group ESG Report 2024



Research and Development (R&D)

(GRI 13.11)

Our research and development activities are crucial for the UBM Group, as continuous innovation is essential for maintaining our competitiveness and ensuring sustainable development in the agricultural industry. Through our research and development in the field of feed production we are developing new, more efficient and environmentally friendly solutions that improve the quality of our products and reduce our ecological footprint. Our innovations not only cover product development, but also the optimisation of production processes to achieve the best possible results using the available resources. In our R&D activities we work closely with universities, research institutes and industry partners to jointly shape the agricultural solutions of the future and ensure continuous improvement in the feed industry.

In our 2023/2024 financial year we made significant progress in innovation in a number of areas. For broiler feed we completed the summer feed lines. In the production of SoyPreme® rumen-protected full fat soy we introduced new production technologies and quality control methods, resulting in significant improvements in quality and particle size.

A reduced protein diet for broiler chickens is currently in the experimental phase. In addition, field testing of a reduced protein and dietary pig line is currently underway to reduce our carbon footprint.

We have significantly reduced the use of the by-products of soy processing, which has reduced the carbon footprint of calves and small ruminants. In addition, we actively support our producers in participating in an emissions reduction programme, thereby not only reducing our environmental impact but also improving the quality of our crops.

Our target for 2025



• We also want to offer the measurement of CO₂ emissions per product automatically as a content parameter, as an extra service for our partners.

OUR INNOVATIVE ANIMAL WELFARE SOLUTIONS



Insect protein

Our innovative animal welfare solutions won us an award in the "Feeding" category at the XXXI Alföld Livestock and Farming Days Exhibition and Fair. Our work in the field of animal welfare and

sustainability focuses on ensuring that the feeding of broilers and other livestock is efficient and environmentally friendly. Our innovations include the use of feed protein and fat from insect larvae, which uses less land and water and results in lower carbon emissions than conventional protein sources.

The inclusion of insect protein in the food chain not only offers a sustainable alternative, but also improves the nutritional supply of broiler chickens. These solutions allow us to minimise the environmental impact of broiler meat production. The development of birth-feeding technologies also plays a central role in supporting animal health and growth. Our special feeding methods used in the first few days of life contribute to the rapid development of the chickens and efficient feed utilisation, thereby reducing unit feed sales and increasing final production efficiency.

As As

Technological innovations

As part of our sustainability efforts, we have also introduced technologies such as the combined use of day-old gel and brojler prestarter feed. These solutions not only support the health and

growth of broiler chickens, but also promote economical and environmentally friendly meat production. The application of day-old gel is based on a patented technology, which ensures that the animals receive the best quality and most appropriate nutrients in the first days of their lives. These innovations are making a significant contribution to developing more sustainable and efficient feeding systems for livestock.



UBM Group's solutions against Mycotoxin

In developing our UBI Bind Dry and UBI Bind Plus Dry products we sought to provide an effective solution to the problems caused by mycotoxins which have a significant impact on animal

health and productivity. Mycotoxins can reduce animal immunity and cause liver dysfunction, which can lead to serious long-term health problems and production losses. Innovation not only enables us to continuously improve the quality of our products, but also contributes to the success of our partners and to the promotion of sustainable farming. We will continue to pay close attention to the toxin control of incoming raw materials, expecting much stricter limit values from our suppliers than the values prescribed by the law.



Our animal welfare solution in animal feed

Our innovation efforts include the development of SoyPreme®, which provides an excellent source of proprietary protein and fat in animal feed. It is essential for the optimal development and health

of animals that they are fed a diet with high biological value and maximum utilisation by their body. The technological innovation of SoyPreme® allows proteins and fats to retain their nutritional value while remaining protected against rumen fermentation. This not only increases the efficiency of milk production but also contributes to the overall well-being of the animals. The development and use of SoyPreme® also supports sustainable farming by reducing the need for other additives in feed mixes through its high protein and fat content, optimising production and reducing environmental impact.



Environmental assessment of our feed

We also focus on the effects of reduced crude protein feeds and alternative ingredients. Based on our Life Cycle Assessments (LCAs), the use of reduced crude protein diets not only does not impair

animal performance, but also significantly reduces the ecological footprint. Feed production, animal husbandry and meat processing reduce CO_2 emissions, land use and soil acidification, which contributes to reducing environmental impacts.



Product quality and quality assurance

(GRI 13.13)

For our Group the quality of our products, full traceability of the production process, quality guarantees and transparency are all fundamental. In order to maintain and improve the quality of our products we apply strict quality assurance systems that clearly define our processes. This not only prevents and avoids manufacturing and service defects, but also manages them more effectively when necessary, ensuring the highest quality products for our customers.

UBM GROUP KEY CERTIFICATIONS

Name of certificate	Certification area
ISCC – EU International Sustainability Carbon Certification	UBM Grain Zrt. sustainable trade in crops (wheat, maize, barley, rapeseed, sunflower seeds, soybeans)
GMP+ B3	UBM Grain Zrt., UBM Feed Zrt., UBM Agro Zrt., UBM Agrar GmbH GMP+ FSA certification for feed trade
GMP+ B2	UBM Feed Zrt. bean plant GMP+ FSA certification for feed material production.
Palm Oil Free Certification	UBM Feed Zrt. Palm Oil Free Certification Accreditation Programme certification mark
GMP+ B1	UBM Feed Zrt. premix plant Standard for premix production
QS	UBM Szeleste Zrt. (turkey feed) Qualität und Sicherheit, German standard for the production of feed mixes
ISO 14001 KIR ²³	UBM Szeleste Zrt.



For our Group the ISO 14001:2015 KIR certification of our Szeleste site is a significant step forward compared to the previous year.

Our target by 2026



• Implementation of the ISO 14001 KIR environmental management system in our plant in Környe.

²³ KIR stands for Environmental Management System



QUALITY MANAGEMENT OF THE UBM GROUP

Today, traceability, quality guarantees and transparency throughout the production chain have become a basic requirement. Our quality management activities are focused on supporting our processes in complying with strict regulations and feed legislation, helping us to meet customer expectations, improve performance and efficiency, and thus ensure sustainable development. With proper quality assurance work, by defining our processes in concrete terms, problems can be prevented, avoided and, where appropriate, manufacturing and service non-conformities can be dealt with much more effectively.



The operational professional management of the quality management activities of our Group is carried out by the Quality Manager, who is supported by a Quality Assistant and Quality Inspectors delegated to the respective plants. In addition to the Quality Manager, a dedicated Quality Assurance Manager is responsible for ensuring that processes are smoothly adhered to.

For more information on our quality assurance processes, please visit Food Safety -Feed Safety





Waste management

(GRI 306-1, 306-2, 306-3, 306-4, 306-5, 306-6, GRI 13.8)

Due to our activities (manufacturing, trade), we pay special attention to waste management, which is strictly regulated at our sites. It covers the management of both hazardous and non-hazardous waste. We manage waste in accordance with national legislation, keep records of the different types of waste and follow detailed procedures for the disposal of contaminated packaging waste and other hazardous materials, ensuring compliance with environmental and safety regulations.

TYPES OF WASTE

Our main types of waste:



Packaging waste (e.g. paper, cardboard, plastics, pallets)



Production waste (e.g. fine dust, packaging waste)



Maintenance waste (e.g.: waste oil filter cartridges)



Laboratory waste (e.g. chemicals, packaging waste contaminated with hazardous substances)



Construction and demolition waste



Municipal waste

A significant part of the waste generated in our activities is packaging materials and pallets of the raw materials supplied. Our manufacturing processes also generate fine dust, which is generated during the processing of fine-grained materials, requiring special treatment to minimise environmental and health risks. In addition, our laboratory activities and maintenance work also generate waste, the proper management of which is essential for us.

Maintenance and refurbishment processes also generate waste. This category includes waste oils, filter cartridges and leachables contaminated with hazardous substances that require special treatment to comply with environmental regulations. Maintenance work also generates iron and steel scrap, particularly in connection with plant renovation, modernisation and dismantling of technological equipment. Our sites generate both hazardous and non-hazardous waste, which is collected separately and stored properly. Examples of non-hazardous waste include plastics, paper, cardboard and other packaging waste such as bags and foil. However, wood waste is also generated during manufacturing processes and is sent for recovery. Hazardous waste includes cyclone dust, packaging waste contaminated with hazardous substances and laboratory chemicals, which are collected in special containers in accordance with legal requirements and safely disposed of with the help of our contracted partners.

Since the summer of 2023 our partners under the MOHU system have been responsible for the collection and treatment of our waste in MOHU's competence, in compliance with legal and contractual obligations. To optimise waste management, we regularly assess and analyse all our waste data to further improve our waste management processes.

Waste generated by the UBM Group²⁴

(01.07.2023-30.06.2024)

	UBM Grain Zrt.	UBM Feed Zrt.	UBM Szeleste Zrt.	"AGROMIX" Kft.	UBM Slovakia ²⁵	Total
Total weight of waste generated (tonnes)	3.04	215.43	131.6	13.62	42.24	405.93
Non-hazardous waste generated (tonnes)	3.04	119.65	126.68	11.77	42.24	303.38
Hazardous waste generated (tonnes)	0	95.78	4.92	1.85	0	102.55

Distribution of waste generated by the UBM Group by hazardousness



A significant change for our Group compared to the previous year is the completion of the waste management regulations for our Környe site.

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²⁴ For waste generated, the main waste volumes from our major sites are shown in the table.

²⁵ UBM Invest Slovakia, s.r.o, UBM Agro Slovakia, s.r.o

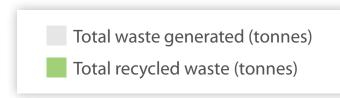


The largest share of our waste generated in the 2023/24 business year was generated by our UBM Feed Zrt. site in Környe and UBM Szeleste Zrt., with more than 85% of the total waste generated here. Following the plant refurbishment at our Szeleste site in 2022/23 the volume of waste generated at this site decreased in the current financial year. By waste category a total of 303.38 tonnes of non-hazardous and 102.55 tonnes of hazardous waste was generated during the year, resulting in a decrease in both categories.

Proportion of waste recycled at the UBM Group







Amount of waste recycled and sent for disposal²⁶

(01.07.2023-30.06.2024)

	UBM Grain Zrt.	UBM Feed Zrt.	UBM Szeleste Zrt.	"AGROMIX" Kft.	UBM Slovakia ²⁷	Total
Amount of waste recycled (tonnes)	0	119.65	126.68	13.01	0	259.34
Amount of non-hazardous waste recycled (tonnes)	0	119.65	126.68	11.77	0	258.1
Amount of hazardous waste recycled (tonnes)	0	0	0	1.24	0	1.24
Quantity of waste sent for disposal (tonnes)	3.04	95.78	4.92	0.61	42.24	146.59
Quantity of non-hazardous waste sent for disposal (tonnes)	0	0	0	0	42.24	42.24
Quantity of hazardous waste sent for disposal (tonnes)	3.04	95.78	4.92	0.61	0	104.35

During the reporting period our activities generated 405.93 tonnes of waste, of which **259.34** tonnes, or **64% of the waste generated, was sent for recovery.** The amount of waste transferred for disposal was **146.59 tonnes** during the reporting period.

Compared to 2022/2023 we generated nearly 10% less waste at our sites and significantly increased the proportion of waste sent for recovery, while all this accompanied a significant increase in turnover.

Our target for 2025



²⁶ For recovered waste and waste sent for disposal, the main waste volumes from our major sites are shown in the table.

²⁷ UBM Invest Slovakia, s.r.o, UBM Agro Slovakia, s.r.o



OUR WASTE REDUCTION ACTIVITIES

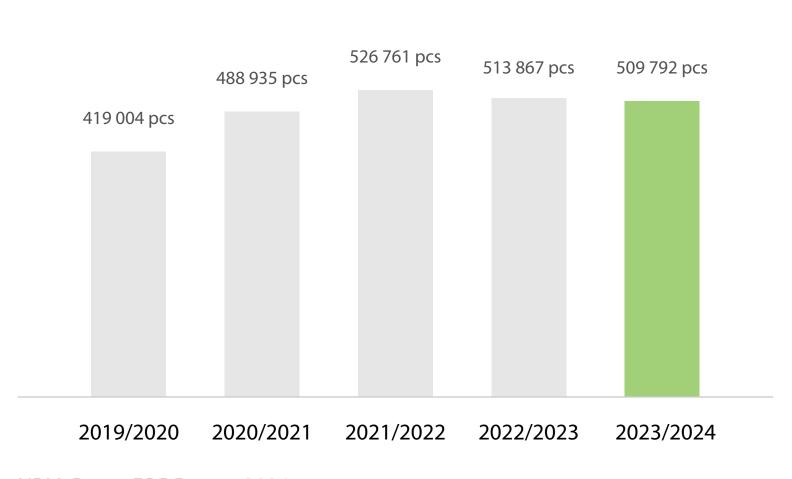
Over the past years we have assessed the opportunities to reduce our different types of waste in all our manufacturing plants. In several areas we have achieved visible results by now, reducing the amount of waste we generate.

BAG SIZE REDUCTION IN OUR PREMIX PLANT

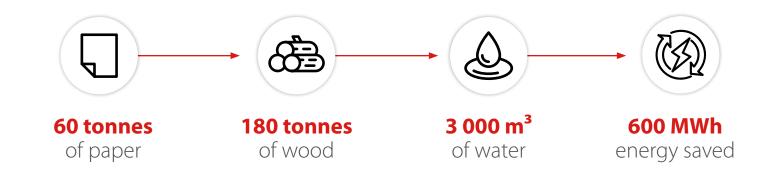
Among the packaging materials, reducing the use of bags has produced significant results. Our group uses two bag sizes: large (50x76x14 cm, 140 g/db) and small (45x65x13 cm, 101 g/db).

By introducing a new, smaller bag size we were able to save 39 grams of paper per bag, resulting in a total saving of 60 tonnes of paper over the past five years.

Bag use in the last 5 years in our premix plant



Environmental savings from bag size reduction over 5 years:

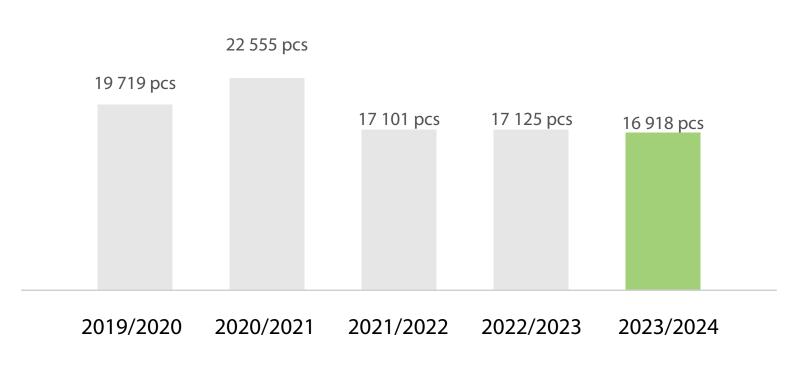


To optimise further, we are also planning to introduce a new, even smaller bag size, which will reduce the use of large bags and may also lead to other savings. We also aim to source bags from materials with proven recyclability. Related to this, we also have plans to further review the use of pallets and to introduce thinner, more efficient films for stretch film to reduce material use.

REDUCTION IN PALLET SIZE AND NUMBER

Two main pallet sizes were introduced at our Környe site in 2020: in addition to the existing 100x120 cm size we introduced smaller EUR pallets of 80x120 cm. The aim of introducing the new pallet size was twofold: to benefit from technological and cost advantages. Smaller pallets are sufficient for the new bag sizes, which means lower wood usage, thus reducing costs.

Total pallet use in the last 5 years



By reducing wood use, a total of **1,518 m³ of wood** was saved between 2019 and 2024, **avoiding the felling of 5.06 hectares of forest.** All this has been achieved while increasing production, which has also resulted in significant overall cost savings over the last five years.

OUR FUTURE PLANS TO REDUCE THE USE OF PACKAGING MATERIALS

In recent years we have made progress in reducing the use of packaging materials, contributing to the promotion of sustainable management and the circular economy. Reducing the size of pallets, as presented earlier, also provides an opportunity to reduce the amount of packaging materials. Our company will continue to look for innovative solutions at our sites that minimise environmental impact and maximise cost efficiency.

Our polypropylene (PP) bags are 100% recyclable

Our group has set itself the goal in previous years to improve recycling efficiency, especially for packaging materials that are generated in large quantities. At present national legislation does not allow for the reuse or recycling of packaging materials used in feed production, which is a major obstacle to achieving these goals. Nevertheless, we would like to make progress in this area in the future, and in the last financial year we were looking for solutions to enable the use of recyclable packaging materials in feed production in all our plants.

Water use

(GRI 303-1, 303-2, 303-3, 303-4, 303-5, GRI 13.7)

WATER MANAGEMENT AT THE UBM GROUP

Our water management activities focus on water efficiency and environmental compliance. We apply different water management solutions at our different sites, taking into account the specific requirements of each country and region.

Water consumption in our commercial offices in Romania, Serbia, Italy and Austria is not significant.

In Pilisvörösvár we use water filtration equipment in our offices to improve water quality, and we have replaced bottled water by introducing balloon water, thus reducing waste. We also strive to educate our employees to encourage sustainable water use.

At our manufacturing sites we pay great attention to managing our water use in an environmentally responsible way. At our three sites in Környe, Szeleste and Mátészal-ka local waterworks provide the necessary water supply. At our Hernádcsányi site water is supplied from a local well, where a new water meter was installed in 2023 to ensure accurate water metering. As none of our sites have a separate industrial water supply we use the same water for technological and municipal purposes. In Környe steam generation results in high water consumption, but no industrial waste water is generated due to evaporation.

We also use municipal water for our office activities and social facilities, which is carefully monitored at all our sites. Our rainwater management systems ensure that rainwater is properly drained at all sites, while in sensitive areas such as filling stations we treat water through oil filters, which we treat as hazardous waste if necessary.

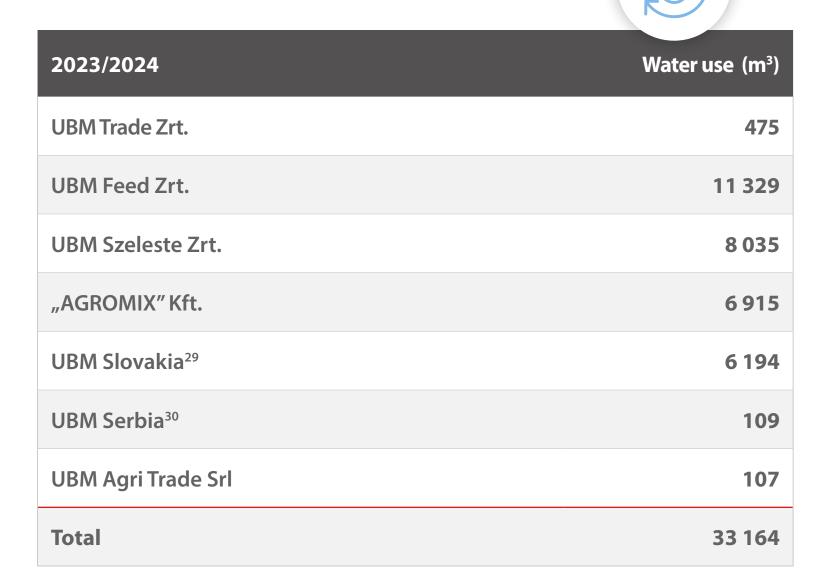
To protect our groundwater, we are closely monitoring our gasoil storage tanks and refuelling systems, and there have been no incidents or spills. This ensures that our sites are operated in an environmentally friendly and sustainable manner, preserving the harmony of the surrounding farmland.

WATER USE DATA

Based on these figures our Group used a total of 33 164 m³ water. Our production sites accounted for 99% of the water used, with the highest water consumption in the year under review at our sites in Környe and in Szeleste.

Water use in the UBM Group²⁸

(2023.07.01.-2024.06.30.)





²⁸ Major water consumption of the UBM Group in the financial year 2023/2024, water consumption of other companies is included in the rent.

²⁹ UBM Invest Slovakia, s.r.o, UBM Agro Slovakia, s.r.o

³⁰ UBM d.o.o., UBM Feed d.o.o. Beograd

Our commitment to society

(GRI-3-3

In our company's operations we place a high priority on social responsibility, which we incorporate into our everyday activities as well. We employ hundreds of people, making a direct impact on their lives, their families and the local communities. We pay particular attention to providing our employees with a safe and healthy working environment that supports their well-being and development. In addition, through our corporate sponsorships we are actively involved in helping local communities and those in need, thereby reinforcing our social commitment. We are aware that our responsibility goes beyond the workplace and we do our utmost to make a positive impact on the social context of the UBM Group.

Employment, diversity, loyalty

(GRI 401-1, 401-2, 401-3, GRI 405-1, GRI 2-7, 2-8, GRI 13.20)

Valuing, recognising and encouraging our employees is a cornerstone of long-term business success. The UBM Group traditionally has a strong, family-oriented corporate culture, continually investing in programmes that foster positive employee engagement. We understand that the company's greatest asset and most important resource is its "people". Without us, without people, there is no functioning company. Our aim is to provide a safe and pleasant working environment, contributing to our shared profit goals by enhancing individual performance. We strive to retain and motivate our talented employees in the long term, constantly taking into account the needs and expectations of our employees. At the same time, it is crucial to provide an attractive working environment and development opportunities for new employees.

UBM's management believes in balanced, good partnerships, and this management approach means that we treat our employees as key stakeholders and "business partners".



COMPASS

to the UBM Group's corporate culture



"You belong to us."

the right to belong to a team, acceptance of the individual as a team member



"This is your job."

defining the task



"We do not "kill" the bearer of bad news."

the right to raise problems and point out mistakes without reprisals



"You are the king in your territory."

the right to decide goes with the job



"You are responsible for your decisions."

taking responsibility



"Asking for help doesn't make you worth less."

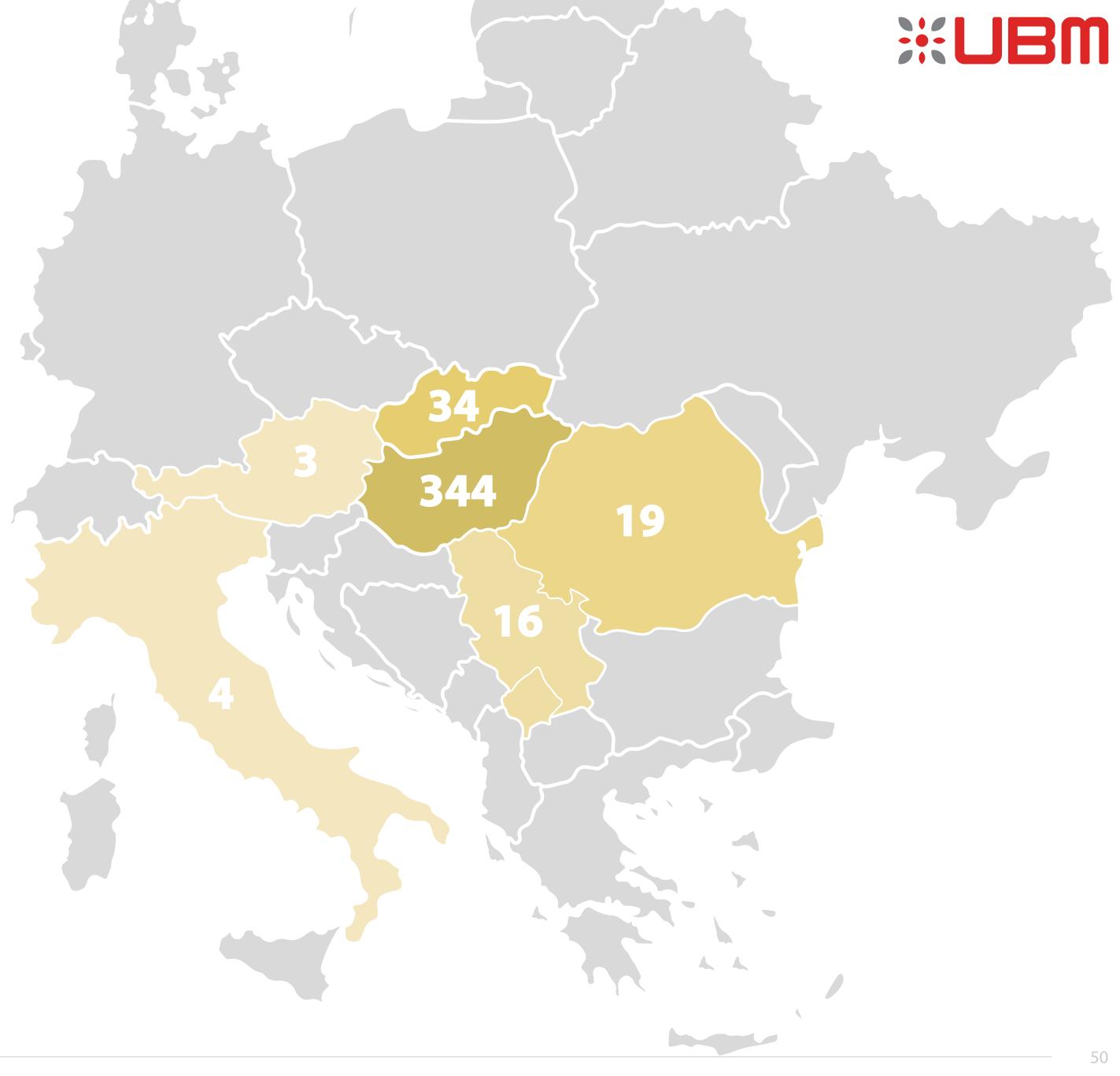
the right to ask for help

Number of persons employed by reporting entities³¹

(01.07.2023-30.06.2024)

	Number of employees
CUBM Holding Nyrt.	0
CUBM Trade Zrt.	66
CUBM Agro Zrt.	3
UBM Grain Zrt	31
UBM Consulting Zrt.	0
C UBM Feed Zrt.	148
CUBM Szeleste Zrt.	53
= "AGROMIX" Kft.	43
章 Búzamag Kft.	0
UBM Invest Slovakia, s.r.o.	26
UBM Agro Slovakia, s.r.o.	8
• UBM d.o.o.	6
UBM Feed d.o.o.	10
UBM Agri Trade Srl	19
UBM Agrar GmbH	3
UBM Italy S.r.l.	4
Total	420

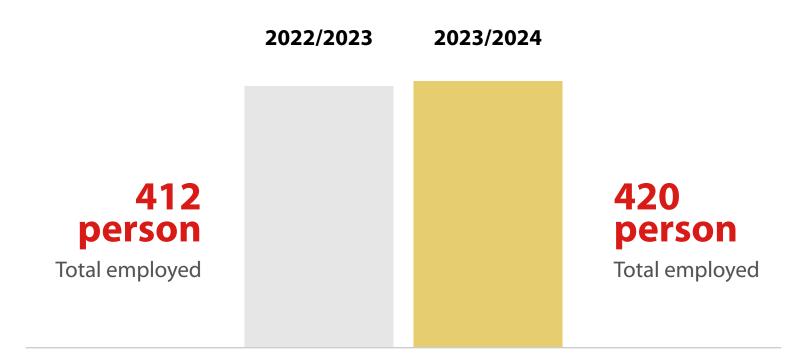




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³¹ Compared to 2022/2023, UBM Italy S.r.l. is a new entity for the financial year 2023/24.

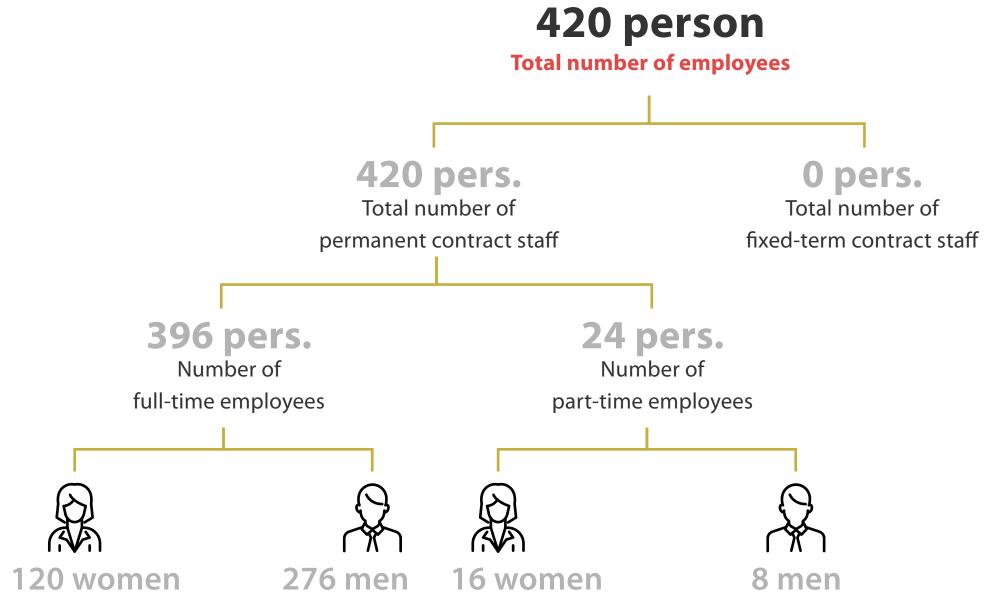
Number of UBM Group employees in the last two years



In the 2023/2024 financial year we employed a total of 420 people³² as at 30 June 2024, all of whom are on permanent contracts. Over 90% of our employees worked full-time. A total of 15 employees took maternity leave during the reporting period. Following the end of their maternity leave 8 of our female colleagues returned to work during the reporting period, 6 of whom continued to work for our company 12 months after returning to work - we are successfully reintegrating mothers returning from a changed life situation back into UBM.

Overview of the UBM Group's employee data

(30.06.2024)



Loyalty in the UBM Group

(30.06.2024)

Number of employees in the company for at least 5 years (persons)

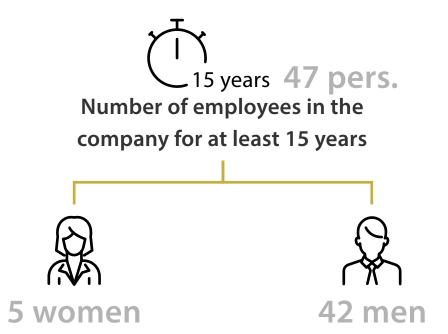
Number of employees in the company for at least 10 years

10 years 103 pers.

Number of employees in the company for at least 10 years

26 women 77 men

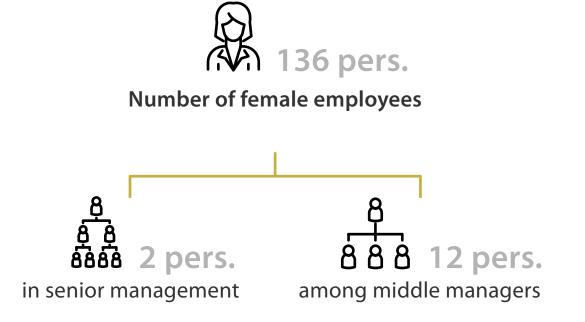


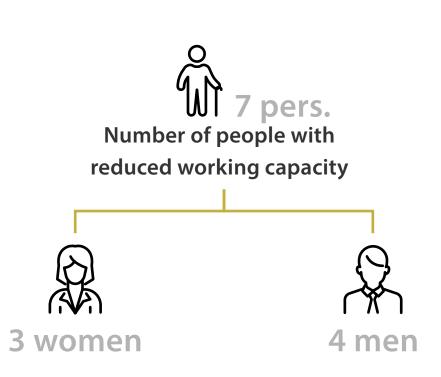


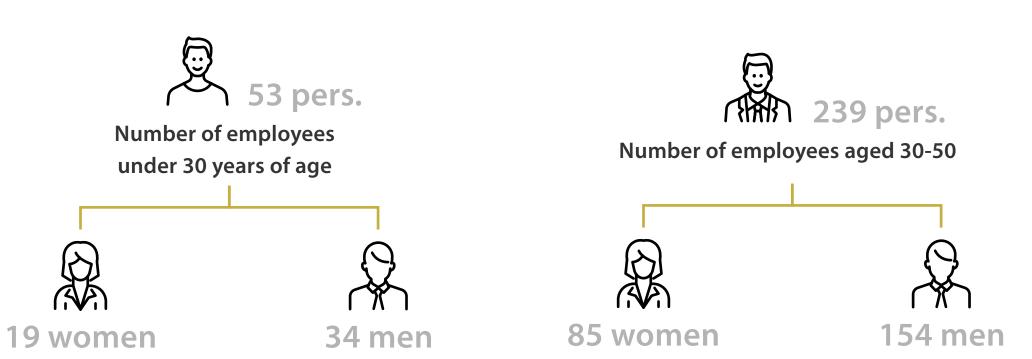
³² Includes Employees, excludes Other employees who are not employed by our group.



Diversity and equal opportunities in the UBM Group (30.06.2024)









FLUCTUATION

The fluctuation rate in our Group is lower than the overall level in the agricultural sector and has also decreased compared to the previous year (14.45% and voluntary turnover 7.59%). Our HR recognition, our trademarks, our low turnover rate in the industry and our long service record (7 years on average) show that we are doing our HR-specific activities well and are on the right track.

		2022/2023		2023/2024			
	Women	Men	Total	Ímen	Men	Total	
Number of new staff	18	36	54	20	39	59	
Total number of staff leaving	7	54	61	10	46	56	
Exit turnover ³³			15,49%			14,45%	
voluntary exit turnover			8,13%			7,59%	



³³ Based on the average number of statistical staff, which was 408.4 in the financial year 07.2023-06.2024.

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Our benefits package for our employees

Our remuneration policy provides a transparent and competitive framework for our staff. We aim to ensure that our remuneration structure is incentive-based and supports long-term commitment to our company. Salaries are regularly reviewed and adjusted in line with market conditions, ensuring that our employees' remuneration is commensurate with their experience, performance and the importance of the position they hold. In addition, our benefits packages include elements such as performance-related bonuses, cafeterias, support for professional development and other employee welfare benefits.

Our benefits



SZÉP Card



Cultural event ticket/pass



Sports event ticket / season ticket



Nursery and kindergarten services



Extra holiday day



Training and education of our employees

(GRI 404-1, 404-2, 403-3)

Training and education of our employees is crucial, as continuous development and meeting industry standards are key for us. The up-to-date knowledge of our colleagues and consultants in the feed industry ensures that we produce products that meet the highest quality standards to the maximum satisfaction of our partners. We are also actively involved in the training and professional development of our partner feed specialists, ensuring that our professional knowledge and cooperation remains at the highest level. In this way, we not only increase the efficiency of production processes, but also guarantee the safety of work.

It's important to us that our colleagues are well prepared for the challenges ahead, so we place great emphasis on their participation in professional training programmes. These courses provide our employees with practical experience as well as theoretical knowledge, so that they can confidently apply what they have learned in their day-to-day work, ensuring that our Group remains innovative and competitive in the market.

OUR TRAININGS

New employees - onboarding process

When new employees join us, we prioritise a comprehensive onboarding process to ensure their smooth integration into the company. We introduce them to the company's operations, values and goals. Employees are familiarised with company policies including health and safety regulations and internal procedures. This is part of our 2025 commitment to educate our employees on our Code of Ethics, both theoretically and practically. New entrants will have the opportunity to learn about our manufacturing plants, gaining insight into the work processes in the different departments. For certain jobs our newcomers receive training, for example GMP+ training.

Our internal mandatory trainings

We believe that the continuous development and safety of our employees is essential, and we place great emphasis on trainings in health and safety, fire safety, environmental protection and food safety. Regular training on these topics is provided every year and also whenever there is a change in regulations or a non-compliance that results from a breach of regulations (e.g. damage or errors). In such cases we organise refresher training for employees.

The effectiveness and delivery of trainings is verified in various ways. In the case of an internal training, the person providing the training must document its details in the Training Record Book. In the case of external trainings participating employees will be issued with evidence of their participation, such as a diploma or certificate. Thorough and regular trainings ensure that our employees are always up to date with the knowledge they need to carry out the tasks related to their job, thus contributing to the safe and efficient operation of the company.

External and other trainings

We provide and support a range of training courses for our staff to continuously develop their professional competences and ensure they have up-to-date knowledge for their work. These trainings include language and first aid courses, professional development courses and participation in conferences and workshops. We give priority to English language trainings as we believe it is important that the lack of language skills of colleagues working in an international group should not pose a barrier to effective communication. In addition to mandatory trainings (e.g. work and fire safety), we also run specific courses such as ESG, AutoCad or trainings related to Agile methodologies to ensure that our employees are equipped in all aspects.

In 2023/24 we spent a total of HUF 53 million on education and training to support the professional development of our employees and increase the competitiveness of the company.

Our educational activities

We foster academic cooperation with MATE, especially with the Georgikon Keszthely Campus, where a colleague of ours is a member of the Advisory Board. Our relations are mainly focused on poultry nutrition and include collaborations on grant applications and joint national and international patents. Our colleagues are actively involved in the MSc and MSc Engineering courses offered by MATE, and three of our colleagues are currently linked to the University through PhD courses. In addition, we carry out collaborative research where the University provides us with the necessary scientific background, in vivo laboratory and pilot scale infrastructure. We also use specific in vitro and laboratory testing facilities.

Our target for 2025

 Comprehensive monitoring and recording of data and indicators on training hours



Employee well-being

One of the defining characteristics of our corporate culture is that, although we are a large company operating in many countries with diverse business segments and organisational units, we try to think of ourselves as one "big family" despite our 400+ employees.

Our employees are the key to our success, so it is our responsibility and interest to ensure their commitment to professional development, their continuous motivation at work, their creative thinking and their well-being. We try to support work-life balance in a variety of ways, so that our employees see UBM not just as a place to work, but as a cohesive community where it is good to be.

Nothing is more proof of this than the fact that we have repeatedly won the following awards: Family Friendly Workplace, Family Friendly Company, Responsible Employer, The Benefit Prize Audience Award and the Mental Health Certificate.

UBM GROUP WELL-BEING AND FAMILY-FRIENDLY PROGRAMMES



HEALTH PROMOTION



WORK-LIFE BALANCE



EVENTS, PROGRAMMES

For many years our employees have benefited from our ever-expanding range of events and programmes, some of which are designed to promote health, others to help work-life balance and others to promote team building.



OUR HEALTH PROMOTION PROGRAMMES



Screening examinations e.g. ophthalmological, cardiosavcular, melanoma, dietary advice, dental screening, etc. on-site at our premises or by an external service provider. In some cases also for family members. **Health related presentations. Mental health month** e.g. meditation, breathing exercises, self-improvement



Free **private healthcare** depending on eligibility Group **accident and health insurance**



Work recreation

Regular office gymnastics Gym Yoga / dance classes Sauna Massage



Club life

Running club, football club, book club

We regularly organise health days, where colleagues can take part in screenings and health-related presentations. Last year our Mental Health Month was a self-education day, where we supported our colleagues with relaxation, meditation, breathing exercises and other useful advice to help them maintain their physical and mental well-being. We also provide them with a wide range of workplace sports activities and club life.



OUR OPTIONS TO SUPPORT WORK-LIFE BALANCE

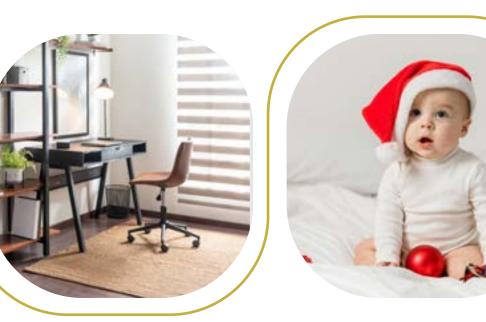














Child campSummer day camp
Two-week time interval

Extra holidays

2 days to get married
Childbirth 10 days
under 31 years of age 23 days
Grandchildren's leave 2 days per year

Support for the retirement of colleagues retiring within 10 year

Employer loan
Eligible tax and interest-free
employer housing loan
Personal loan, advance on
wages

Car fleet
Private use of a company car
fleet for up to a few days
Buying end-of-life cars

Home-office
Flexible working hours
Working from home

Gift voucherA christmas present for the birth of a child

Cafeteria
SZÉP Card
REWIN gift voucher
Reimbursement for nursery,
kindergarten
Culture, sports tickets
Income supplement

Programmes, events

In addition to the classic team-building events and the Christmas and Family Days, which are also big community events, we organise small group Advent wreath-making, Easter crafts and Christmas shoebox wrapping to strengthen collegial bonds around the holidays. We have internal information platforms with groups for different interests (e.g. *Football Club, EB Tips, Running Club, Theatre Fans,* and a "Ladies Only" closed group for reading about and sharing experiences on women-only topics - e.g. menopause, motherhood). Common physical activities (e.g. yoga classes on site, training for running races together) also build community, as does the highly successful after-hours spring Caribbean dance class. We find that these also help to deepen the human connections between colleagues, which can then form the basis for collectivity and cohesion, and even foster cooperation between different departments and generations.

In 2024 for the first time we organised a playful educational day for the children of our employees in the framework of the #mutiholdolgozol³⁴ initiative, introducing our working environment and our everyday activities. The 26 children who participated were interactively introduced to the challenging tasks of the business world (e.g. purchasing, production, sales, taking out a bank loan, HR, etc.), in addition to the skills of animal husbandry and crop production, and at the end of the day they received the playful gift they deserved.

³⁴You can also watch our day-long initiative on YouTube below. "Show me where you work" campaign - UBM - YouTube





Health and safety at work

(GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, GRI 13.19)

HEALTH, SAFETY AND ENVIRONMENT

We pay particular attention to the environmental and safety performance of our sites. We strive to continuously improve our environmental and safety performance to ensure the basic conditions for sustainable operations.

Our core value is safety. At our sites, plant managers are responsible for creating a safe working environment for workers. To this end, we strive to manage tasks in a consistent and systematic manner, minimise risks and implement cost-effective measures while complying with legal requirements. The prevention of work-related accidents, occupational diseases and fires is a priority and requires close cooperation in the field of occupational safety and health. We place a high priority on the health and safety of our site workers and expect everyone to adhere to our common principles.

Risk assessment

In 2024 we carried out a workplace risk analysis and risk assessment at our sites and plants. The assessments included a detailed assessment and evaluation of risks in the work environment, including, among others, risks to mental health workers, use of equipment, psychosocial and psychological risks, and risks of injury during material handling. Based on the analyses we have developed the necessary measures and action plans to improve occupational health and safety.

Sampling and Sample Handling Instructions

We follow strict rules to ensure occupational health and safety at our sites at home and abroad. In addition to maximum compliance with legal requirements, we provide our employees with appropriate protective equipment the use of which is regularly monitored. Only workers who have received appropriate health and safety training and are suitably qualified are allowed to carry out loading and transport. We also take great care to keep waste collection areas clean and to eliminate slipping hazards. In the event of an accident the plant manager is notified immediately, the injured person is treated and the causes of the accident are eliminated.

At our manufacturing sites we carry out occupational aptitude tests in accordance with national regulations. The health of employees is assessed through preliminary, periodic and special unscheduled examinations. Preliminary examinations are carried out on new employees and prior to job changes, and periodic examinations are carried out according to age and job circumstances. Special unscheduled examinations are required in the event of a change in health, an accident at work or increased exposure. All workers are required to attend these tests and it is the employer's responsibility to conduct, record and retain the results.

All new employees must undergo a pre-employment medical examination. The frequency of periodic medical examinations will depend on the risks of the job, and workers may be required to undergo an unscheduled examination if their health changes or if they take up a new, dangerous activity.

We provide personal protective equipment at all our sites as part of our health and safety strategy to minimise the risk of accidents and protect the health of our workers. We provide this equipment free of charge and check its condition regularly. Employees are trained in correct use and are responsible for the equipment they receive. The provision of protective drinks at the workplace and the choice of equipment also take health requirements into account.

Accidents at work, types of accidents at work

In the reporting year there were a total of seven accidents at work on our sites. In Hernádcsány there were five accidents during the reporting period, one at our site in Környe and one in Mátészalka. In the year 2023/2024 there were no accidents at work resulting in serious injuries or work-related illnesses. All accidents were thoroughly documented and a record was kept of the incidents, none of which were due to employer negligence. In order to prevent similar incidents we carried out extra-occupational training for the injured workers and presented the incident to workers during recurrent OSH training.

Our activities carry several higher risks of occupational accidents. The repair of machinery and equipment requires particular attention as these operations often involve heavy and moving parts that can cause serious injuries if health and safety rules are not respected. The handling of pallets can also be dangerous, as the load is heavy and bulky, with the risk of muscle strain or other physical injuries.

The use of hand tools, the handling, maintenance or cleaning of machinery require precise and concentrated attention, and accidents at work typically occur in these areas. Among the groups of circumstances that cause accidents the most common at the Group are object falls, cuts, blows, burns and slips and falls.



Social responsibility, supporting local communities

(GRI 413-1, GRI 13.12)

"People-centredness" is a pillar of our philosophy on which we are firmly built. From the very beginning we have actively experienced and implemented our social responsibility in our direct (employees) and indirect (e.g. certain social groups, social organisations) environment.

OUR CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (=CSR COMMITTEE)

As a large multinational group of companies CSR is also managed in an organised way, and it is our CSR Committee, which has been operating for years, that evaluates the range of proposals to be supported and decides on the resources to be used in a given year at quarterly meetings. The composition of our CSR Committee is deliberately mixed, as it is made up of colleagues from different positions and disciplines: CEO, HR Manager, Tax Manager, Pricing Manager, Secretariat Manager, Marketing Assistant, Commercial Administrator, CSR Coordinator, ESG Sustainability Officer. In this way the chosen objectives and initiatives come from the bottom up, and decisions are not only taken by the management.

Our CSR Committee is constantly expanding the range of eligible organisations and initiatives with new proposals. We are proud that since 2023 our CSR coordinator Greta Pinke has been a Wellbeing Ambassador "trained" by the Wellbeing Alliance to bring her own unique ideas to the UBM CSR team.



Pinke GrétaCSR coordinator

"I believe that taking responsibility for something, doing something for a "good cause" is not only a duty, but also a source of joy".



Tóth Orsolya HR Leader

"As a family-friendly and child-centred workplace we don't just want to be family-friendly in our headlines and posters, but we have been doing it in real life for many years."







For years our charitable commitment has focused on several key priorities, such as



Helping the local communities and organisations surrounding the UBM Group

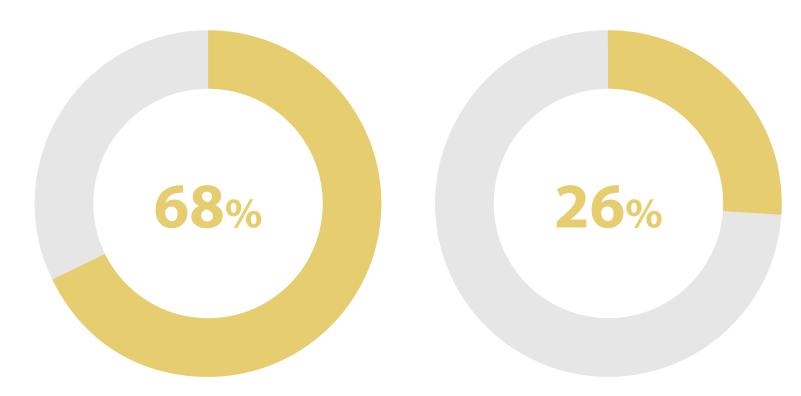


Supporting sick and/or disadvantaged children and young people



Promoting other themes and objectives, such as animal shelters or saving forests

Distribution of donation targets for 2023/2024



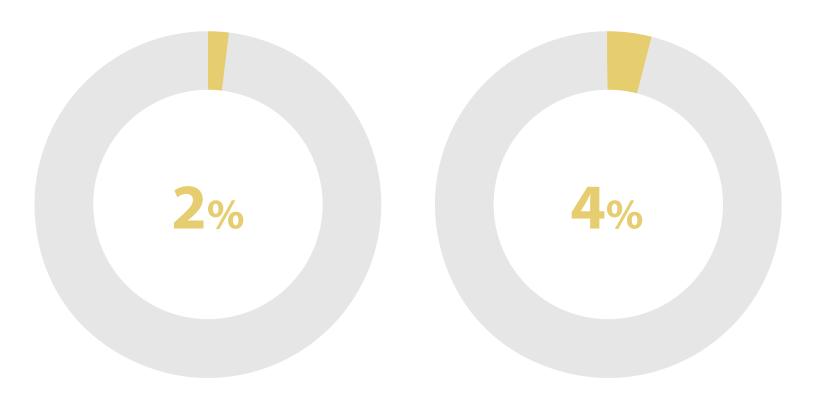
Supporting local communities

Support for sick and disadvantaged children/young people

In the 2023/2024 financial year the municipalities of our largest plants (Szeleste, Környe) and the local organisations in Pilisvörösvár where we are based, received the most financial support. Thus, we donated to the Szeleste funeral home renovation initiative, or the RedRun running race in Pilisvörösvár, which is very popular with our office employees, but we also supported the Polgárőr (Neighbourhood Watch) and Volunteer Firefighters Association of Környe with firefighting uniforms and purchased rescue equipment for the Pilisvörösvár ambulance station.

In the spring of 2024 we organised a career guidance day for students from Pilisvörösvár in the form of a non-monetary support, thus helping them to choose a job and profession.

The charity we support the most is Smile Foundation with which we have been in contact for 12 years and actively participate in jointly organised programmes. We have been a strategic partner of this organisation which represents excellence both professionally and humanly for many years.







In addition to these, we also regularly support several non-profit organisations, such as the Magic Lamp Foundation which makes the wishes and dreams of sick children come true, the Mohamanó Experience Workshop Foundation which aims to improve the quality of life of disadvantaged and multiply disadvantaged children, or the Believe in You Foundation which used our financial support to buy a ventilator for premature babies. Every year we have the extremely difficult task of selecting from the many heart-warming charitable causes that we are happy to support.

In the current financial year we have aided other initiatives that support our wildlife, such as the exchange of kennels for the Bogancs Dog and Pet Shelter Foundation and the Forest Rescue Foundation.















CSELEKEDJ!

iyűjtsd munkáddal az

ADSZA"-kat a kedveno

50 ADSZA =

Önkénteskedj!

VOLUNTARY WORK



It is particularly important to us that a significant proportion of our colleagues are consciously involved in our corporate social responsibility process. We try to give them every opportunity not only to participate in the selection of organisations to support, but also to volunteer regularly for causes that are important to them, and as a workplace we support their actions.

In 2024 we launched our latest employee initiative, the **Do It!** Volunteering Support Programme, where all our employees can volunteer 2x4 hours of paid working time per year, either for a cause of their own choice or through one of our group volunteering programmes. Volunteering is rewarded with so-called ADSZA (=Donation Vote) points, and the good cause that accumulates at least 50 hours is also financially supported by UBM.

In the first half of 2024 a total of 26 colleagues already participated in various voluntary events such as the food distribution and cake baking for the needy organised by the Weekly Food Association, or the city clean-up garbage collection day organised in Pilisvörösvár in March this year. In addition, several colleagues actively helped to organise and run our company presentation day for the children of our employees in the framework of #mutiholdolgozol . Many of them also participated in blood donations. So far we have collected a total of 96 hours of volunteer work, but we have only just started the initiative, so we are confident that this number is just the beginning.

In 2023/2024 we increased our donations and TAO (corporate tax-based) funding by 50% compared to the previous year, **contributing** a total of **HUF 67 million** to furthering community causes.



Food safety - Feed safety

(GRI-13.10)

Our feed safety policy in the trade of feed products we produce and distribute, **reflecting a farm-to-fork approach**, focuses on meeting the needs of the end user/consumer in a safe manner in all respects, in line with the role of the feed products we distribute in the feed chain. Our aim is to produce products and provide services that offer a high level of safety for humans, animals and the environment. This implies that suppliers of these products and services comply with the required standards, legislation and other regulations. In this spirit we set measurable quality targets each year and communicate our commitment to feed safety and compliance with standards internally and externally, to our employees and the market participants, all the stakeholders.

Our feed safety management system sets the requirements for our companies to provide safe feed/service in accordance with the requirements of the applicable standard. The management system plays a vital role in preventing and reducing the impact of adverse events on consumers and everyone in the entire production chain.

All GMP+ certified companies are part of the global feed and food chain, so maintaining chain continuity is the responsibility of all certified elements.

Our feed safety management system covers the UBM Group's commercial activities, such as unprocessed grain crops, processed by-products, premixes, feed mixes and additives, as well as our plants.

The development, maintenance and continuous improvement of the feed safety management system is the responsibility of the Quality Manager, who is supported by management, members of the feed safety team (relevant plant managers, technical manager, logistics manager, quality management assistant) and the associate departments.

We maintain ongoing communication with stakeholders in the following ways



appropriate product information (product data, product properties, storage, use suggestions, etc.) to suppliers and customers



product safety hazards that the supplier or buyer must also control



handling complaints



official procedures



product marking in accordance with the requirements of the standard used and the relevant legislation



concluding contracts and agreements



recall procedure



other organisations (e.g. certification body, standard holder, etc)



Szentimrey HajnalkaQuality Management Manager



"The next in line in the chain trust us and our products, because as feed producers/distributors we have a huge role and responsibility in what goes to the animal and then to our table. This sense of mission guides us every day in every task or decision we make."





THE PROCESS OF FEED SAFETY COMPLIANCE IS STRICTLY REGULATED AND INVOLVES CONTINUOUS CYCLES AND IMPROVEMENTS, WHICH ARE OF COURSE ADHERED TO AT ALL TIMES.

Prerequisite programmes



Track follow



Emergency management



Compliance assessment



Monitoring



Continuous improvement

- Establishment and continuous maintenance of appropriate infrastructure, air, water, steam management, drying, ventilation
- Ensuring good hygiene conditions e.g. cleaning, disinfection, personal hygiene
- Pest control
- Waste, waste water treatment
- Tracking requirements for incoming materials, services

- Close monitoring of all products/ materials that have or may have an impact on feed safety
- Must be maintained from suppliers until delivery of the final product
- Hazard analysis and hazard identification (HACCP), which should cover the elements of the value chain (whether commercial or manufactoring) upstream and downstream of the UBM group
- Types of hazards can be physical, biological, chemical etc.
- Rish assessment is based on severity and probability of occurrence, detection of critical control points (CCPs), setting and measuring of agreed limits, taking action to manage and reduce risks

- Non-compliance detection
- Immediate response
- Introduction of corrective measures
- Checking the results of actions to avoid non-compliance
- Establishing a control and monitoring system for raw materials, processes and finished products
- Analysis and evaluation of measured data
- Carrying out internal audits
- Introduce corrective measures where necessary

- Objectives
- Audit results
- Correction measures

Under our strictly regulated procedures, the detection and remediation of "non-compliance" is key, and this can come from a number of directions:

related to raw materials, goods, partner complaints, internal non-conformities, or regulatory, audit non-conformities. We keep detailed records of these cases, which are investigated individually.

We only accept raw materials after strict quality control. They are checked partly by visual inspection and partly by content and undesirable substances tests. As soon as a problem is identified during the inspection, one that could adversely affect human or animal health or animal production, our quality management manager rightfully stops the acceptance, further distribution or use of the goods.

In the case of internal non-conformities (e.g. a finished product of unsatisfactory appearance, inadequate content, inadequate production or operational process, storage problems etc.), the reasons are investigated and, based on the appropriate measures we decide on the fate of the product, which may range from reprocessing or reclassification to scrapping or stopping production.

Partner complaints must be reported within 24 hours of detection in a number of ways, e.g. via a dedicated email to minoseg@ubm.hu or via an advisor, and these in all cases are recorded in our own internal Salesforce system. Immediate corrective action will be taken to remedy the non-compliance to reduce further damage. Sometimes we may use on-site inspections to assess the damage. In all cases, we close the complaint in writing.

In addition to our manufacturing and trading activities, we also operate under strict rules on transport. In the case of bulk deliveries in the GMP direction, delivery can only be made by a transport vehicle that is GMP+ B4 certified. This requirement also applies to any subcontractor engaged by the carrier. In some cases transport by a non-GMP carrier is allowed, but in this case a declaration on the previous three shipments must be submitted to the carrier. Similarly, strict hygiene controls apply to warehouses.

In our 2023/2024 financial year some of the non-compliance incidents were due to raw materials or internal non-compliance, and we also rigorously investigate all customer complaints, requests and claims.

Our Group received no warnings or fines from the authorities in the last financial year.

Our responsible corporate governance

Governance of the UBM Group

(GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-15, 2-17, 2-18, 2-19, 2-20, 2-21, GRI 405-1)

In almost 30 years of existence we have come a long way: from a soypulp trading company (UB Merchants Kft.) at the beginning we have grown into a group of 20 companies with three main business lines: (i) feed production, (ii) feed materials and crop trading, and almost a year ago we started (iii) our livestock production business. With our headquarters in Hungary, but also with a presence in six countries, different ownership structures in some of our companies, an increasingly stringent regulatory environment and a broader investor base, we face very different challenges than when we started.

We have been operating under a holding structure since 2017, and in the same year the shares of UBM Holding Nyrt., the leading company in our Group, became standard class securities listed on the Budapest Stock Exchange (BSE). In 2022 our ownership was extended to include the MFB Corporate Investment and Transaction Private Equity Fund (=Focus Ventures), so it is of paramount importance for us to operate under a clearly defined, publicly transparent corporate governance model and to comply with legal and stock exchange requirements.

The following is a description of how our Group operates and organised from a corporate governance perspective. We detail our responsible operating principles and present a comprehensive set of rules and regulations to ensure that we operate in a prudent and ethical manner on a day-to-day basis to fulfil the expectations of both our owners and our external regulators and partners (Budapest Stock Exchange, financing partners, customers and suppliers, etc.).

The owners of UBM Holding Nyrt.³⁵

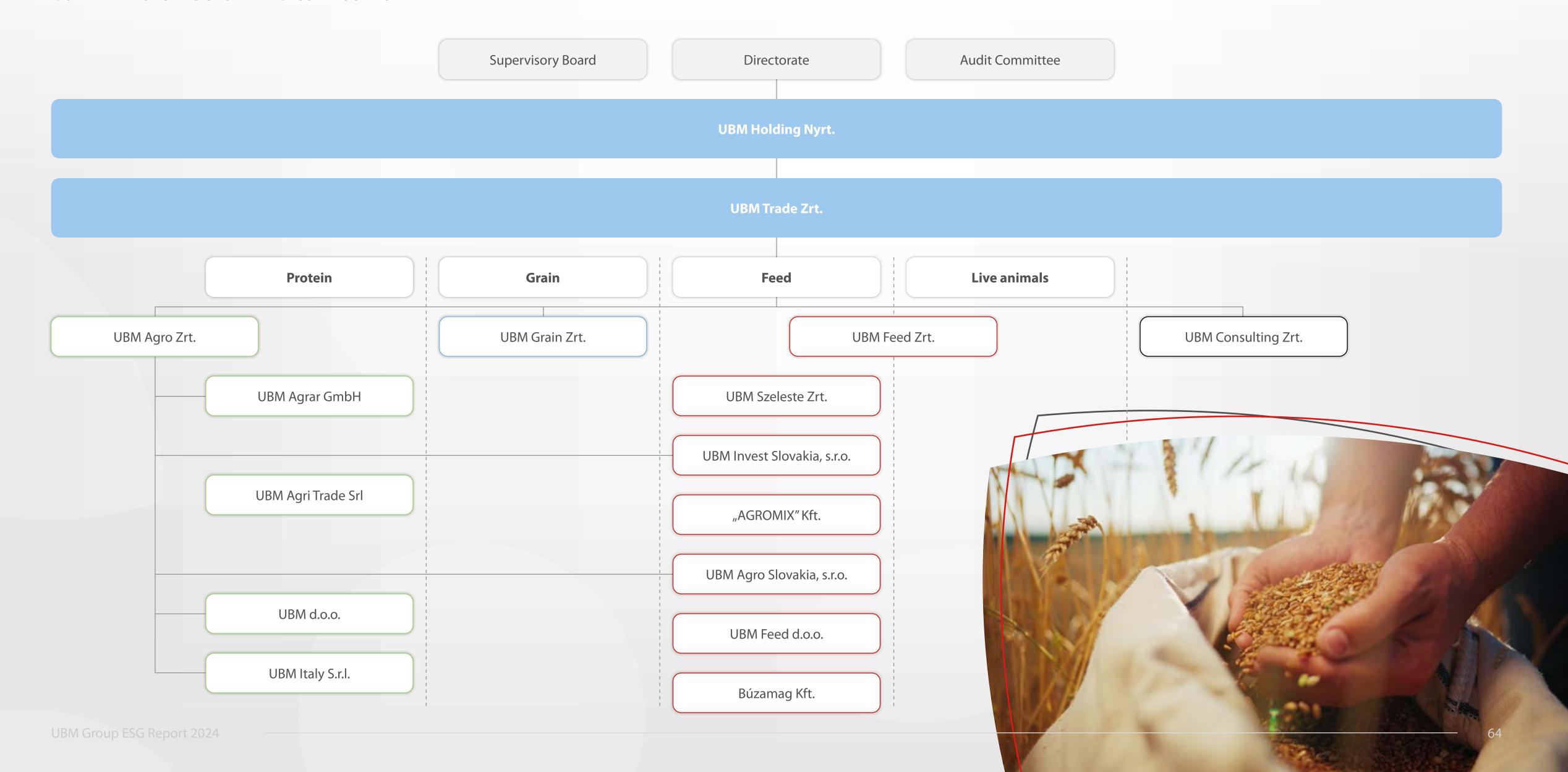
Ownership structure	Ownership (%)
MFB Corporate Investment and Transaction Private Equity Fund	15.62
Andor Ágoston Botos	13.47
Ákos Varga	12.63
Imre Varga	11.57
Gábor Varga	8.77
László Bustyaházai	8.76
Péter Horváth	8.74
Szabolcs Szalontai	3.84
Mihály Fekete	3.84
András Uzsoki	3.38
Own share	7.23
Public domain	2.15
Total	100



³⁵ The owners of UBM Holding Nyrt. on 30 June 2024



GOVERNANCE STRUCTURE AND COMPOSITION

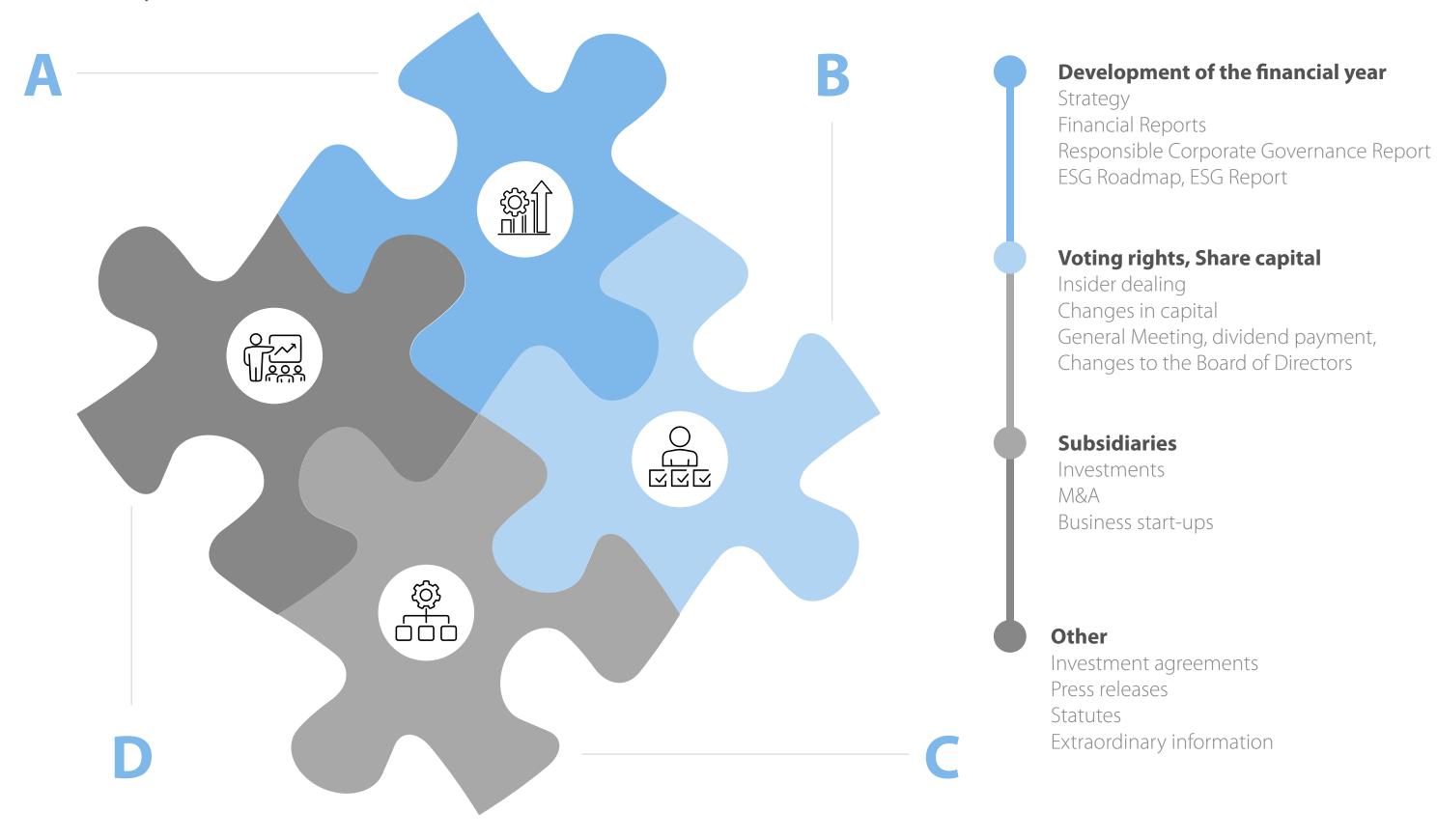




UBM Holding Nyrt. as a listed company is a public company in compliance with the relevant legislation (Act CXX of 2001 on the Capital Market and PM Decree 24/2008 (VIII.15.) on the detailed rules of the information obligation in relation to publicly traded securities, as well as the General Business Rules of the Budapest Stock Exchange).

We continuously and transparently publish our reporting obligations on the BSE website, including **our** annual **Corporate Governance Report, our Remuneration Policy** and the **Articles of Association** in force at any given time.³⁶

Disclosure Policy



³⁶ Company profile - Bet site

General Assembly

The General Meeting (the supreme body of UBM Holding Nyrt.) has the power to elect and recall members of the Board of Directors and to determine their remuneration. It decides on the guidelines for the long-term remuneration and incentive system for the members of the Board of Directors, the members of the Supervisory Board and the senior management. The General Meeting of Shareholders shall exercise the rights of shareholders. Its functioning is also regulated in detail in the Statutes.

The Board's performance is assessed on the basis of the achievement of its strategic objectives, which are typically based on economic indicators.

Directorate

UBM Holding Nyrt. is managed by a Board of Directors consisting of 11 members, who represent the company in transactions with third parties, headed by the Chairman of the Board of Directors. The Chairman of the Board of Directors is elected by the members from among themselves for a term of office determined by the Board of Directors. The Board may revoke this mandate at any time. When the Chairman of the Management Board ceases to be a member of the Management Board, they shall cease to be Chairman of the Management Board. Ákos Varga, Chairman of the Management Board, and Péter Horváth, member of the Management Board, have independent signatory authorisation.

The Board of Directors holds at least 4 ordinary meetings per year. In carrying out its tasks, the Board may, if necessary, call in external experts or set up a committee or working group to carry out specific tasks. Some of the members of the Board of Directors (see presentation of the ownership structure) also have an ownership role in UBM Holding Nyrt. The members of the Board of Directors take their decisions independently, whereby there is no conflict of interest between the members of the Board of Directors or between the directors and the stakeholders, and are therefore able to take independent decisions.

The members of the Board of Directors³⁷ are professionals with a wide range of competences, including a chartered forestry engineer, an engineering economist, several agricultural engineers and a number of economists, chemical engineers, biological engineers and chartered legal economists. Representation of stakeholders is through the CEO.

The rules on the appointment and recall of executive officers and on the amendment of the Articles of Association are set out in the Articles of Association of the company³⁸ and in Act V of 2013 on the Civil Code (Civil Code Act).

Members of the Board of Directors

Name	Position	Start of legal relationship
Ákos Varga	president	15 February 2016.
László Bustyaházai	member	15 February 2016.
Péter Horváth	member	15 February 2016.
András Uzsoki	member	15 February 2016.
Gábor Varga	member	15 February 2016.
Imre Varga	member	15 February 2016.
Andor Ágoston Botos	member	28 October 2022.
Mihály Fekete	member	28 October 2022.
Janositz Balázs Ferenc	member	28 October 2022.
Szabolcs Szalontai	member	28 October 2022.
József Tóth	member	28 October 2022.

The term of office of the members of the Board of Directors is indefinite.



³⁷ For more information on the Board's professional history and the strategic and operational roles of each member within the Group, please refer to our Corporate Governance Report in force at the time.

³⁸ Available on the UBM website and other publication sites. Articles of Association - UBM Investors

Supervisory Board

Members of the 3-member Supervisory Board of UBM Holding Nyrt.

- Attila Fazekas since 2016, indefinite term, independent member
- Sándor Buda since 2022, indefinite term, independent member
- József Tóth since 2016, indefinite term, independent member

Their role is to ensure effective ownership control of the company. If a member of the Supervisory Board, in the performance of their duties, becomes aware that the activities of the Management Board are contrary to the law or the Articles of Association, or are in conflict with the resolutions of the General Meeting or otherwise prejudicial to the interests of the Company, they shall convene a General Meeting without delay to discuss the issues in question and take the necessary decisions.

Audit Committee

The audit committee of the company consists of 3 members:

- Attila Fazekas since 2016, indefinite term, independent member
- Sándor Buda since 2022, indefinite term, independent member
- József Tóth since 2016, indefinite term, independent member

They have a control and support function, which includes monitoring the financial reporting system (e.g. selecting and working with the auditor), monitoring the effectiveness of the company's internal control and risk management systems, monitoring the financial reporting process and making recommendations where necessary.

Auditor

The permanent audit of UBM Holding Nyrt. is performed by CMT Consulting Kft. (formerly known as Interauditor Consulting Kft.), while the audit of the UBM Group member companies is performed by PKF Könyvvizsgáló Kft.

³⁹ See the 2021 Remuneration Policy 2020-04-20 Remuneration policy.pdf (bet.hu)

Remuneration rules

According to the **Remuneration Policy**³⁹ of UBM Holding Nyrt. applied from the financial year 2021, **remuneration** may be paid to members of the Board of Directors, members of the Supervisory Board, as well as to the CEO and Deputy CEO outside the Board of Directors (hereinafter collectively referred to as "Directors"), which may only be fixed and may be paid either by UBM Holding Nyrt. or by its subsidiaries. The persons concerned are not entitled to share-based remuneration or bonuses. At the same time as the annual report is compiled, the remuneration report for the year in question is published on the BSE website, containing the numerical remuneration data for the relevant remuneration group. Our Group considers it a trade secret what the annual remuneration ratio of the highest paid individuals in relation to the median of the total annual remuneration of all employees is, as well as the growth rate of their remuneration.

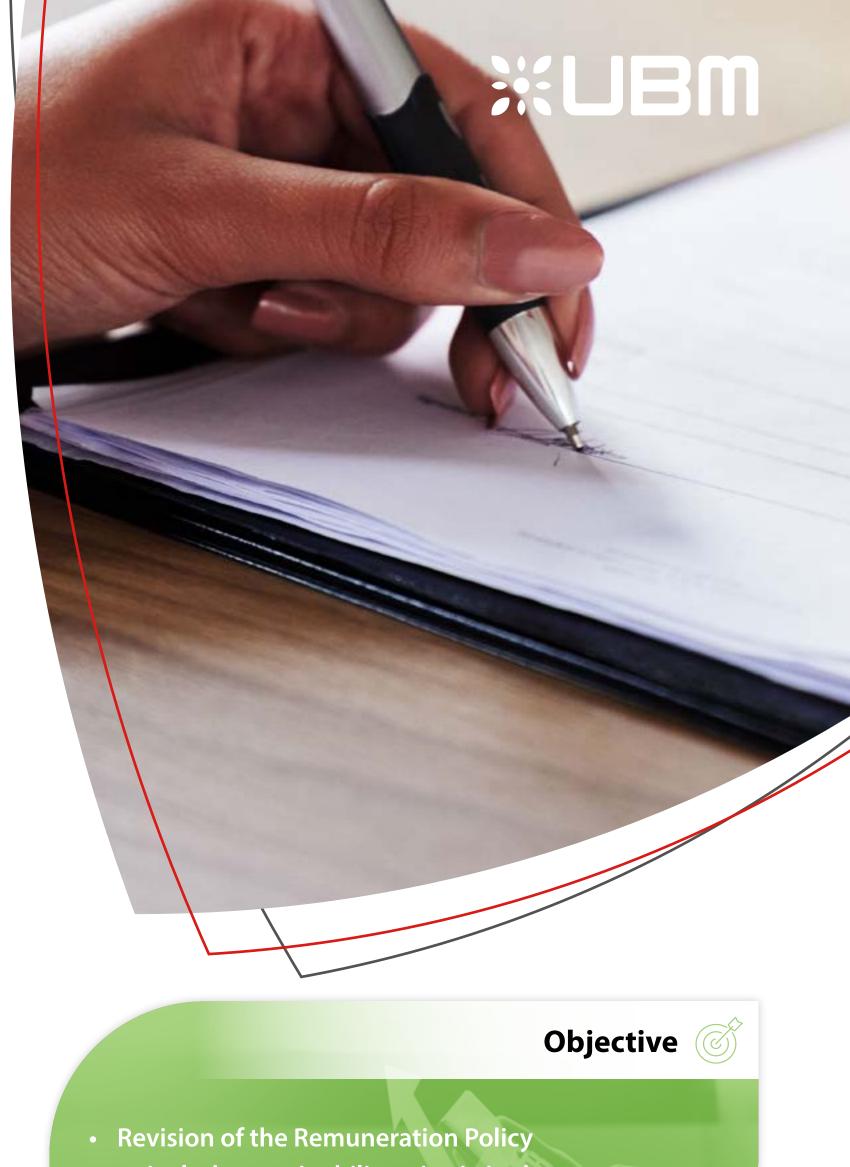
The Board of Directors may propose to the General Meeting any amendment to the remuneration policy in force. The General Meeting may also propose amendments to the Board of Directors above a certain proportion of votes, which may either reject the proposal with reasons or accept it.

In the financial year 2023/2024 the directors of UBM Holding Nyrt. received only a pre-fixed remuneration and it did not include variable components.

The remuneration setting process is not overseen by a remuneration committee, and no remuneration consultants are involved in setting up the remuneration policy.

UBM Employee Ownership Program Organization

On March 12, 2024, the *UBM Employee Ownership Program Organization* (MRP) was established by UBM Holding, Nyrt, UBM Trade Zrt., UBM Grain Zrt. and UBM Feed Zrt. as founders. The purpose of the MRP Organisation is to hold and manage the ordinary shares made available to the MRP Organisation in order to achieve the objective set out in the Remuneration Policy, i.e. to facilitate the efficient and effective management of the Founders, and to exercise and fulfil the shareholders' rights in respect of the acquired ordinary shares at the General Meeting of UBM Holding Nyrt. and in relation to UBM Holding Nyrt. Remuneration under the MRP plan is variable.



Revision of the Remuneration Policy to include sustainability criteria in the remuneration criteria.



System of internal controls

The tasks related to the internal audit function are carried out by a 3-person **internal audit team** acting on behalf of UBM Holding Nyrt., with the assistance of the departments managed by the members of the team. The members of the internal audit team are: the Chief Financial Officer of UBM Trade Zrt. (as the responsible head of the internal audit function), the Accounting Manager and the Controlling Manager. The members of the internal audit team are entitled to attend all meetings of the Board of Directors of UBM Holding Nyrt. and UBM Trade Zrt. and are kept informed of significant events affecting its operations and activities. The purpose of the internal audit is to ensure the efficiency of the Company's operations, the reliability of its financial reporting and compliance with the law.

The tasks related to **the compliance function** are partly performed by the internal audit team as described above, partly by the legal department of UBM Trade Zrt. and partly by external contractors.

Our committees

Our Group maintains special committees to deal with certain priority issues, involving the responsible persons and managers for the relevant topic. These are described below:

Strategic decision-making

Strategic and operative decisions are made by UBM Trade Zrt., a wholly owned subsidiary of UBM Holding Nyrt.

The strategic board consists of 7 persons, some of whom are private owners. They meet once a month to discuss pre-announced strategic topics such as monthly closing, acquisition strategy, investment decisions, commercial strategy.

Operational matters are decided by the operational management. This forum is attended weekly by a select group of managers and officers from the business areas concerned and discusses current issues. The subsidiaries are operating under UBM Trade Zrt. In this ESG report we have included domestic and foreign subsidiaries in which we have a majority ownership.

The operation, decision-making, governance and ownership of each company is governed by the current Articles of Association of the particular company. None of the operating companies has a separate supervisory board or audit committee.

Operational decision-making

This business line approach also determines the operational organisational structure of our group, since although there are several domestic companies belonging to a particular business line at the level of legal entities, certain functions are centralised in the organisation. The foreign entities are an exception to this, as they operate independently with their own management, sales, administrative day-to-day functions (finance, HR), but they are also integrated in terms of corporate governance and use the IFS corporate governance system used by the group.

Conflict of interest

At our Group managing conflicts of interest is key to transparency and organisational integrity. We aim to be aware of any conflicts or conflicts of interest that may affect the operation or decisions of our company. UBM employees have a responsibility to ensure that their personal relationships or interests do not affect their work for UBM. It is therefore important to avoid both real and apparent conflicts of interest. In order to avoid labour and criminal law consequences and damage to UBM, all employees are obliged to report any conflict of interest they may experience. The strict separation of business and private interests is of paramount importance to UBM. Detailed rules for preventing and managing conflicts of interest are set out in our Code of Conduct and Ethics.

On our Board of Directors, as the highest governance body, shareholder status is always public.

All new employees are required to declare any conflict of interest as part of the on-boarding process when signing an employment contract. Where necessary, we will negotiate with the employee to remove the conflict of interest or the conditions for its approval, which is detailed in our Code of Conductand Ethics.

Commission name	Objective	Members	Other
Insider Information Committee	An informal advisory board supports the stock exchange operation of the Board.	4 persons: CEO, two board members, in-house lawyer	Meets biweekly or on an ad hoc basis
Social Responsibility Committee	They decide on CSR-type support, initiatives and projects.	9 persons: CEO, HR Manager, Tax Manager, Pricing Manager, Head of Secretariat, Marketing Assistant, Commercial Administrator, CSR Coordinator, ESG Sustainability Officer	meets quarterly
ESG Commitee	ESG strategic issues discussed and presented to the Board	7 persons: CEO, ESG-sustainability officer, business unit managers (Feed, Grain, Protein, Livestock) CFO	meets quarterly



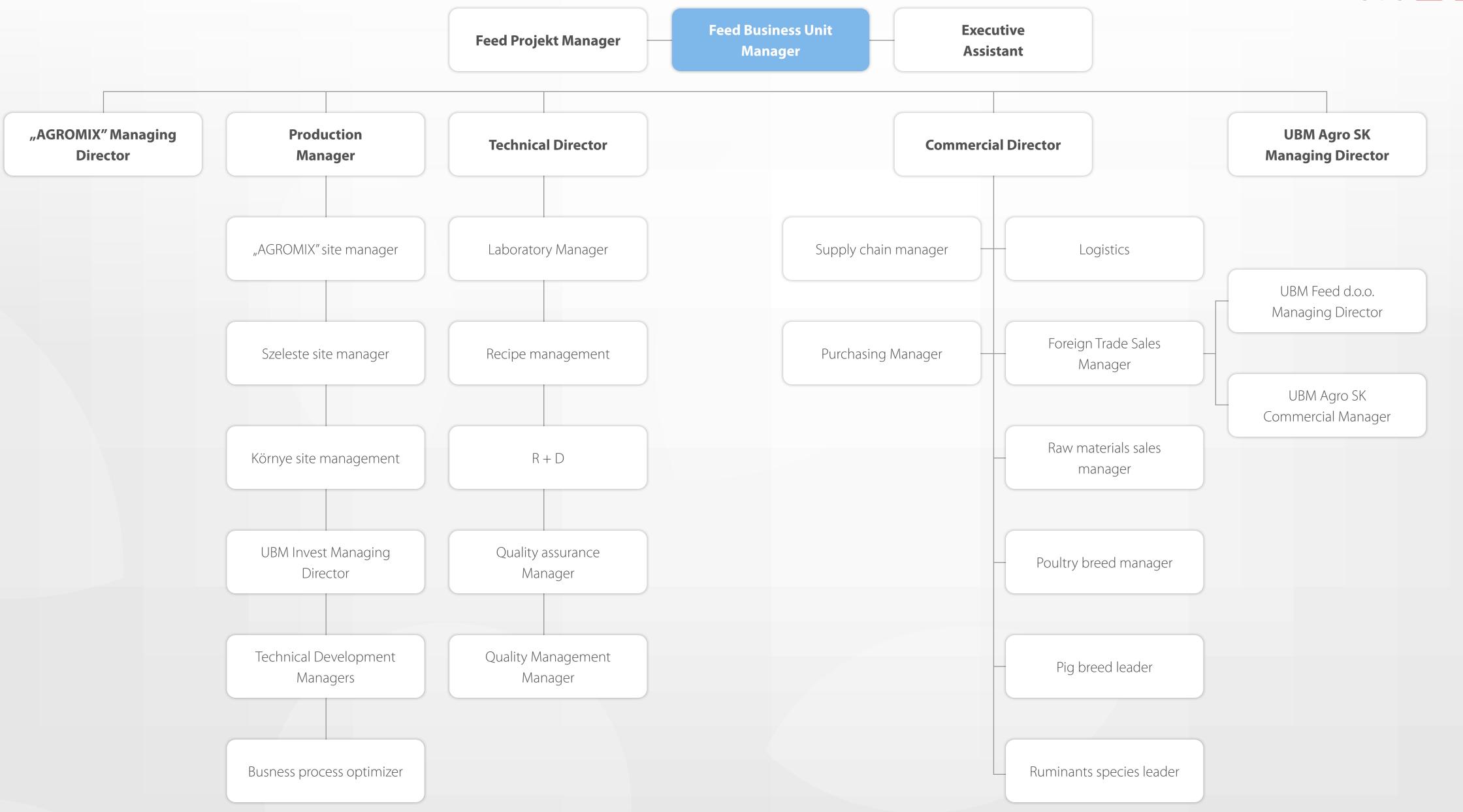
CEO

Board level Quality Management IT Director Corporate lawyer Marketing Manager Head of Secretariat Fleet managers **HR** manager Director **Professional Adviser Feed Business Unit Deputy CEO, Chief Protein Business Unit Cereals Business Director of Risk Financial Officer** Manager **Unit Manager** Manager* Management (abroad) UBM Agrar AT Trade Back office Accounting ESG-sustainability officer Trade UBM IT Controlling UBM doo SRB Logistics Finance ERP inf. project manager

*This area is also shown separately.

LIRM Group ESG Report 2024





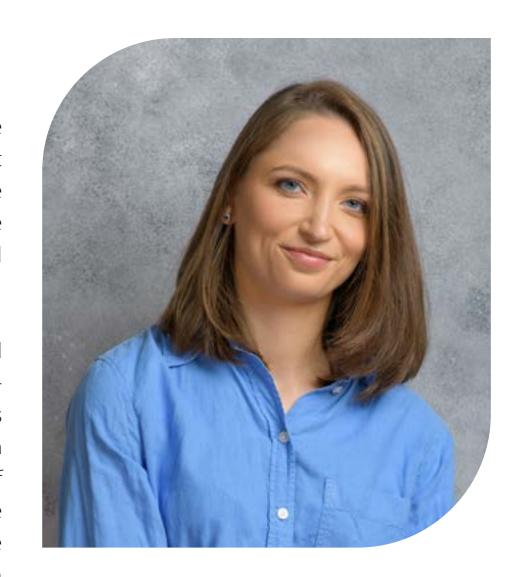
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Addressing sustainability issues

The Board of Directors of UBM Holding Nyrt. is responsible for the approval of the annual ESG report of the UBM Group, about which a proposal is made. For the first time this was done in connection with our ESG Report 2022/2023. The role of the operating board is to ensure that the resources necessary for the preparation of the annual ESG report are in place, as well as to implement the preparation process and to address issues and commitments arising during the preparation.

In order to achieve our business strategy objectives, sustainability was incorporated as an essential element of the 2022/23 strategy review alongside the core expectations, so the elements that affect it were also set at operational level in each business line. Our aim is to make ESG an integral part of the business strategy rather than a separate issue. Our cornerstone is to balance the environmental and social impact of our business activities with profitable growth, thus achieving sustainable growth. We strongly believe that sustainability and profitable growth are not mutually exclusive but mutually dependent and complementary, and we are committed to long-term value creation. We are doing our utmost to ensure that our partners in the value chain adopt an ESG-conscious approach by developing sustainable products and services, which can open up new market opportunities for us. We continuously monitor sustainability trends and regularly inform our management team about their evaluation, opportunities and potential risks. We believe that this conscious approach also gives us a competitive advantage.

The formulation of corporate sustainable development policies and long-term objectives will be managed by the newly established ESG Committee. It is its task to approve them and to ensure that the ESG approach and climate risks are kept on the agenda. Since September 2023 **our** dedicated **ESG-sustainability officer** Bettina Baksa, who reports directly to the CFO, has been the one to ensure the achievement of the above objectives.



Bettina BaksaESG-sustainability officer

"I think that our knowledge of sustainability has increased, we have moved up a level. Our future goal should be nothing less than to be the flagship in our industry in this area."









The ESG-sustainability officer's responsibilities include:



Preparing, monitoring, fine-tuning the UBM Group's sustainability strategy and sustainability efforts, as well as adding new proposals to it and implementing it,



Ensuring a consistent representation of sustainability aspects in the UBM Group's external relations e.g. suppliers, banking relations, customers, social media communication etc.,



Playing an active role in shaping the attitudes of employees, so that they are aware of the importance of this in the interests of the company and can identify with it as individuals,



Informing the Board of Directors on sustainability and ESG trends and preparing and presenting quarterly reports to management on the implementation of ESG activities, progress of approved programmes and key performance indicators against set targets,



Taking on responsibility for setting up a data reporting model with sufficient depth to support corporate decision-making and reporting,



Coordinating the work of the environmental, social and corporate governance areas identified as relevant within the group, setting up discussions with the heads of the units, delegating tasks where necessary,



Reporting on their work to the Director of Finance on a weekly basis.

Last year's ESG report included a commitment to establish an **ESG Committee** in 2024, which we did in July 2024. Its members were appointed by our Board of Directors and it consists of representatives from each of our business lines (Feed, Grain, Protein and Livestock), as well as the ESG-sustainability officer, the CEO and the CFO.

Its key tasks will include discussing issues related to the Group's ESG strategy, monitoring and reviewing ESG and sustainability commitments and targets, commenting on the sustainability report and submitting it to the Board for approval, integrating sustainability thinking and awareness into daily operations and discussing current sustainability and ESG trends in quarterly meetings.





Ethical conduct and compliance

(GRI 2-15, 2-16, 2-23, 2-24, 2-25, 2-26, 2-27, GRI 205-1, 205-2, 205-3, GRI 207-1, 207-2, 207-3, GRI 406-1, GRI 13.15, 13.26)

OUR POLICY (=REGULATORY) SYSTEM

In order to ensure that the day-to-day operations of our Group, with a regional presence in six countries and a complex range of activities, are up-to-date with the diverse regulatory environmental requirements, and that our employees are clearly oriented to the system of tasks and processes expected of them, we have developed a comprehensive set of rules and instructions, which we expect and require all stakeholders to comply with.

Our policy commitments (= system of rules and regulations) were developed by the person in charge of the field concerned supported by the legal area, along the lines of the relevant expectations and in all cases approved by the CEO. The approved and signed policy is then published on our Group's internal information channels (the company policy repository is available via UBM "sharepoint", which is shared with stakeholders via email) and, if the policy commitment requires it, on our website accessible to external parties.

Our rules and instructions are uniformly specific about their scope in terms of persons (external and internal stakeholders), time and subject matter. We have different levels of policies, so we talk about group-level, company-level or organisational-level scope. Our policies are reviewed annually. Our policies are based on relevant legislation, external regulations.

We operate on a precautionary principle, so we make informed decisions to ensure that our actions do not violate any laws, ethical standards, quality, internal or external regulations, etc.

To raise awareness of the content of our rules, we hold various training courses, which are described in more detail in the section on the training and education of our employees. For compliance with certain policies and standards we also carry out in-process and final audits, as well as regular internal and external audits at least once a year. The results of these audits are evaluated by the company and, where it is necessary to improve or change existing processes, methodologies or best practices, appropriate action is taken to remedy any deficiencies.

The UBM Group keeps its employees informed of any changes to the Code of Conduct, while at the same time communicates externally to market players and stakeholders its commitment to policy and standards compliance.

This is done through regular external and internal newsletters, internet forums, providing suppliers and customers with the right product information, handling complaints, etc.



Our objectives by 2025



- In the next financial year we will want to extend our Procurement Policy and Supplier Evaluation Methodology to include the value chain approach, risk management, action steps required by the current ESG Act and Accounting Act, and also, related to the supplier evaluation process, the inclusion of environmental and social aspects, such as respect for human rights,
- Development and implementation of a digitised and regularly reviewed partner rating system,
- Developing a single waste management framework to replace the current fragmented regulatory system,
- Extending the Remuneration Policy with sustainability elements,
- Developing a uniform Health and Safety Policy for all our units.

Our objectives by 2026



ISO 14001 implementation in Környe

UBM Group ESG Report 2024



Code of Conduct and Ethics

In our day-to-day operations and business relationships we strive to conduct our business with high ethical standards and the utmost respect for the law. We make every effort to ensure that the Group's core ethical standards are embedded in our day-to-day work in our interactions with each other and in our relationships with customers, owners, investors, suppliers and all stakeholders.

In the second half of 2023 we reached an important milestone by developing our Code of Conduct and Ethics⁴⁰. This is available on our website and is accessible to all our stakeholders.

Our Code of Conduct and Ethics applies not only to our employees and officers, but also to the owners of the UBM Group, who, having read the contents of our Code, are obliged to act in accordance with the spirit of the Code in their daily work. This is also supported by training courses aimed at familiarising and deepening our understanding. All our employees also declare that they have read and accept its contents. In certain cases, e.g. respect for human rights, conflict of interest, anti-corruption, we expect our employees to report such cases to the HR department.

We expect ethical behaviour from both our internal and external partners and stakeholders. Our Group does not have a collective agreement.



⁴⁰The Code of Conduct and Ethics is available on our website ethical code UBM 2024

Our themes

Sustainability, environment, health and quality

Prohibition of corruption: gifts, invitations, rules on acceptance of certain benefits

Competition law, fair competition compliance

Stock market rules, data reporting

The principle of joint consideration ("four-eyes" principle)

Human rights, general labour and social requirements

Use and protection of assets and resources

Tax discipline and prevention of money laundering

Corporate communication: open, consistent and reliable

Abuse reporting system

Conflict of interest

Foreign trade and export controls

Data protection

Social engagement

Sanctions and consequences

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Handling whistleblowing

As required by law, from mid-2023 we have provided **an anonymous** form of whistleblowing to our existing and/or former employees, business partners and other stakeholders through the EthiCom IT platform accessible via the web interface and through an external whistleblowing expert, thus guaranteeing the independence of the investigation of cases.

The UBM Intranet Compliance Hotline can be used for reporting, and we have also made it available through our website as required by law. EthiCom

We regularly remind our employees of the possibility to report. All whistleblowing is investigated with the utmost discretion, with the involvement of an external, independent party, and all related information is treated confidentially.

For the year 2023/2024 our group has not received any abuse notifications.

Complaints, corruption cases and fines

Our Group condemns all forms of corruption, which is detailed in a separate chapter of our Code of Conduct and Ethics. We explain the forms of benefits (e.g. invitations and gifts *that* are customary in business practice and *can be considered ethical*) that are acceptable to employees within strict limits. Their value will depend on their monetary value, function, the position of the party involved, timing and business customs in the country concerned.

During the financial year under review we did not receive any complaints of abuse, corruption or any other operational complaints that needed to be investigated. We believe that business relationships should be based solely on objective criteria, including the selection of individual business partners. There were no significant fines relating to our professional activities.

Environmental remediation procedure in Környe

In 2023 UBM Feed Zrt. carried out a detailed investigation of hydrocarbon contamination on its property in its Környe site, which revealed several disused fuel tanks that were previously believed to have been used for the storage of fuel oil.

At the beginning of 2024 the competent authority (Komárom-Esztergom County Government Office, Department of Environmental Protection, Nature Conservation and Waste Management) issued a decision obliging UBM Feed Zrt. to carry out technical intervention for environmental remediation and remediation monitoring as the current owner of the property, and Környe Vagyonkezelő és Szolgáltató Korlátolt Felelősségű Társaság as the legal successor of Mezőgazdasági Kombinát Környe, which had originally started the activities causing environmental pollution.

Since neither UBM Feed Zrt. nor the other companies of the UBM Group have carried out any activities in the territory of the Környei Industrial Park that would have required the use of polluting fuels, neither before nor after the acquisition of ownership of the property concerned, our Group is not a polluter. When the property was purchased the seller did not inform the predecessor of UBM Feed Zrt. about the fuel tanks located under the surface of the property or the potential environmental risks associated with them. Accordingly, we are pursuing legal remedies, but we will of course continue to take the necessary steps to prevent further environmental damage and to mitigate the consequences of the environmental damage already caused, and the costs incurred will be borne entirely by the person(s) responsible for the environmental damage.



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Economic performance

(GRI 201-1, 201-2, 201-4, GRI 13.22)

Directly produced and transferred economic value

	2023/2024 UBM Group
Directly produced and transferred economic value	thousand HUF
Economic value generated (i)	
Revenue (net revenue + other revenue + financial revenue)	203 990 979
Allocated economic value (ii)	
Operating expenses (material expenses + other expenses excluding taxes + financial expenses)	-190 161 292
Salaries and allowances (personnel costs excluding related taxes and contributions)	-4 731 677
Payments to investors (Profit after tax for the previous financial year and dividends and interest paid out of the profit reserve of previous years)	-4 947 555
Payments to state coffers (profit tax + business tax + innovation contribution + NÉBIH fee + environmental product charge + environmental pollution charge + also wage contributions)	-1 389 570
Community investments (donations + sponsorship without TAO subsidies)	-23 905
Total economic value allocated	-201 253 999
Retained economic value (i-ii)	
Retained earnings (profit after tax + depreciation - dividends)	2 736 980

Financial implications of climate change and other risks and opportunities of climate change

In our report Megatrends we wrote in detail about events and trends affecting the industry, including climate change risks and opportunities. At this stage our company has not yet assessed the full financial implications of climate change, as quantifying this is very difficult and is not only related to our own narrow business, but also depends on the attitudes and financial capabilities of the wider business environment around us.

At the same time, we are consciously exploring investment and development opportunities and actions that can help us to reduce our negative environmental impact, such as our carbon footprint, despite the sustainable operation of our Group and our target for further growth, and we are also doing so through continuous product development to reduce emissions across the entire value chain.

Our aim is to assess the financial implications of climate change and other climate change risks and opportunities in the coming year.

Financial support from the State

In the financial year 2023/2024 we received the following financial support:



On 29.12.2023 UBM Feed Zrt. signed the Grant Agreement with the HIPA National Investment Promotion Agency (=Hungarian Investment Promotion Agency) acting on behalf of the Ministry of Foreign Affairs and Trade as the sponsor, for the construction of a 4 MW renewable solar power plant in Nyírmeggyes, Hungary, with a nominal capacity of 4 MW, to be connected to the grid under the Factory Rescue Programme. The total value of the investment is in the order of HUF 1.8 billion, of which the company will receive a non-repayable grant of approximately HUF 781.5 million at an aid intensity of 45%. The expected completion of the investment, and thus the planned use of the aid, is in 2024.



The development of the complex feed mixing plant launched at "AGROMIX" Kft. in 2022 and completed at the end of May 2024 under the Széchenyi 2020 Programme included the development of the production plant, the purchase of machinery, vehicles and the installation of a solar collector system. The total amount of non-repayable aid received was in the order of HUF 424 million, with an aid intensity of 50%.

There is no government interest in our ownership, however, the MFB Corporate Investment and Transaction Private Equity Fund, owned by the Hungarian state, holds 15.62% of the shares in UBM Holding Nyrt.

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Indirect economic impact

(GRI 203-1, 203-2)

Infrastructure investments and subsidised services

In our 2023/2024 financial year we have made or are planning to make the following infrastructure investments and improvements:

- By the end of 2024 the first 4 MW renewable solar power plant of the Group will be built in Nyírmeggyes, which will meet 40-60% of the annual electricity needs of the Group's companies⁴¹ covered by this ESG report, thus significantly reducing our carbon emissions and making our environment cleaner. The expected investment value is about HUF 1.8 billion.
- At the end of 2023 UBM Grain Zrt. signed a three-year contract with BOLIO Kereskedelmi és Szolgáltató Kft. for the extraction of soybeans, sunflower seeds and rapeseed to tie up the production capacity of the latter's Bóly extraction plant. With this agreement the partner's processing plant will employ 15 people on a permanent basis.
- In the Romanian city of Budesti UBM Agri Trade Srl purchased a storage facility for 30-50 thousand tonnes of crops per year in the summer of 2023. The investment will focus mainly on the market in Constanta which is currently the most liquid market in the region. The acquisition will significantly facilitate the delivery of goods to Constanta. The development also includes the renovation and rehabilitation of the railway track which will allow goods to be transported virtually directly from the silo to the port of Constanta, thus optimising transport costs and reducing emissions from logistics activities. Seven people are employed.
- In the last business year several energy-related investments were implemented at the headquarters of UBM Feed Zrt. in Környe and at the site of "AGROMIX" Kft. in Mátészalka (e.g. insulation, modernisation of the gas heating system, lighting modernisation, etc.), which enables the company to achieve approx. 500 MWh/year of energy savings, thus reducing our carbon footprint. We have also made these investments to improve our environment.
- By renovating our premix mixing plant in Környe we will be able to increase the plant's hourly capacity, and at the same time, we will eliminate ad hoc night and weekend overtime.

The indirect impact of our company's activities is strong in the field of **education**. On the one hand, through the training of young professionals in higher education, on the other hand, through professional education, training and transfer of knowledge to the partner network by our highly qualified consultants, and thirdly, through joint university collaborations and related patents.

Through **our R&D activities** we are constantly looking for innovative feed production solutions (e.g. product development or optimisation of our production processes) that are more efficient and environmentally friendly, and that can reduce the ecological footprint of the entire livestock sector. For example, reduced protein diets, the use of feed protein and fat from insect larvae, feed types best suited to the time of day, season and current stage of animal development (e.g. Split feeding technology), or even our SoyPreme® product development to exploit protected protein and fat sources. In addition to improving feed utilisation and animal welfare, these methods also have other positive aspects such as reduced land and water use, which conserves our environmental resources and thus reduces the carbon footprint of agriculture. This is discussed in more detail in the Research Development subsection.



Significant indirect economic impacts

⁴¹ Not including MA-KA Kft. and UBM Feed Romania Srl.



Taxation

(GRI 207-1, 207-2, 207-3, 207-4)

Our group of companies is tax resident in the Republic of Hungary, Serbia, Austria, Romania, Italy, Slovakia. All members of the UBM Group carefully comply with all tax and anti-money laundering regulations. We are aware of our responsibility to comply with tax obligations and our employees always comply with national tax legislation in the course of their business activities. Internal regulations are always in line with the relevant legislation of the country concerned. Within our group taxation is a business area where our specialists, together with external tax law experts where necessary, monitor and comply with the requirements of the relevant tax authorities in relation to our UBM entities in different countries. The members of our group in Hungary are group taxpayers and we prepare monthly tax returns.

The organisation's approach to tax is based on defining the exact responsibilities and assigning the necessary expertise. In each country a designated tax officer or officer in charge manages the tax area with full authority both in terms of reporting and liaison.

We apply zero tolerance on tax issues within the organisation. Where there is uncertainty about the tax treatment of a particular case, we always apply the safest treatment for the group, even if it results in additional tax being paid.

Tax matters involving two or more countries must be decided by consensus by the responsible managers in those countries or, if necessary, the matter will be referred to the Group Accounting Manager of the UBM Group for a decision.

Transactions between countries are regulated in the transfer price policy. In each country the tax adviser/accounting manager has access to the services of an external tax adviser who assists the UBM manager in more complex and ambiguous matters.

Stakeholders are always involved in the tax management of the activity of a group member by the responsible head of the country concerned, who is also responsible for liaising with stakeholders.

UBM's stakeholders from a tax perspective



the tax authorities of each country



the competent authorities authorised to issue decisions resulting in the payment of taxes or financial execution



statistical offices



the competent local authority



the customs authority



entities responsible for digital communication in the tax administration



LIBM Group ESG Report 2024

Data protection

(GRI 418-1)

In the spring of 2024 our Group updated and consolidated its Privacy and Data Protection Policy in line with the European Union regulations in force. We do not have a dedicated Data Protection Officer, but we do appoint Data Protection Officers for each organisation.

Our policy sets out in detail the methodology for processing personal data, the storage of data, how to secure data processing, how to handle data incidents, etc.

We do not process particularly sensitive personal data about our employees, such as personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, genetic or sexual orientation or gender identity, in accordance with our GDPR.

The UBM Group processes personal data in a manner that ensures an adequate level of security and confidentiality in order to prevent unauthorized access to or use of personal data and the means used to process personal data. The data will be kept only for the time necessary and will then be securely destroyed.

Our platform for reporting Whistleblowing is EthiCom, already described in the subsection Misuse reporting. The objection must be examined within the shortest possible time from the date of the request, but not later than 15 days, a decision must be taken on its merits and the decision must be communicated to the contact details provided.

The number of substantiated complaints received about breaches of customers' data protection rights was zero for the period under review. Furthermore, there were no identified leaks, thefts or losses of customer data.

Although we are not subject to the NIS2 EU-wide cybersecurity directive, we nevertheless pay particular attention to IT security, specifically IT/OT security, process and operational continuity and the security of our data.





Procurement practices, supplier evaluation

(GRI 204-1, GRI 308-1, 308-2, GRI 414-1, 414-2, GRI 13.4, 13.23)

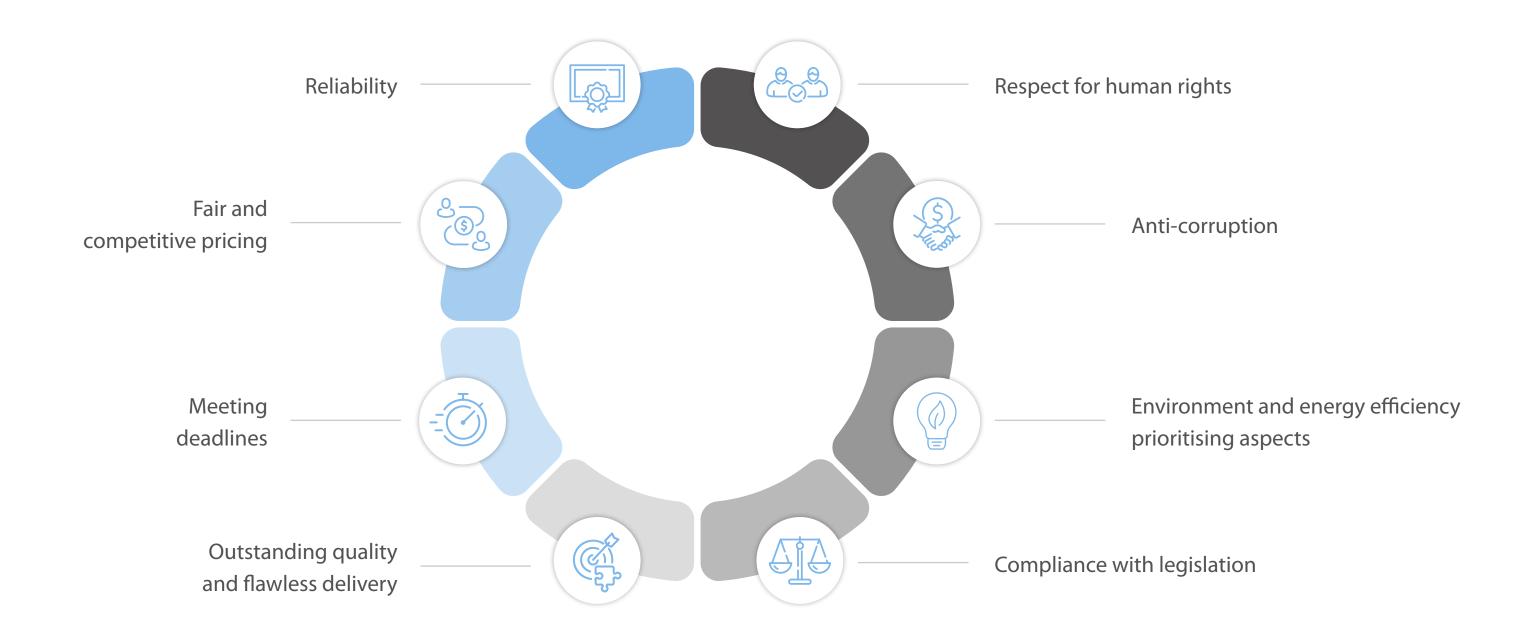
Our procurement practice

Smooth and reliable cooperation with our suppliers has been one of the keys to the success of the UBM Group for almost three decades. The quality of our relationship with our partners has a major impact on our performance, so we always strive to optimise the entire value chain.

We have a responsibility to our customers and clients to provide high quality and sustainable services, and we expect the same from our suppliers. Procurement, as a key organisational and business function, operates like a matrix within our Group.

The day-to-day management of our procurement was summarised in the form of a single Procurement Policy in spring 2024, complemented by a business-specific set of procedures in maximum compliance with our strict quality management systems. Its purpose is to frame and summarise the purchasing procedures and requirements for the materials/services purchased by the Group and to define the expectations that all our supply partners must comply with in order to work with us. In case of identical conditions preference will be given to ESG compliant suppliers.

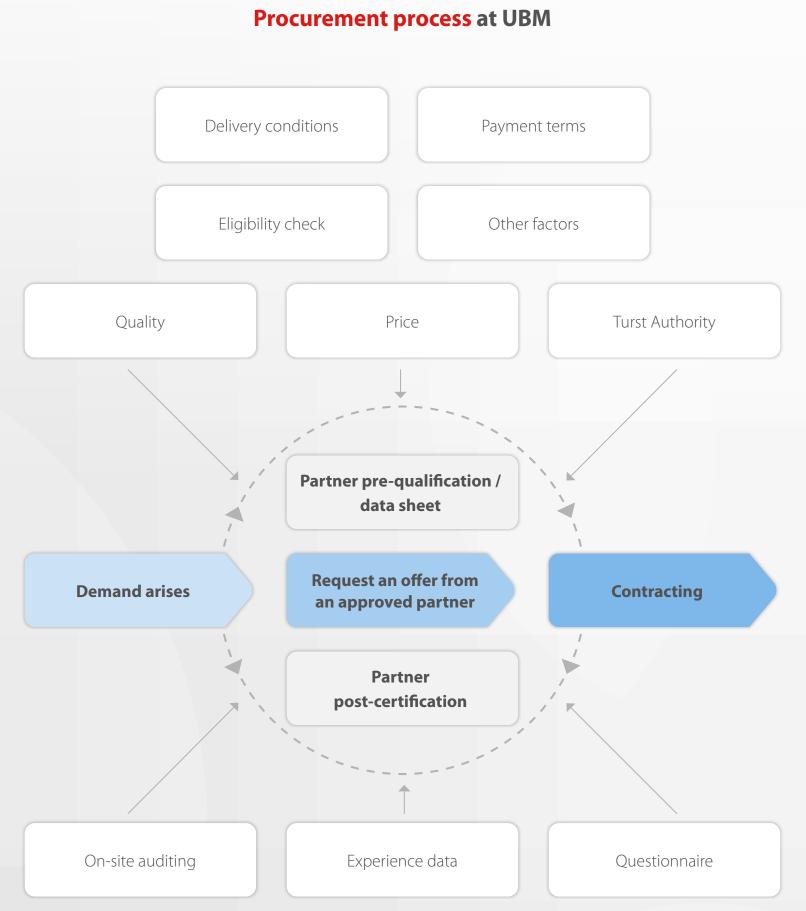
Our expectations of our suppliers



Main goals of procurement	
Ensuring security of supply	Maintaining multiple sourcing channels, building strategic part- nerships with suppliers
Minimising the risk arising from positions	Hedging (Commodity Exchange, FX), taking out necessary in- surances
Maintaining optimal stock levels	Inventory cost optimisation
Sustainability aspects	Sustainable sources of production, sustainable packaging, sustainable packaging, sustainable packaging, sustai-
Continuous quality assurance	Strict partner certification and continuous monitoring process e.g. through required certificates, regular audits







1 130 supplier partners

Supplier contracts set out quality parameters, contractual discipline (e.g. deadlines), commercial aspects such as pricing, payment terms, etc.

In connection with our GMP+ FSA certified activities, we may purchase processes, products and services from our suppliers that are also either GMP+ FSA certified or certified to another accepted standard (e.g. QS, GMP, FAMI-QS, PASTUS), or the GMP+ certified company can ensure compliance under "gatekeeper" conditions, where possible.

Materials may only be purchased from an approved supplier or subcontractor. For this purpose, a supplier data sheet must be filled in prior to the conclusion of the contract, and it is also essential to check the supplier's eligibility (e.g. on the basis of the NÉBIH website). Supplier selection and evaluation is based on the partner's ability to meet the legal and contractual requirements. This should be supported by other supporting documents (e.g. CMO declaration, certificates, procedures, etc.).

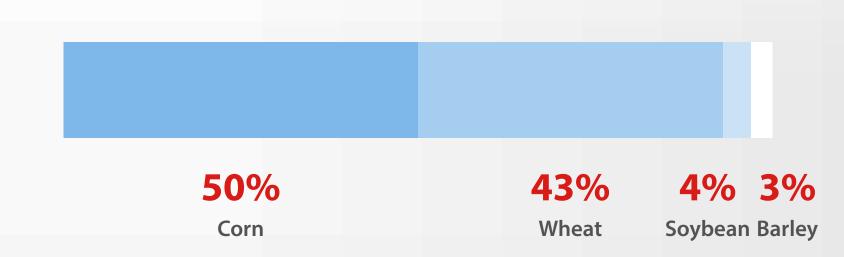
Supplier inspections and audits are carried out at least annually, and/or in person (e.g. with an ISCC audit for producers) or by electronic questionnaire. If the audit reveals non-compliance, the supplier may be inactivated in an extreme case.

Generally speaking, we have a number of well-established partnerships that go back decades, and we are naturally looking for new suppliers - either to create competition or to find alternative sources of supply. Our clear ambition is to develop long-term, prosperous business partnerships.

In the Protein business we work with a relatively small number of suppliers, as the origin of the product itself (soy) is limited in the world (typically Brazil, Ukraine), which also limits the range of partners available. We work with around 100 partners.

The number of suppliers in the cereals business is much larger with around 650 partners. Of the cereals purchased and resold, wheat (43%) and maize (50%) have the highest percentage of ISCC certification. Of the total sales, 15% of cereal crops are ISCC certified.

ISCC certified cereal sales as a percentage of total sales (UBM Grain Zrt.) (01.07.2023-30.06.2024)



Due to the complexity of our feed business (e.g. production), we have a separate purchasing directorate with a wide range of suppliers. The number of our suppliers here is in the order of 380.

Our target for 2025

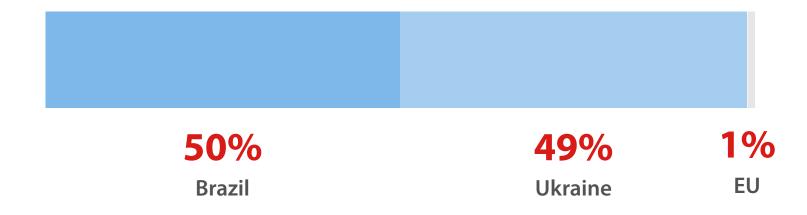


- We intend to develop a digitalised and standardised partner rating system to support our supplier due diligence, including mapping the ESG maturity of suppliers. Accordingly, we are planning to include sustainability criteria, such as environmental and social aspects, in the selection and evaluation processes, so that we can assess them on the basis of an even broader information base and filter out potentially negative impacts.
- We are constantly looking for supplier partners who are committed to reducing the carbon footprint of their production processes and who pay special attention to sustainability, including the use of no-till.

DEFORESTATION-FREE - SOY AND PALM OIL ASPECTS

Soy

Soybean sourcing countries/regions in the financial year 2023/2024



50% of our soy purchases come from Brazil, 49% from the Ukraine and the remaining 1% from the European Union. Our protein business is constantly monitoring the European Union's deforestation-free requirements due to the impact of our soy sourcing (Regulation (EU) 2023/1115 on deforestation-free products⁴²), so we incorporate any changes and modifications into our daily workflow.

More than 90% of our soy is sourced from deforestation-free areas.

Palm oil



Palm oil exemption certificate

UBM Feed Zrt. has the 1st palm oil-free certified animal feed product in the world. UBM Feed Zrt. is the first Hungarian company to be certified palm oil free.

Our concept of providing a source of fat in the rations of dairy cows with rumen-protected full-fat soy (SoyPreme®), based on many years of experience, has enabled us to replace almost 100% of palm oil-based proprietary fat supplements in our own products. The use of palm oil based fat supplements in our products for cattle has therefore been reduced to almost zero. Our strategy is certified by a certification mark approved by POFCAP (PALM OIL FREE CERTIFICATION ACCREDITATION PROGRAMME).

We are almost 100% palm oil free in our own production of products for cattle.



⁴²https://eur-lex.europa.eu/legal-content/HU/TXT/PDF/?uri=CELEX:32023R1115

XUBM OUR KEY ESG PERFORMANCE INDICATORS FOR THE LAST TWO FINANCIAL YEARS 39 335 861.8 35 655 631.4 2022/2023 2023/2024 469.93 10 115.3 **ENVIRONMENTAL INDICATORS** 405.93 9 625.87 27.7 28.1 364 723 342 091 259.34 6 060 5 771.44 4 055.3 3 854.43 91.75 Total energy Total waste **GHG** emissions **GHG** emissions **GHG** emissions GHG Quantities Total recovered consumption kWh/year **generated** tonnes produced (Scope 1 and 2) (Scope 1) (Scope 2) intensity waste g CO₂e/kg t CO₂e tonnes tonnes t CO₂e t CO₂e 1 Increase (+182.7%) Increase (+10.3%) Decrease (-13.6%) Increase (+5%) 1 Increase (+5.2%) 1 Increase (+5.1%) Decrease (-1.4%) 1 Increase (+6.6%) 420 412 53 millió 15.49% OUR SOCIAL CRITERIA 14.45% 36 millió 136 130 Number of employees Number of female Remuneration Fluctuation CSR activity / Amount spent on training CSR committee policy workers person person ↑ Increase (+4,6%) 1 Increase (+47,2%) Decrease (-1,04%) 1 Increase (+1,9%) OUR CORPORATE GOVERNANCE CRITERIA Palm oil free Code of Ethics and Organisational ESG Quality **Business Conduct** Officer, certificate management **ESG Commission**



Glossary

Expression	English or other foreign language report
ANFNC	Asociatia Nationala a Fabricantilor de Nutreturi Combinate
AutoCad	Automatic Computer-Aided Design
BÉT	Budapest Stock Exchange
CAPEX	Capital expenditures
CSR	Corporate Social Responsibility
EKR	Energy Efficiency Obligation Scheme (EEOS)
ENSZ	United Nations
EPD	Environmental Product Declaration
ESG	Environmental, Social, and Governance
EU	European Union
FAMI-QS	Quality and Feed Safety Management System for the sector of Specialty Feed Ingredients
GDPR	General Data Protection Regulation
GJ	Gigajoule
GM+FSAM	Good Manufacturing Practices and Feed Safety Assurance
GMO	Genetically Modified Organism
GMP+	Good Manufacturing Practices
GMP+B2	Good Manufacturing Practices + B2
GMP+B3	Good Manufacturing Practices + B3

Expression	English or other foreign language report
GRI	Global Reporting Initiative
HACCP	Hazard Analysis Critical Control Point
IFS	The International Featured Standard
ISCC	International Sustainability and Carbon Certification
ISO	International Organization for Standardization
KIR	Environmental management system
KPI	Key Performance Indicator
LCA	Life Cycle Assessment
МОНИ	MOHU MOL Hulladékgazdálkodási Zrt
MSCI	Morgan Stanley Capital International
NÉBIH	National Food Chain Safety Office
OPEX	Operating expenses
PB-gáz	Liquefied petroleum gases
POFCAP	Palm Oil Free Certification Accreditation Programme
PP	Polypropylene
QS	Quantity surveying standards
TAO	Corporate Tax
ÜHG	Green House Gases



GRI Standard name	Disclosure	Chapter	Page number	Direct answer / In case of omission: reason for omission
General disclosures				
	2-1 Organisational details	About our report	(page 5)	
	2-2 Entities included in the organization's sustainability reporting	About our report	(pages 5-7)	
	2-3 Reporting period, frequency and contact point	About our report	(pages 7-8)	
	2-4 Restatements of information			We have not reassessed the data and information published in our ESG Report 2022/2023.
	2-5 External assurance	About our report	(page 8)	Our report has not been externally certified.
GRI 2: General	2-6 Activities, value chain and other business relationships	About our report Facts and figures: the UBM Group in numbers Introduction	(page 5) (pages 9-12) (pages 13-16)	
Disclosures 2021	2-7 Number of employees	Employment, diversity, loyalty	(pages 49-53) (page 83)	
	2-8 Workers who are not employees	Employment, diversity, loyalty	(pages 49-53)	
	2-9 Governance structure and composition	Governance of the UBM Group	(pages 63-72)	
	2-10 Nomination and selection of the highest governance body	Governance of the UBM Group	(pages 63-66)	
	2-11 Chair of the highest governance body	Governance of the UBM Group	(page 66)	
	2-12 Role of the highest governance body in overseeing the management of sustainability impacts	Managing the UBM Group - Managing sustainability issues	(pages 71-72)	



GRI Standard name	Disclosure	Chapter	Page number	Direct answer / In case of omission: reason for omission
	2-13 Delegation of responsibility for managing impacts	Governance of the UBM Group	(page 72)	
	2-14 Role of the highest governance body in sustainability reporting	About our report Managing the UBM Group - Managing sustainability issues	(page 5) (pages 71-72)	
	2-15 Conflicts of interest	About our report Governance of the UBM Group - Conflict of interest Ethical conduct and compliance	(page 5) (pages 66-68) (pages 73-75)	
	2-16 Communication of critical concerns	Ethical conduct and compliance - Code of Conduct and Ethics Handling abuse reports Complaints, corruption cases and fines	(pages 73-75)	
	2-17 Collective knowledge of the highest governance body about sustainablity	Our ESG approach and sustainability strategy Governance of the UBM Group	(page 29) (pages 71-72)	
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	Governance of the UBM Group - Remuneration rules	(pages 67-68)	
	2-19 Remuneration policies	Governance of the UBM Group - Remuneration rules	(page 67)	
	2-20 Process to determine remuneration	Governance of the UBM Group - Remuneration rules	(pages 67-68)	
	2-21 Annual total compensation ratio	Governance of the UBM Group - Remuneration rules	(page 67)	Our Group considers the annual remuneration ratio of the highest paid individuals compared to the median of the total annual remuneration of all employees as a trade secret, as well as their rate of increase in remuneration, and we do not wish to share this information.
	2-22 Statement on sustainable development strategy	CEO's Foreword Sustainability	(page 3) (page 19)	
	2-23 Policy commitments	Ethical conduct and compliance - Our policy framework	(pages 73-75)	
	2-24 Embedding policy commitments	Ethical conduct and compliance - Our policy framework	(pages 73-75)	



GRI Standard name	Disclosure	Chapter	Page number	Direct answer / In case of omission: reason for omission
	2-25 Processes to remediate negative impacts	Ethical conduct and compliance - Handling abuse reports	(page 75)	
	2-26 Mechanisms for seeking advice and raising concerns	Ethical conduct and compliance - Handling abuse reports Complaints, corruption cases and fines	(page 75)	
GRI 2: General	2-27 Compliance with laws and regulations	Ethical conduct and compliance	(pages 73-75)	
Disclosures 2021	2-28 Membership associations	Our key organisational memberships and involvements	(page 24)	
	2-29 Approach to stakeholder engagement	Our stakeholders	(pages 21-23)	
	2-30 Collective agreements	Ethical conduct and compliance - Code of Conduct and Ethics	(page 74)	
Material topics				
	3-1 Process to determine material topics	Our key topics	(page 23)	
	3-2 List of material topics	Our key topics	(page 23)	
GRI 3: Material topics 2021	3-3 Management of material topics	Our key topics Megatrends Our commitment to the environment Our commitment to society Our responsible corporate governance	(page 23) (page 25) (page 33) (page 49) (page 63)	
GRI 13 Agriculture, aqu	uaculture and fisheries sector standard 2022			
	13.1 Emissions	Emissions	(pages 39-41)	
	13.2 Climate adaptation and resilience	Megatrends Economic performance - Financial implications of climate change and other risks and opportunities of climate change	(page 25) (page 76)	
	13.3 Biodiversity			This is not a relevant factor for our Group's activities, as our operational sites are not located in protected areas and our activities do not threaten species on the IUCN Red List and the National Conservation List.



GRI Standard name	Disclosure	Chapter	Page number	Direct answer / In case of omission: reason for omission
	13.4 Natural ecosystem conversion	Purchasing practices, supplier evaluation Deforestation-free soy and palm oil	(pages 80-82)	
	13.5 Soil health			This is not a relevant factor for the activity of our group, as we are not involved in crop production, we are only engaged in commercial activities in this field.
	13.6 Pesticides use			This is not a relevant factor for the activity of our group, as we are not involved in crop production, we are only engaged in commercial activities in this field.
	13.7 Water and effluents	Water use	(page 48)	
	13.8 Waste	Waste management	(pages 45-47)	
	13.9 Food security			We are not a relevant factor for the activity of our group, as we are only active in the production of feed and trade in feed materials, and therefore only indirect value chain actors for the food industry.
	13.10 Food safety	Food safety - Feed safety	(pages 61-62)	
	13.11 Animal health and welfare	Research and Development (R&D)	(page 42)	
	13.12 Local communities	Social responsibility, supporting local communities	(pages 58-60)	
	13.13 Land and resource rights	Product quality and quality assurance Purchasing practices, supplier evaluation Deforestation-free soy and palm oil	(pages 43-44.) (pages 80-82.)	
	13.14 Rights of indigenous peoples			This is not a relevant factor for our Group's activities, as there are no indigenous peoples at risk in the places where we operate. We also expect our suppliers to adhere to our ethical operating guidelines.
	13.15 Non-discrimination and equal opportunity	Ethical conduct and compliance	(pages 73-75.)	



GRI Standard name	Disclosure	Chapter	Page number	Direct answer / In case of omission: reason for omission
	13.16 Forced or compulsory labor	Ethical conduct and compliance	(pages 73-75.)	
	13.17 Child labor	Ethical conduct and compliance	(pages 73-75.)	
	13.18 Freedom of association and collective bargaining	Ethical conduct and compliance Code of Conduct and Ethics	- (pages 73-75.)	
	13.19 Occupational health and safety	Health and safety at work	(page 57.)	
	13.20 Employment practices	Employment, diversity, loyalty	(pages 49-53.)	
	13.21 Living income and living wage	Employment, diversity, loyalty - our benefits package for our employees	(page 53.)	We offer all our employees a competitive benefits package.
	13.22 Economic inclusion	Economic performance	(pages 76-77.)	
	13.23 Supply chain traceability	Our procurement practices, supplier evaluation	(pages 80-82.)	
	13.24 Public policy			Not a relevant factor for the activity of our group of companies.
	13.25 Anti-competitive behavior	Ethical conduct and compliance		
	13.26 Anti-corruption	Ethical conduct and compliance	(pages 73-75.)	
Economic performance	e			
	201-1 Direct economic value generated and distributed	Economic performance	(page 76.)	
GRI 201: Economic performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Megatrends Economic performance	(page 25.) (page 76.)	
	201-3 Defined benefit plan obligations and other retirement plans			Our company has no such obligation.
	201-4 Financial assistance received from government	Economic performance	(page 76.)	



GRI Standard name	Disclosure	Chapter	Page number	Direct answer / In case of omission: reason for omission
Market presence				
GRI 202: Market	202-1 Ratios of standard entry level wage by gender compared to local minimum wage			The UBM Group offers a competitive benefits package for its employees. The wages paid by the company are above the current minimum wage for all employees.
presence 2016	202-2 Proportion of senior management hired from the local community			Almost all of the managers working in our production sites and administration centres are members of local communities.
Indirect economic impa	acts			
GRI 203: Indirect economic impacts	203-1 Infrastructure investments and services supported	Indirect economic impact	(page 77.)	
2016	203-2 Significant indirect economic impacts	Indirect economic impact	(page 77.)	
Purchasing practice				
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Purchasing practices, supplier evaluation	(pages 80-82.)	We give preference to local suppliers where there is a choice of local partners on equal terms.
Anti-corruption action				
	205-1 Operations assessed for risks related to corruption	Ethical conduct and compliance	(pages 73-75.)	
GRI 205: Anti- corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Ethical conduct and compliance	(page 73.)	
	205-3 Confirmed incidents of corruption and actions taken	Ethical conduct and compliance	(page 74.)	
Anti-competitive beha	viour			
GRI 206: Anti- competitive behaviour 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethical conduct and compliance	(pages 73-75.)	



GRI Standard name	Disclosure	Chapter	Page number	Direct answer / In case of omission: reason for omission
Тах				
	207-1 Approach to tax	Ethical conduct and compliance Taxation	(page 73.) (page 78.)	
GRI 207: Tax 2019	207-2 Tax governance, control, and risk management	Ethical conduct and compliance Taxation	(page 73.) (page 78.)	
	207-3 Stakeholder engagement and management of concerns related to tax	Ethical conduct and compliance Taxation	(page 73.) (page 78.)	
	207-4 Country-by-country reporting	Taxation	(page 78.)	
Energy				
	302-1 Energy consumption within the organization			
	302-2 Energy consumption outside of the organization	Energy consumption	(pages 34-38.) (page 83.)	
GRI 302: Energy 2016	302-3 Energy intensity			
	302-4 Reduction of energy consumption			
	302-5 Reductions in energy requirements of products and services			
Water and effluents				
	303-1 Interactions with water as a shared resource			
GRI 303: Water and	303-2 Management of water discharge-related impacts			
Effluents 2018	303-3 Water withdrawal	Water use	(page 48.)	
	303-4 Water discharge			
	303-5 Water consumption			



GRI Standard name	Disclosure	Chapter	Page number	Direct answer / In case of omission: reason for omission	
Emissions					
	305-1 Direct (Scope 1) GHG emissions			No GRI 305-3 Scope 3 emissions calculations have been	
	305-2 Indirect (Scope 2) GHG emissions			prepared for our report. The results of the Scope 3 measurements and calculations will be published in 2025.	
	305-3 Other indirect (Scope 3) GHG emissions				
GRI 305: Emissions	305-4 GHG emissions intensity	Emissions	(pages 39-41.)	GRI 305-6 No ozone-depleting substances are produced during our activities	
2016	305-5 Reduction of GHG emissions	LITHSSIONS	(page 83.)	daning our detivities	
	305-6 Emissions of ozone-depleting substances (ODS)				
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions				
Waste					
	306-1 Waste generation and significant waste- related impacts	Waste management	(pages 45-48.) (page 83.)		
	306-2 Management of significant wasterelated impacts				
GRI 306: Waste 2020	306-3 Waste generated				
	306-4 Waste diverted from disposal				
	306-5 Waste directed to disposal				
Supplier environmental assessment					
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	Purchasing practices, supplier evaluation (page	(pages 90 92)		
	308-2 Negative environmental impacts in the supply chain and actions taken		(pages 80-82.)		



GRI Standard name	Disclosure	Chapter	Page number	Direct answer / In case of omission: reason for omission		
Employment						
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employment, diversity, loyalty	(page 52.) (page 83.)			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employment, diversity, loyalty	(page 52.)			
	401-3 Parental leave	Employment, diversity, loyalty	(page 51.)			
Occupational Health and Safety						
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Training and education of our staff	(page 54.)			
	403-2 Hazard identification, risk assessment, and incident investigation	Employee's well-being	(page 55.)			
	403-3 Occupational health services	Health and safety at work	(page 57.)			
	403-4 Worker participation, consultation, and communication on occupational health and safety					
	403-5 Worker training on occupational health and safety					
	403-6 Promotion of worker health					
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked to business					



GRI Standard name	Disclosure	Chapter Pag	ge number	Direct answer / In case of omission: reason for omission			
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system						
	403-9 Work-related injuries						
	403-10 Work-related ill health						
Training and education							
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee		(page 54.) (page 83.)	404-1 Our commitment is to comprehensively track and record data and indicators on training hours.			
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and education of our staff					
	404-3 Percentage of employees receiving regular performance and career development reviews			404-3 Our commitment is to comprehensively track and record data and indicators on training hours.			
Diversity and equal opportunity							
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	Employment, diversity, lovalty	ages 49-53.) (page 83.)				
	405-2 Ratio of basic salary and remuneration of women to men			The UBM Group offers its employees a competitive benefits package that does not discriminate between salaries on the basis of gender.			
Non-discrimination							
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Ethical conduct and compliance (pa	ages 73-75.)				



GRI Standard name	Disclosure	Chapter	Page number	Direct answer / In case of omission: reason for omission		
Local communities						
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social responsibility, supporting local communities	(pages 58-60.)	No potential negative impacts under GRI 413-2 identified.		
	413-2 Operations with significant actual and potential negative impacts on local communities					
Supplier social assessment						
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	Purchasing practices, supplier evaluation	(pages 80-82.)			
	414-2 Negative social impacts in the supply chain and actions taken					
Customer privacy						
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data protection	(page 79.)			



... the sustainable growth

IMPRESSUM

UBM Csoport 2085 Pilisvörösvár, Kisvasút u. 1. www.ubm.hu További infó: esg@ubm.hu

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