ESG REPORT 2025

BDO in Ukraine

REPORTING PERIOD: 1 OCTOBER 2024 — 30 SEPTEMBER 2025

BDO

Contents

SECTION 01

Introduction

Message from the CEO

Financial year 2025 was a year of maturity, responsibility and practical action for BDO in Ukraine. Working amid a full-scale war, we came to see even more clearly that, for us, ESG is not a separate reporting framework but a way of making decisions, organizing our work and building trust. During this period, we not only maintained the continuity of our own business but also strengthened the company’s role as a partner for clients, communities, international donors and investors on matters of recovery, resilience and transparent development.

We recognize that our responsibility extends beyond the delivery of professional services. It is important for us to help shape an environment in which Ukraine’s reconstruction is built on good governance, financial transparency, respect for people and long-term environmental sustainability. That is why, in financial year 2025,

BDO in Ukraine continued to work at the intersection of three areas: supporting business in wartime, developing investment-ready reconstruction projects, and promoting modern approaches to transparent and sustainable management.

For me as CEO, this year confirmed once again that resilience is born where professional expertise, human responsibility and a readiness to act in the interests of the future come together. We believe that a transparent economy, strong communities, responsible business and well-prepared investment decisions are the foundation of Ukraine’s recovery and its integration into the European space.

Vera Savchenko

CEO BDO in Ukraine

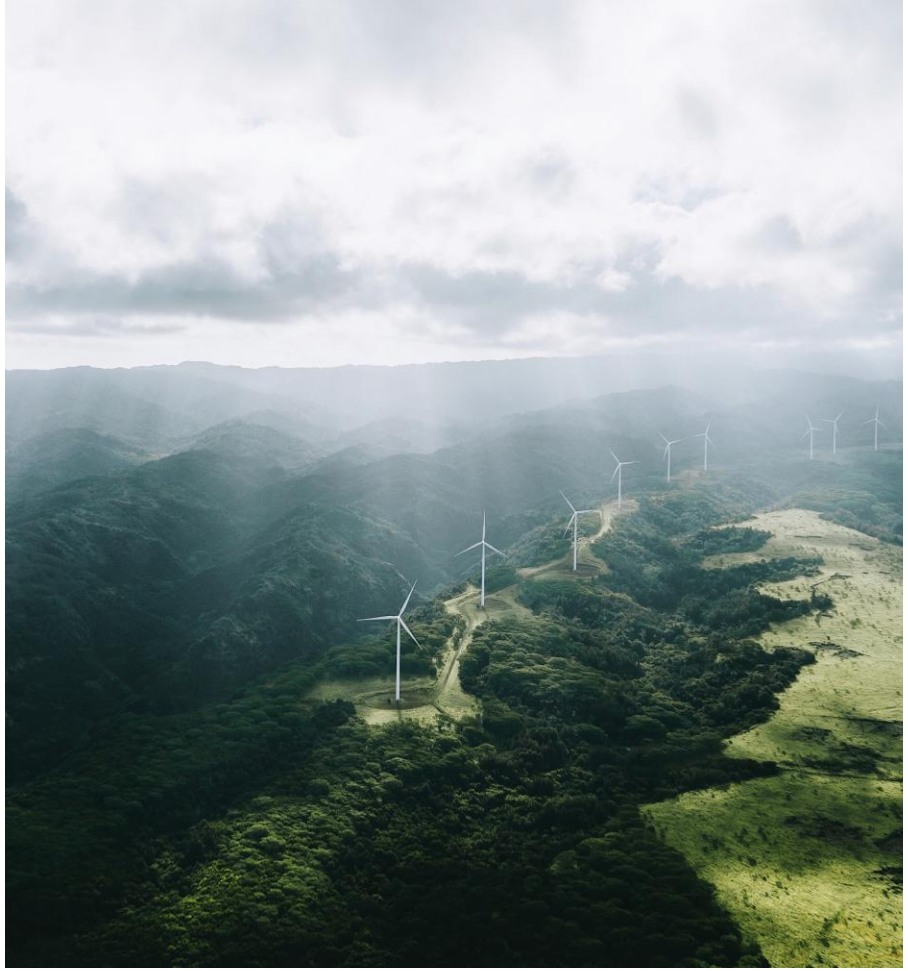
ESG Mission and Vision

At BDO, we believe that business bears not only economic but also ethical responsibility for building a sustainable and just world. Sustainability creates value for the company: it improves financial performance, strengthens client trust and attracts talented employees. As a purpose-driven organization, we continuously adapt to the expectations of our stakeholders and care for the environment, business and future generations.

Our mission — helping people achieve their dreams — inspires everyone at BDO to work for the benefit of investors, clients, employees and communities. We support clients in implementing ESG practices, invest in the development of our people and take an active part in social initiatives in the communities where we operate.

We integrate ESG principles into every aspect of the company's activities to ensure sustainable development, responsible governance and the creation of long-term value for business and society.

Helping people achieve their dreams



Key Elements of Our Mission

1

Integrating ESG into the business model

ESG is part of the company's strategic and operational management, not a stand-alone initiative.

2

Transparency and accountability

We ensure systematic disclosure of ESG data, strengthening stakeholder trust.

3

Managing risks and opportunities

ESG is used to identify and manage environmental, social and governance risks, as well as to find new opportunities for development.

4

Improving efficiency and investment attractiveness

A sustainable approach helps optimize processes, improve access to financing and strengthen competitive positions.

5

Building a corporate culture of responsibility

ESG principles are integrated into corporate culture, management decisions and employee behavior.

6

Adapting to regulatory requirements and future changes

The company responds proactively to new regulatory requirements and market expectations in the field of sustainable development.

7

Creating positive impact

We strive to minimize our negative impact on the environment and society and to amplify our positive contribution through our activities.

Report Scope and Reporting Approaches Applied

This report is a voluntary ESG report of BDO in Ukraine for the reporting period from 1 October 2024 to 30 September 2025. The scope of the report covers the legal entities of BDO in Ukraine, namely the BDO member firms in Ukraine: BDO LLC, BDO Consulting LLC and BDO Corporate Finance LLC. The company's operational presence and activities within Ukraine cover offices and locations in Kyiv and Dnipro.

Hereinafter in this report, unless stated otherwise, the term "2025" refers to BDO in Ukraine's financial year from 1 October 2024 to 30 September 2025.

Events that occurred at the boundary of calendar years, or that could be ambiguously attributed to the reporting period, are dated with an indication of the month and year. The reporting period and reporting boundaries are defined in line with the ESRS approach, under which the sustainability reporting period must be aligned with the financial reporting period. The report has been prepared with regard to the principles and selected requirements of the European Sustainability Reporting Standards — ESRS, in particular the double materiality approach, the analysis of impacts, risks and opportunities, and disclosures on governance, strategy, business model, metrics and targets. In preparing the report, the relevant approaches of the GRI Standards to transparency, completeness, balance and clarity of disclosure for stakeholders were also taken into account. The UN Sustainable Development Goals and the principles of the UN Global Compact are used as additional reference points to reflect the company's broader societal impact.

Compared with the previous ESG report, which was prepared in accordance with the international GRI standards, in this report **BDO in Ukraine is transitioning to the ESRS architecture** as the framework that is gradually becoming the principal one for the European market and for the future reporting of Ukrainian business. This change does not mean abandoning the GRI principles: we continue to preserve their logic of transparency, completeness, balance, clarity and stakeholder orientation. At the same time, the ESRS structure makes it possible to link sustainability more clearly to the business model, governance, impacts, risks, opportunities, metrics and targets, and prepares the company for the future harmonization of Ukrainian requirements with reporting under the CSRD and ESRS.

This report is not a mandatory report under the Corporate Sustainability Reporting Directive — CSRD, does not contain a statement of full compliance with the ESRS or the GRI Standards, and has not undergone external independent assurance. At the same time, its structure is aligned with modern international approaches to sustainability reporting and with the company's gradual preparation for more formalized ESG disclosure in future reporting periods.

The report has been prepared with the understanding that the company operates amid the war in Ukraine and unstable security conditions, which affect the organization of processes, the availability of certain types of activities and the ways in which information is collected. During the reporting period, the company prioritized the safety and well-being of its employees, including by providing the option of remote work as an element of operational continuity.

With regard to climate disclosures, the company is at the stage of shaping its approach to greenhouse gas emissions accounting. In the coming reporting cycles, BDO in Ukraine plans to develop its methodology for collecting and calculating climate data based on the GHG Protocol approaches, in particular with regard to Scope 1, Scope 2 and the relevant Scope 3 categories.

Approach to Greenhouse Gas Emissions Accounting: Scope 1, Scope 2 and Scope 3

BDO in Ukraine is at the stage of building a systematic approach to greenhouse gas emissions accounting. Given the nature of the company's activities as a provider of professional services, its main climate impact is associated not with production processes but with office operations, electricity use, digital and cloud infrastructure, business travel, procurement of services and goods, and the hybrid and remote work format.

During the reporting period, BDO in Ukraine did not identify significant sources of direct **Scope 1** emissions, as the company does not carry out production activities and does not have a significant fleet of its own vehicles or equipment involving the regular combustion of fuel. Should generators, company vehicles or other sources of direct fuel consumption be used, such data will be included in future calculations.

The main source of **Scope 2** emissions for BDO in Ukraine is electricity consumption in its offices. The company is also considering further refining data on heating, cooling and other types of purchased energy, where such data are available from landlords or service providers. To improve data comparability in future reporting periods, the company plans to use not only absolute electricity consumption figures but also consumption intensity, in particular kWh per employee or per unit of office space.

Most relevant for BDO in Ukraine are indirect Scope 3 emissions arising in the company's value chain. Potentially material Scope 3 categories include business travel, the use of cloud services and digital infrastructure, procurement of IT equipment and professional services, generation of office and electronic waste, and the climate impact associated with employees' remote work. As these emission sources depend on third-party data, behavioral factors and the availability of information from suppliers, the company plans to develop its accounting approach for them gradually.

In 2025, BDO in Ukraine regards **Scope 3** as a priority area for further improving its climate disclosures. In particular, the company is working on automating the collection of business travel data, which may include air travel, rail and car journeys, taxis and, where information is available, accommodation during business trips. The company also plans to assess the impact of its cloud environment, in particular the use of Microsoft 365, based on the data available in the Microsoft Emissions Impact Dashboard, and, in the future, to consider assessing the impact of remote work based on an internal employee survey.

In future reporting cycles, BDO in Ukraine plans to develop its methodology for collecting and calculating climate data based on the GHG Protocol approaches, in particular with regard to Scope 1, Scope 2 and the relevant Scope 3 categories. Until a full baseline calculation is completed, the company's climate data and targets are treated as a stage in building its system for accounting for, monitoring and subsequently managing its climate impact.

ESG KPI Performance Compared with the Previous Reporting Period

To enhance transparency and accountability, BDO in Ukraine tracks the fulfillment of the commitments declared in its previous ESG report. This tracker shows which commitments were implemented in financial year 2025, which are in progress, and which have been carried over to future periods with an explanation of the reasons.

COMMITMENT STATED IN THE PREVIOUS REPORT	STATUS IN FY2025	WHAT WAS DONE OR WHY DEFERRED
Adopt and implement policies on equality, inclusion and non-discrimination.	COMPLETED	The BDO in Ukraine Gender Equality Plan and three related documents were adopted: the Gender Equality Policy, the Inclusion Policy and the Non-Discrimination Policy. They formed the basis for managing equal opportunities, non-discrimination, an inclusive culture and the related monitoring channels.
Strengthen the systematic management of the social aspects of ESG and employee support.	COMPLETED / IN PROGRESS	The company maintained a stable headcount and continued its initiatives on mental health, remote work and employee support in wartime. Further development of this area is linked to regular monitoring of well-being, engagement and equal opportunity indicators.
Develop the approach to climate disclosures and gradually build emissions accounting.	PARTIALLY COMPLETED / IN PROGRESS	In financial year 2025, an assessment of business travel emissions was carried out, and emissions in this category decreased by 34.1% compared with the previous reporting year. A full baseline calculation of Scope 1, Scope 2 and the relevant Scope 3 categories remains the next stage in the development of the climate methodology.

ESG KPI Performance Compared with the Previous Reporting Period

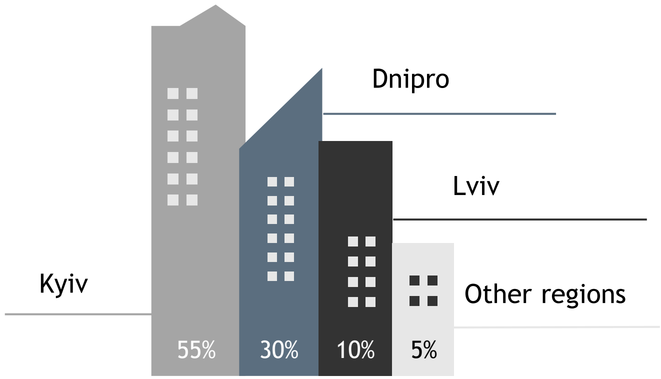
COMMITMENT STATED IN THE PREVIOUS REPORT	STATUS IN FY2025	WHAT WAS DONE OR WHY DEFERRED
Increase the environmental responsibility of operations and lay the groundwork for future environmental policies.	IN PROGRESS	The company began describing the environmental aspects of its activities more systematically, including business travel, digital infrastructure, office resources and electronic waste. The formalization of specific environmental policies and targets has been carried over to future reporting periods, as it requires a more complete data set and alignment with the future climate methodology.
Strengthen information security and trust in data governance.	COMPLETED	The company confirmed the compliance of its information security management system with the ISO/IEC 27001:2022 standard. This strengthened controls over the confidentiality of client and personal data, cyber resilience and the security of the digital infrastructure.
Gradually integrate ESG into corporate governance, risk management and reporting.	IN PROGRESS	In financial year 2025, the ESG approach was reflected in the governance structure, the assessment of material topics, the analysis of impacts, risks and opportunities, and the allocation of responsibilities across functional areas. The next stage is to strengthen regular KPI tracking, internal reporting and the link between ESG targets and management decisions.

General Information about BDO in Ukraine

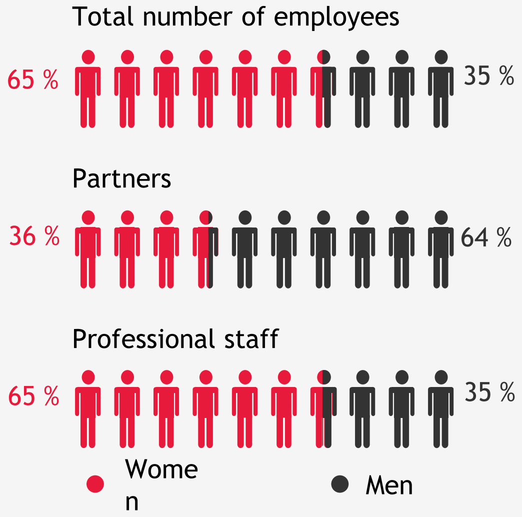
BDO member firms in Ukraine

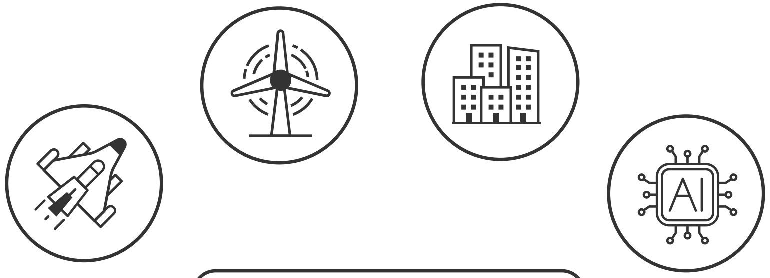
- BDO LLC
- BDO Consulting LLC
- BDO Corporate Finance LLC
- BDO Business Service Sharing Hub LLC

231 employees:



Gender equality in the company:





Industry groups of BDO in Ukraine

BDO in Ukraine holds the status of an ACCA Platinum Approved Employer in the areas of supporting ACCA students and members: Trainee Development (Platinum) and Professional Development.

APPROVED ACCA EMPLOYER

Professional Development

APPROVED ACCA EMPLOYER

Trainee Development - Platinum

BDO in Ukraine is an accredited employer under **CIMA Training Quality**

AICPA & CIMA

Membership in chambers of commerce and business associations

ACC AMERICAN CHAMBER OF COMMERCE UKRAINE

EBA European Business Association

U.S.-UKRAINE BUSINESS COUNCIL USUBC

Ukrainian Water Association

NUCC NORWEGIAN - UKRAINIAN CHAMBER OF COMMERCE

Czech Ukrainian Chamber

CUCC CANADA UKRAINE CHAMBER OF COMMERCE

Diia.City Union

Global Compact Network Ukraine

AHK Deutsch-Ukrainische Industrie- und Handelskammer Німецько-Українська промислово-торговельна палата

Key Achievements and Challenges of the Year

The BDO in Ukraine team views sustainable development as a comprehensive task that requires a systematic approach and impact at several levels at once. It is important for us not only to achieve results in individual areas but also to make a balanced contribution across all ESG dimensions — environmental, social and governance.

We deliberately structure our activities so that every initiative addresses a specific task and creates measurable impact: from developing transparent business practices and supporting communities to implementing environmental solutions and strengthening human capital. This approach allows us to remain a resilient organization, strengthen the trust of partners and clients, and contribute to the long-term development of business and society.

IMPACT DIMENSION	TASK	ACHIEVEMENTS
Recognition and positioning	Strengthening BDO’s reputation at the global and national levels	▶ BDO ranked 5th in the IAB global ranking • Joining the White Business Club (confirmation of tax discipline and transparency)
ESG and social initiatives	Implementing socially important and environmental projects and supporting employees	▶ Steel Freedom 2024 — independent audit of the competition within the FY2025 reporting period • BDO tree impact • “Measured Changes” eco-initiative • Employee mental health initiatives
Educational and expert initiatives	Holding webinars and lectures for businesses, communities, educational institutions and international partners	Digital solutions for local governments: How AI is changing the way communities work / Energy security, investment and ESG: key takeaways from the webinar / Using AI to optimize operations in educational institutions / Digital transformation of SMEs — AI, cybersecurity, investment, Microsoft / Microsoft CRM Dynamics and AI solutions for business / How Scottish companies can benefit from cooperation with Ukraine / How Ukrainian business supports frontline regions: solutions and strategies from the EBA and BDO in Ukraine / Effective NGO engagement with donors through Microsoft Dynamics 365 / Takeaways from the webinar on the specifics of Ukrainian business entering the Canadian market (BDO in Ukraine)

Key Achievements and Challenges of the Year

IMPACT DIMENSION	TASK	ACHIEVEMENTS
Certifications and accreditations	Confirming compliance with international quality and security standards	▶ AICPA & CIMA accreditation (Training Quality Partner) • ISO/IEC 27001:2022 (information security)
Working with young people and education	Supporting the professional development of students and schoolchildren	▶ Sponsorship of the CIMA Business Game 2024 within the FY2025 reporting period • Internship opportunities for students • Educational lectures for schoolchildren
Investment and analytical materials	Developing and updating guides and materials for businesses and investors	▶ Doing Business in Ukraine (investor guide) • Business Travel Guide (update) • How to Start a Business in Ukraine (2025) • Investment guide for British and Scottish companies • Materials on supporting business in frontline regions

Challenges and Lessons of 2025

The main challenge of 2025 remained the need to combine operational resilience with development. The war continues to create security, logistical, workforce and financial constraints for business. This is felt particularly acutely in frontline regions, where physical risks are compounded by limited access to financing, damaged infrastructure, workforce migration and the difficulty of long-term planning. In our work, we saw that for many organizations the key barriers were not only resources as such, but also a lack of clear information about available support instruments, the complexity of donor requirements and the need for high-quality project preparation.

BDO in Ukraine’s response to these challenges was to strengthen the role of management quality, digital solutions and project preparation. We supported clients and partners on financial modeling, audit, valuation, access to financing, structuring of investment projects, grant preparation and digital transformation. Particular emphasis was placed on developing the capacity of communities and businesses to work with international programs, and on building institutional readiness for reconstruction.

The way we organize our work during the war directly shapes our approach to ESG.
In the Governance component, this means higher requirements for transparency, internal control, accounting, evidence-based decision-making and risk management. In 2025, we publicly emphasized that audit and transparency in the use of resources are the foundation of trust on the part of donors, investors and partners.
In the Social component, the war makes central the issues of people’s safety, employment stability, community support, access to financial instruments, inclusion and engagement with frontline territories. In our internal approaches to recovery-related projects, we focused on employee safety, communication with communities, grievance mechanisms, and the assessment of impacts on infrastructure users and vulnerable groups.
In the Environmental component, the war radically increases the importance of energy efficiency, climate adaptation, decentralized solutions, infrastructure modernization and reducing energy vulnerability. In our professional approaches in 2025, these topics were linked not only to reducing energy consumption and emissions, but also to issues of thermal comfort, resilience to extreme weather and readiness for long-term operation.

For us, therefore, ESG in wartime is a practical system of action: transparent rules, responsible decisions, care for people and investment in resilience that work not only now but also in the post-war future.

SECTION 02

ESG Strategy and Integration

Targets and Planning

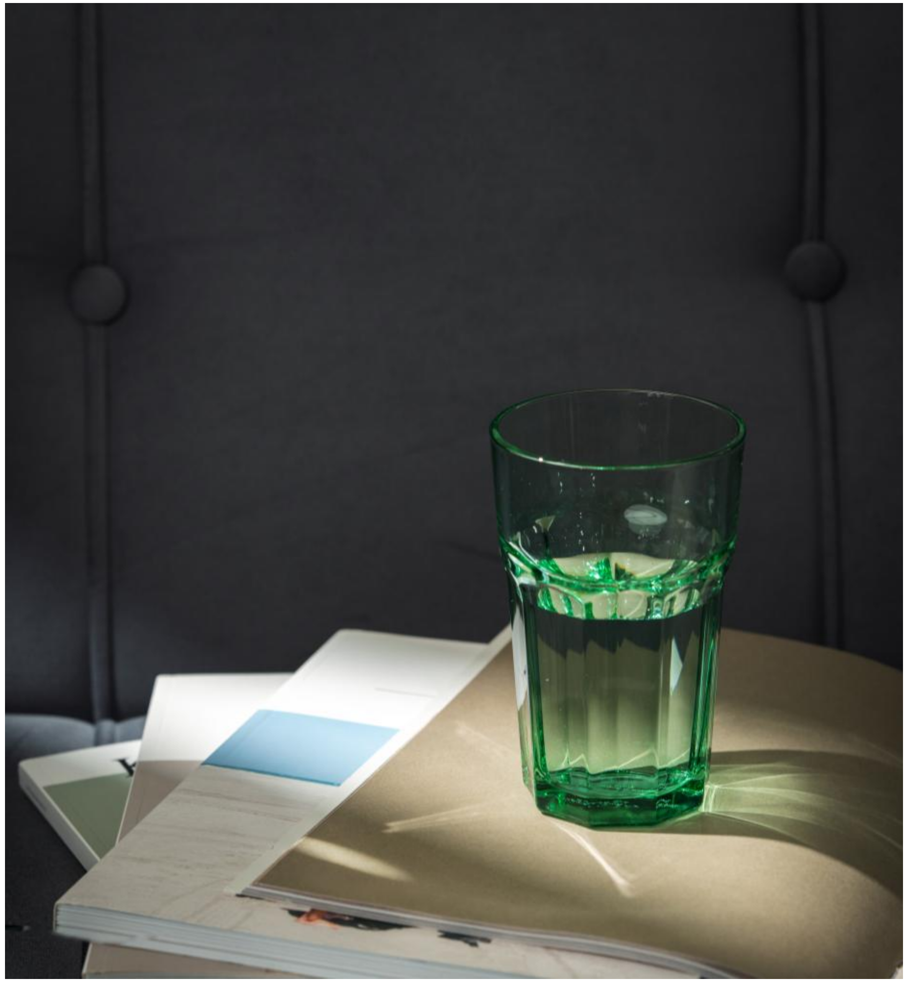
The company has set an ambitious long-term climate target: achieving climate neutrality (net zero) by 2050 in line with the Paris Agreement. To ensure a gradual transition to low-carbon operations, medium-term targets have been established that include:

- reducing Scope 1 and Scope 2 emissions in line with the 1.5°C pathway;
- integrating Scope 3 emissions management;
- using emission offsets (no more than 50%);
- gradually aligning targets with the requirements of the Science Based Targets initiative (SBTi).

LONG-TERM TARGET

2050

climate neutrality (net zero) in line with the Paris Agreement



Targets and Planning

AREA	LONG-TERM TARGET	INTERIM TARGETS (2026-2030)	KPI
Climate strategy	Achieving climate neutrality by 2050	2026: approval of the climate strategy and roadmap 2026: official SBTi commitment 2027: submission of targets for SBTi validation	**SBTi target in place**
Reducing Scope 1-2	Decarbonizing operations in line with the 1.5°C trajectory	2026: establishing the baseline 2030: reduction of 10-15%	**tCO_2e (Scope 1-2)**
Scope 3 (supply chain)	Decarbonizing the value chain	2026: identifying key Scope 3 categories 2027: launching a supplier engagement program 2030: engaging ≥30% of key suppliers in climate targets	**% Scope 3 covered**
Energy consumption	Reducing the energy intensity of the business	2026: mapping electricity sources and consumption 2027: conducting an energy audit 2030: reducing electricity consumption by 10-20%	**kWh / FTE**
Renewable energy	Transitioning to low-carbon energy	2026: analysis of suppliers 2027: identifying solutions for using electricity from renewable sources 2030: increasing the share of renewables in total electricity consumption	**% renewables**
Business travel (Scope 3)	Reducing transport emissions	2025-2027: developing and approving the relevant policies 2028: monitoring implementation 2030: reducing emissions from transport used for business travel by 10-20%	**tCO_2e**

Targets and Planning

AREA	LONG-TERM TARGET	INTERIM TARGETS (2026-2030)	KPI
Reporting and transparency	Full disclosure of climate risks and data	2026: expanded climate disclosure 2027: alignment with ESRS E1 2028: regular tracking of SBTi progress	**SBTi target in place**
External assurance of the ESG report	Increasing trust in ESG data and preparing for independent assurance of the report	2026: defining the list of indicators suitable for external assurance and strengthening the evidence base FY2027-2029: obtaining limited assurance over selected indicators of the ESG report 2029-2030: expanding the assurance scope based on the results of the first assurance cycle	**Limited assurance over selected ESG indicators from FY2027**

ESG Impact on the Business Model

BDO in Ukraine integrates ESG into its business model through three interconnected levels of impact: its own operations, professional services for clients, and participation in the broader ecosystem of Ukraine’s recovery. This approach allows us to manage the direct operational aspects of our activities while shaping a much broader indirect impact through professional expertise, client relationships and engagement with key stakeholders.

As a professional services firm, we have a limited direct environmental impact, associated mainly with the use of office resources, energy consumption and business travel. At the same time, our indirect impact is significant, as through our activities we influence the quality of financial reporting, risk management, adherence to corporate governance principles and the adoption of ESG practices by our clients. This is achieved through audit, consulting, ensuring financial transparency, ESG advisory, support for digitalization and the development of investment-attractive and sustainable projects.

The ESG approach is integrated into BDO’s key management decisions and influences all stages of value creation, including:

- managing risks, independence and ethical matters
- client and supplier acceptance based on reputational and ESG criteria
- developing human capital, including training, well-being and inclusion
- data protection, cybersecurity and digital resilience
- ensuring high quality of services in line with international standards
- strengthening trust in the market, the profession and the financial system as a whole.

ESG Impact on the Business Model

Beyond internal processes, ESG integration also encompasses our engagement with stakeholders, including clients, regulators, investors, communities and the professional community. As a result, BDO acts not merely as a service provider but as a market participant that helps make the economic environment more transparent, ethical and sustainable.

Thus, for BDO, ESG is not a separate function but an integral part of the business model and management system. It ensures an integrated combination of professional responsibility, ethical conduct, human capital development, technological transformation and contribution to Ukraine’s sustainable recovery amid heightened risks and uncertainty.

Accordingly, our business model reflects how key types of capital — human, natural, financial and social-reputational — are transformed into performance outcomes and value created for clients and society. This transformation occurs through the interconnection of resources, activities and outcomes, ensuring the long-term resilience of the business and stakeholder trust.

A distinct role in the model is played by BDO’s ability to create indirect positive impact through its clients: implementing best corporate governance practices, improving reporting quality, supporting ESG transformation and ensuring compliance with international standards.

In turn, the results of BDO’s activities contribute to the achievement of the UN Sustainable Development Goals identified as priorities for Ukraine and for our organization. In this way, BDO’s business model reflects the integration of economic, environmental and social value and demonstrates the company’s contribution
to building a sustainable, transparent and resilient economy.

Business Activities

Protecting employee health is a key aspect of our activities, especially during the full-scale invasion. Health insurance is the cornerstone of the non-financial compensation package. Emphasis is placed on maintaining and developing mental health and resilience.

Providing quality education, continuous professional development and learning for BDO colleagues. Constantly updating new technological skills.

Our activities are aimed at ensuring gender equality and the inclusion of women in all spheres of life. The goal covers protecting women’s rights, combating gender-based discrimination and violence, and supporting women’s access to education, jobs and participation in decision-making processes.

Creating new jobs that provide opportunities for economic growth, increasing the total amount of taxes paid and continuously improving our client offering.

Industry experience and knowledge to deliver more resilient and sustainable solutions for the success of our clients and the country.

In the context of recovery, this Sustainable Development Goal is more relevant for us than ever: helping build resilient and safe cities for all, and preserving cultural heritage and natural resources.

Responsible management of natural capital and delivery of sustainable, circular-economy-based solutions for clients.

Combating climate change by setting progressive greenhouse gas emission reduction targets and acting as a positive corporate climate advocate in communities and networks.

In support of this goal, BDO in Ukraine provides methodological support to central and local authorities through pro bono projects to strengthen and develop their institutional capacity.

Our actions are aimed at strengthening the global partnership for sustainable development, namely signing up to the Global Compact initiative and the Ukrainian Business Compact, and participating in the processes of Ukraine’s sustainable recovery.

Business Model and the Sustainable Development Goals

Human capital

Resources: professional development opportunities, talented employees, an inclusive culture, good working conditions, the opportunities of the international network and fair remuneration.

Outcomes: client solutions that enable more efficient, effective and resilient operations; enhanced professional competence and industry experience of our colleagues; an innovative, respectful and inclusive work culture and the attraction of future talent.

Natural capital

Resources: offices using electricity, gas, water, paper, IT resources and office supplies, public transport journeys and business trips.

Outcomes: management of limited natural resources; adoption of beneficial technologies to reduce environmental impact; raising awareness both within the company and beyond; development of sustainability services.

Financial capital

Resources: building sufficient reserves to ensure uninterrupted operations.

Outcomes: salaries; responsible fulfillment of tax obligations; investment in new client services; professional development and education; technologies for sustainable office operations.

Social and reputational capital

Resources: partnerships, including with clients, the industry, government, suppliers, the BDO network and community stakeholders; risk management, quality control and ethical business practices.

Outcomes: maintaining honest, open and respect-based relationships with all stakeholders; earning a social license to operate through consistently ethical and sustainable business practices.

Materiality Matrix and Sustainable Development Priorities

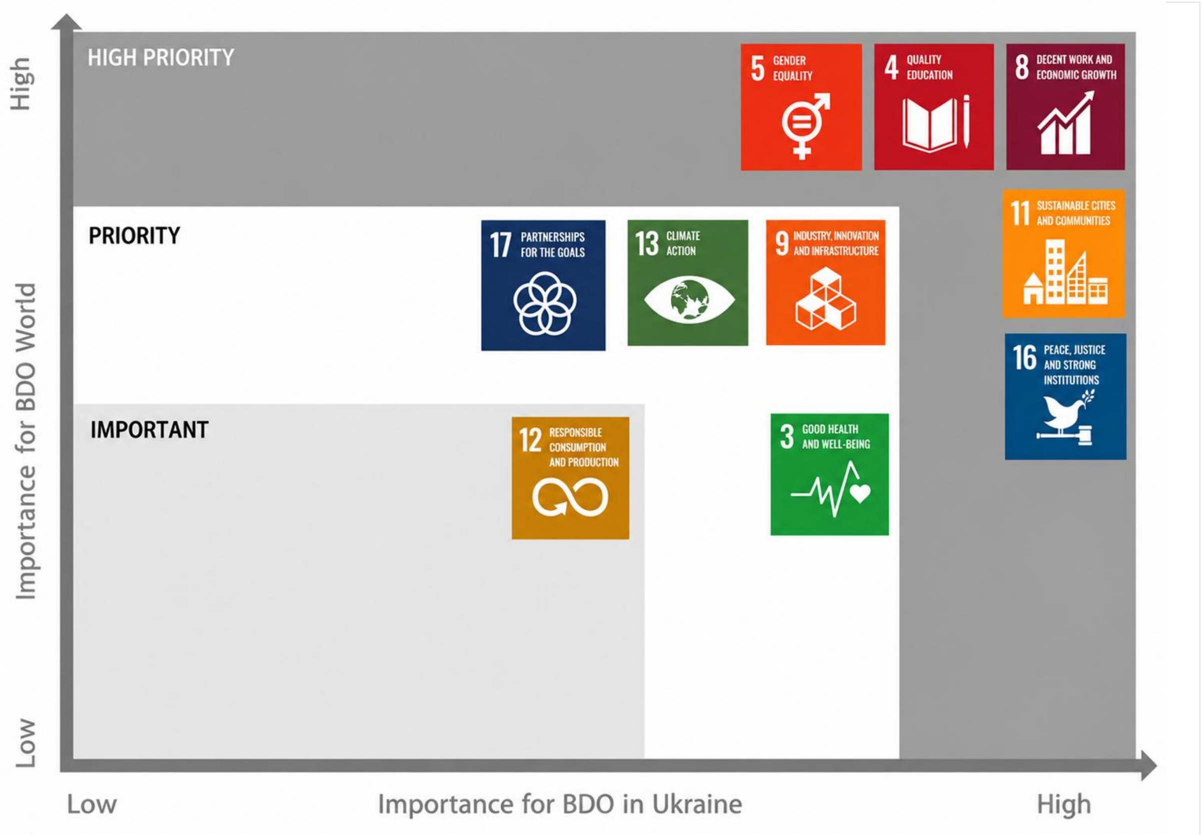
In preparing the ESG report, BDO in Ukraine carried out a comprehensive assessment of material topics reflecting the most important aspects of its impact on the economy, society and the environment, as well as the expectations of key stakeholders. The assessment was based on the international GRI reporting standards and took into account the priorities of the UN Sustainable Development Goals (SDGs), which made it possible to integrate global sustainability trends into our corporate strategy.

An important stage was the employee survey, which gave us an objective view of ESG priorities and the team's expectations. Based on its results, the company formulated clear priorities and defined its strategic directions across all three ESG components: environmental, social and corporate governance.

The materiality matrix structures topics across three levels of significance — high priority, priority and important. This approach helps to:

- Focus resources on the most important areas of sustainable development
- Align corporate goals with global standards and the Sustainable Development Goals
- Promote transparency of management decisions and the assessment of progress toward ESG goals.

This tool became the basis for creating the company's sustainability roadmap and ensuring the consistent integration of ESG principles into business processes.



Matrix of UN Sustainable Development Goal priorities for BDO in Ukraine

Why Do We Report This Way?

BDO in Ukraine prepares this report as a voluntary ESG disclosure focused on transparency, accountability and gradual readiness for the requirements of the European market. We do not present this document as a mandatory report under the CSRD; however, we use the ESRS logic to structure material topics, impacts, risks, opportunities, metrics and targets.

This approach reflects BDO in Ukraine's professional position: Ukrainian business should already be preparing for more structured sustainability reporting, even if direct regulatory requirements do not apply to all companies. In our publications on the introduction of ESRS reporting in Ukraine and the choice between ESRS and GRI, we emphasize that ESRS is gradually becoming the key framework for companies working with European partners and investors or seeking to improve the quality of their ESG data management.

In the body of the report, we keep only a concise description of BDO's reporting approach, to maintain the focus on the company's activities, results and impacts. A detailed description of the CSRD, the ESRS, the double materiality principle, the digital reporting format and other methodological aspects should be placed in a methodological annex, where it serves a reference function without overloading the main narrative of the corporate report.

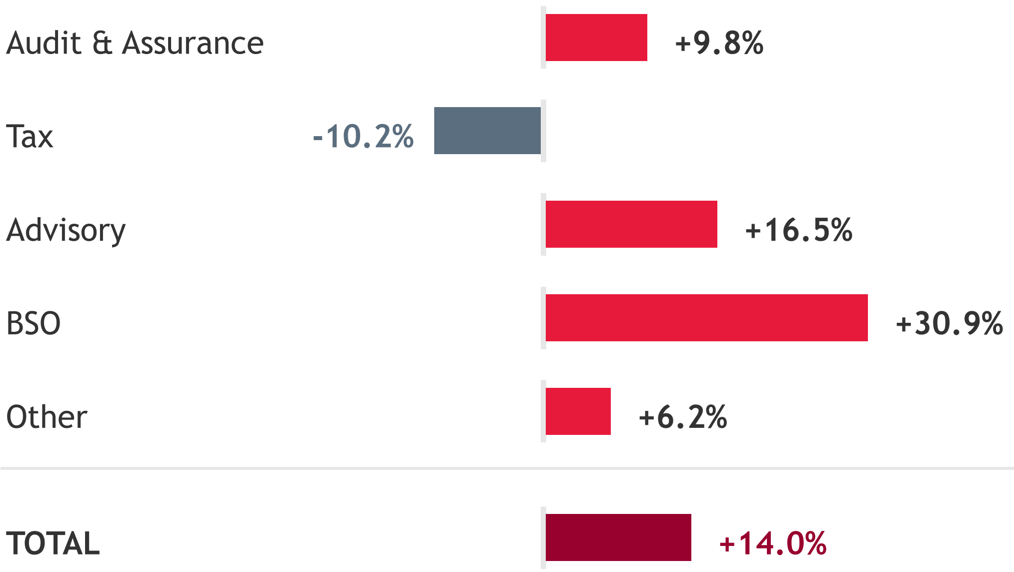
Voluntary disclosure based on the ESRS logic — a step toward Ukrainian business readiness for European reporting

SECTION 03

General Information about BDO in Ukraine

Business and Financial Performance Overview

REVENUE DYNAMICS BY SERVICE LINE, 2025 VS 2024



+14.0%

overall revenue growth in financial year 2025

In financial year 2025, BDO in Ukraine achieved overall revenue growth of 14.0% compared with financial year 2024. The strongest growth came from BSO (+30.9%) and Advisory (+16.5%), reflecting client demand for operational support, transformation, financial and consulting services amid instability. Audit & Assurance grew by 9.8%, confirming steady demand for independent verification, transparency and trust. The Tax service line declined by 10.2%, which requires a dedicated management analysis of the causes and a reinforcement plan. Combined with a stable headcount, this points to rising productivity and a gradual shift in demand toward consulting, digital, recovery-related and outsourcing services.

Corporate Structure and Team

In financial year 2025, we managed to keep the total number of BDO in Ukraine employees virtually unchanged compared with financial year 2024 (231 versus 232).

The training breakdown for financial year 2025 is presented as the average number of training hours per employee per year across the main categories of training programs. The overall figure is 125.2 hours per employee per year, which exceeds the internal KPI of “at least 24 training hours per employee per year”. For a correct assessment of the trend, in the final version of the report this indicator should be compared with the corresponding figure for financial year 2024.

125.2

training hours per employee per year

≥24

hours — internal training KPI per employee per year

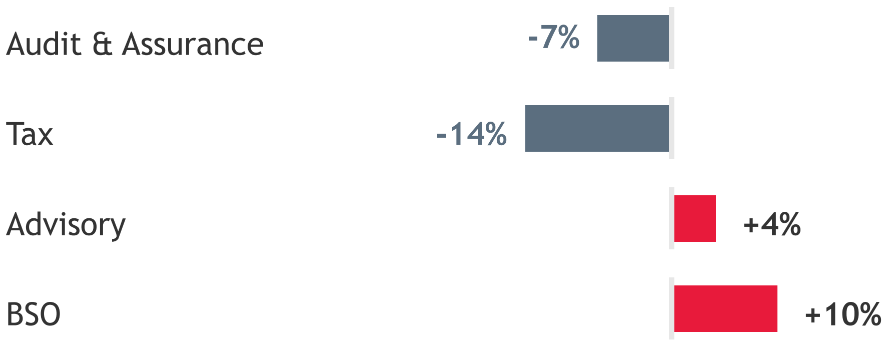
TRAINING STRUCTURE BY CATEGORY

TRAINING CATEGORY	SHARE, %	HOURS PER EMPLOYEE
Professional skills training	64%	79.7
Digital skills training	9%	10.8
General business skills training	18%	22.0
Training on mental health and wartime safety	10%	12.7
Total	100%	125.2 hours per employee per year

Corporate Structure and Team

The gender distribution of employees remained unchanged both across the company as a whole and among Partners and Administrative staff. The share of women among Professional staff increased by 1% compared with last year, with a corresponding decrease in the share of men.

CHANGE IN THE NUMBER OF PROFESSIONAL STAFF BY MAIN BUSINESS LINE*, 2025 VS 2024



*data are presented for financial years

5

employees are serving in the Armed Forces of Ukraine

2

employees were mobilized in 2025

231

employees in financial year 2025 versus 232 in 2024 — a stable headcount

Corporate Structure and Team

CATEGORY	TOTAL NUMBER OF EMPLOYEES	PARTNERS	PROFESSIONAL STAFF	ADMINISTRATIVE STAFF
Women %	**65%**	**36%**	**66%**	**68%**
Men %	**35%**	**64%**	**34%**	**32%**
AGE DISTRIBUTION (%)				
Under 20	0%	0%	0%	0%
20-24 years	15%	0%	20%	2%
25-34 years	23%	0%	28%	15%
35-44 years	31%	21%	29%	40%
45-54 years	19%	50%	17%	17%
55 and older	12%	29%	6%	26%
DISABILITY (INCLUSION)				
% (of the total number of employees in each category)	**4%**	**0%**	**1%**	**15%**

Value Chain

Consulting and audit firms have no significant direct production footprint, yet they exert considerable influence on the economy, the environment and society through a broad network of business relationships covering service suppliers, their own operations and clients.

In line with the ESRS requirements, the company views the value chain as an integrated system of interconnected elements within which material impacts, risks and opportunities (Impacts, Risks, Opportunities) are identified.

A distinctive feature of consulting and audit work is that a significant share of impacts arises indirectly — through the decisions, actions and practices of clients. As a result, the most material impacts may occur at the downstream level, which calls for a comprehensive approach to analyzing the value chain.

UPSTREAM	Suppliers of services and resources, the labor and knowledge market
OWN OPERATIONS	Business development, project delivery, quality control
DOWNSTREAM	Clients, investors, regulators, society and the market

Legend for the table on the following pages: E — environmental impacts, S — social, G — governance, (+) — positive impacts

Value Chain

CHAIN SEGMENT	KEY PARTICIPANTS / ACTIVITIES	MATERIAL IMPACTS (POSITIVE / NEGATIVE)	KEY RISKS FOR THE COMPANY	KEY OPPORTUNITIES
UPSTREAM: Suppliers of services and resources	IT providers, data and software suppliers, external experts, training organizations	E: data center emissions and energy consumption (a Scope 3 category) S: working conditions in IT and outsourcing G: dependence on third parties, data governance (+): access to innovative technologies and analytics	Cyber risks and data leaks Non-compliance with ESG standards by suppliers Operational dependence on key providers	Selecting responsible ESG suppliers Implementing energy-efficient IT solutions Improving data quality and analytics
UPSTREAM: Labor and knowledge market	HR agencies, universities, professional bodies (ACCA, etc.)	S: impact on human capital development G: shaping professional standards and ethics (+): development of ESG competencies in the market	Shortage of qualified personnel Intense competition for talent Risk of declining quality of competencies	Upskilling and reskilling staff Developing ESG expertise Strengthening the employer brand
OWN OPERATIONS: Business development and service design	Business development, tenders, proposal preparation, development of ESG services	G: impact on the ethics of sales and transparency S: shaping client expectations (+): promoting sustainable practices through consulting	Risk of misleading positioning (greenwashing) Mis-selling of services Conflicts of interest	Developing ESG consulting Strengthening the trusted advisor role Entering new markets (CSRD / ESG)
OWN OPERATIONS: Project delivery (audit / consulting)	Conducting audits, analyzing data, preparing opinions and recommendations	G: improving market transparency and quality S: impact on staff (workload, well-being) E: limited direct impact (offices, business travel) (+): supporting responsible decision-making by clients	Risk of inadequate audit quality Reputational risks Excessive staff workload Data security breaches	Developing ESG reporting assurance services Digitalizing audit and analytics Improving the quality of market information

Value Chain

CHAIN SEGMENT	KEY PARTICIPANTS / ACTIVITIES	MATERIAL IMPACTS (POSITIVE / NEGATIVE)	KEY RISKS FOR THE COMPANY	KEY OPPORTUNITIES
OWN OPERATIONS: Quality control and corporate governance	Internal quality control, compliance, risk management	G: ensuring independence and ethics S: fostering a culture of responsibility (+): increasing trust in the company	Non-compliance with standards (ISA, ethical requirements) Regulatory sanctions Breaches of independence	Strengthening the corporate governance system Automating quality control Integrating ESG risks
DOWNSTREAM: Clients (business and public sector)	Use of reporting, implementation of recommendations	E: indirect impact through clients' activities (Scope 3) S: impact on clients' employees G: improving transparency and quality of governance (+): clients' ESG transformation	Failure to implement recommendations Dependence on clients in high-risk sectors Professional liability risks	Long-term client relationships Developing advisory services Supporting clients' ESG transformation
DOWNSTREAM: Investors, lenders and regulators	Use of audit and non-financial reporting	G: building trust in the capital market S: protecting stakeholder interests (+): increasing the transparency of the economy	Reporting errors → systemic risks Reputational losses	Expanding assurance services Increasing market trust
DOWNSTREAM: Society and the market as a whole	Dissemination of governance practices and standards	E/S/G: systemic indirect impact through clients (+): shaping sustainable business standards	Systemic risks in the event of errors ESG criticism (ESG backlash)	Mainstreaming ESG approaches Shaping market standards

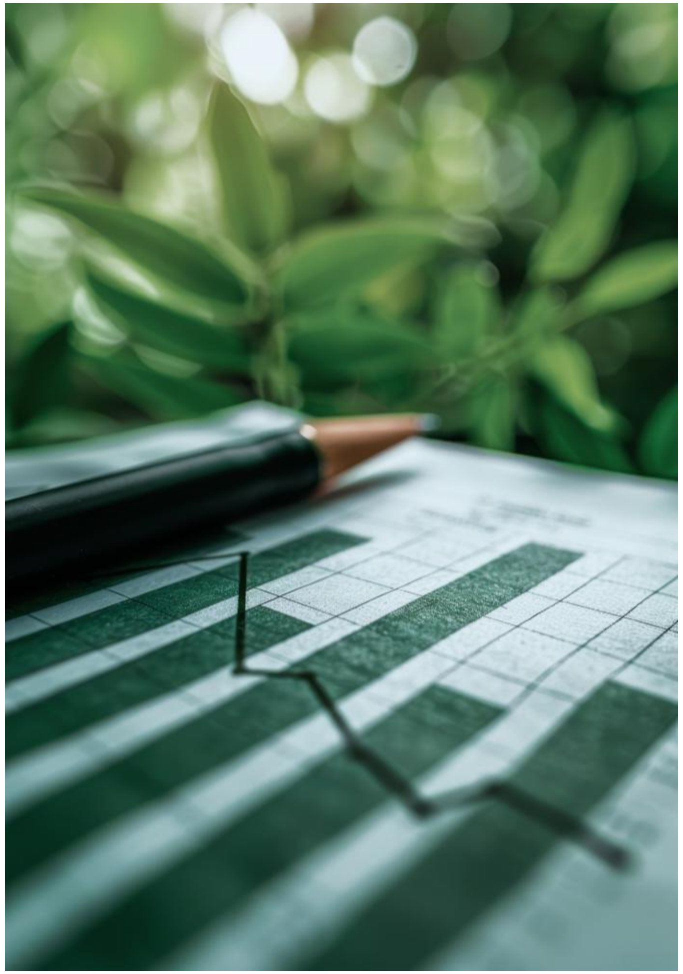
Initiatives and the Company’s Role in Them

In 2025, BDO in Ukraine strengthened its role as an active participant in the recovery ecosystem. The company worked not only as a professional advisor but also as a platform for expertise, coordination and the promotion of solutions at the intersection of business, government, communities and international partners. In particular, BDO in Ukraine was an active participant in the Skills Alliance for Ukraine and the SME Resilience Alliance, which bring together the government, donors, business and international organizations to develop skills, support SMEs, and advance digital transformation and economic resilience. As part of this work, we promoted training programs for municipalities, the development of digital competencies, the preparation of grant applications and the use of AI solutions to increase the productivity of local self-government.

BDO in Ukraine also engaged systematically in initiatives providing practical support to businesses in frontline regions. Our experts, including the company’s CEO, contributed to the development of EBA recommendations on supporting business in these territories. These covered war risk compensation, tax incentives, access to financing, logistics support and special economic conditions designed to help restore enterprises and preserve economic activity where the risks are highest.

Particularly noteworthy is the launch of the Ukrainian Task Force — a strategic initiative that coordinates BDO’s international and local expertise to support the recovery, reconstruction and transformation of Ukraine’s public sector. Within this area, the company is strengthening its work with municipalities, investors, government partners and international BDO teams to help build a modern, transparent and capable public sector.

This activity complements our broader ESG approach. Back in 2024, BDO in Ukraine joined the UN Global Compact, committing to the priorities of gender equality, the development of cities and communities, participation in Ukraine’s reconstruction, education and talent support. In 2025, these areas were not a declaration but a working framework for practical action.



Participation in Reconstruction and Recovery Projects

In 2025, BDO in Ukraine was directly involved in preparing tools of practical importance for the country's reconstruction. One of the most important examples was our team's participation in preparing the URC2025 Investment Guide — an investment catalogue for the Ukraine Recovery Conference in Rome. The project was coordinated by the Ministry of Economy of Ukraine and the KSE Institute, with BDO in Ukraine acting as a key partner providing expert and analytical support. The catalogue covered 250 investment cases in 12 strategic sectors with a total financing need of over USD 40 billion; our team processed and presented 18 projects in the digital and ICT sector with a total financing need of over USD 800 million.

For us, this was not only analytical work but also a contribution to the quality of the investment environment. We helped structure projects, improve business models, prepare financial models, develop investment profiles and increase the institutional readiness of project initiators to engage with international investors.
This experience showed once again that reconstruction requires not just ideas, but professionally prepared, transparent and mature projects.

250
investment cases in the catalogue

12
strategic sectors

$40 bn
total financing need

18
projects handled by the BDO team in the digital and ICT sector

$800 mn
total financing need of the projects presented by BDO

Participation in Reconstruction and Recovery Projects

ReBuild Ukraine 2025, Warsaw

In addition, BDO in Ukraine took part in ReBuild Ukraine 2025 in Warsaw — one of the key international platforms for mobilizing financing, partnerships and practical solutions in the field of recovery. For the team, this event was important as a venue for professional dialogue on investment, energy, municipal infrastructure, transparency and the role of business in reconstruction.

At ReBuild Ukraine 2025, we also initiated a discussion on trust in reconstruction. At the event organized by BDO in Warsaw, we emphasized that audit, transparency and the responsible use of donor resources are the basis for attracting new investment and for sustainable recovery. This directly reflects our approach to the Governance component of ESG.

UK-Ukraine Trade Mission «Rebirth of Ukraine»

Another area of international engagement was participation in the UK–Ukraine Trade Mission "Rebirth of Ukraine" in May 2025. The mission was aimed at supporting Ukraine's economic recovery, strengthening economic ties between Ukraine and the United Kingdom, and developing cooperation in infrastructure, energy, innovation and digital transformation.

Audit, transparency and the responsible use of donor resources are the basis for attracting new investment and sustainable recovery

Post-War Recovery Priorities and Investment in Resilience and Energy Efficiency

We are convinced that Ukraine's post-war recovery must be built not on the logic of simply restoring what was lost, but on the "build back better" principle — rebuilding to a higher standard: safer, more energy-efficient and more transparent. That is why our key priorities include supporting recovery investment projects that combine economic viability, social value, climate resilience and high-quality governance.

1

Investment in resilient and transparent infrastructure

This concerns energy, water supply, municipal facilities, social housing, and transport and logistics infrastructure, which must be designed with modern environmental standards, digital solutions, transparency requirements and long-term operation in mind.

2

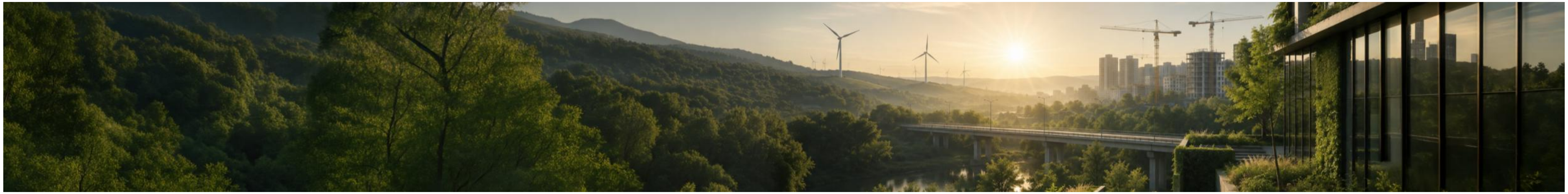
Energy efficiency and decentralized energy resilience

For Ukraine, this is no longer only an environmental issue but also a matter of security, service continuity and reducing the vulnerability of communities and businesses. In our professional approaches to projects in 2025, energy efficiency was combined with climate risk analysis, energy saving, emission reduction, infrastructure reliability and preparedness for extreme weather conditions.

3

High-quality project preparation and investment readiness

Ukraine needs a large number of projects capable of moving from idea to financing and implementation. Our experience of working on URC2025 showed that investors expect a clear business model, financial justification, scenario analysis, a transparent ownership structure, an ESG component and a well-defined system of stakeholder communication. It is precisely such projects that have the highest chances of receiving international support.



Post-War Recovery Priorities and Investment in Resilience and Energy Efficiency

4

Support for frontline regions and communities

We believe that the country's economic resilience depends on how viable the territories operating under the greatest pressure remain. That is why war risk insurance instruments, access to financing, logistics development, SME support, special investment conditions and practical assistance to communities in preparing projects are all essential.

5

Human capital, digitalization and new management capacity

Recovery will not succeed without well-prepared teams in communities, business and the public sector. That is why we invest in educational, digital and AI solutions that increase productivity, the quality of governance and the ability to work with international financial instruments.

Ultimately, for BDO in Ukraine, resilience means more than just withstanding the crisis. It is the ability to create the conditions under which Ukraine's reconstruction will be transparent, energy-efficient, inclusive and attractive to investors. This is where we see our role and our responsibility.

Industry Groups

Agriculture

Specializes in industry research, with a focus on modernization and digital transformation, which is especially important amid wartime challenges.

Group members attended the Ukrainian Investment Congress. Oleksandr Nychyporuk also moderated the “Agribusiness 2025: Foresight of the Decade” conference.

Group leader: Oleksandr Nychyporuk

Public Sector

Specializes in analyzing current trends in public administration and digital transformation.

PUBLICATIONS

- BDO in Ukraine’s participation in preparing the URC2025 investment catalogue — BDO (July 2025)
- Overview of the situation in Ukraine: security, economy and recovery — BDO (September 2025)

Research conducted: Strengthening human capital in Ukraine: challenges and solutions — BDO (October 2025).

Group leader: Andrii Borenkov (

Natural Resources and Energy

Focuses on in-depth analysis of the natural resources and energy sectors.

PUBLICATIONS

- What trends to expect in alternative energy in 2025 | Biznes (February 2025)
- On the electricity market in Ukraine — the National Plan to 2030 — BDO (March 2025).

Research conducted: “Renewable energy in Ukraine”

Group leader: Vladyslav Puhach

Technology, Media, Telecom (TMT)

Specializes in the analysis and research of the technology, media and telecommunications sectors in light of current trends and innovations.

PUBLICATIONS

- Business process automation and digital solutions from BDO in Ukraine — BDO (April 2025)

Group leader: Iryna Syrotenko

Industry Groups

ESG Reporting and Audit

Specializes in research in the field of environmental, social and corporate responsibility.

PUBLICATIONS

- Digitalization of Ukraine's educational institutions: readiness, AI, digital solutions — BDO (August 2025)
- Sustainability reporting update — ESG, CSR and the EU directive — BDO (April 2025)
- ESRS or GRI: ESG reporting standards for business in Ukraine — BDO

Group leader: Svitlana Danylenko

Artificial Intelligence

Specializes in analyzing the latest advances in artificial intelligence and its adoption across various sectors of the economy.

PUBLICATIONS

- Digitalization of Ukraine's educational institutions: readiness, AI, digital solutions — BDO (August 2025)

Group leader: Mykhailo Atamanov

NGOs

Focuses on supporting, researching and analyzing the activities of non-profit organizations operating in various areas of social, economic and cultural development.

PUBLICATIONS

- Independent Audit as a Guarantee of NGO Transparency — BDO (July 2025)
- ESG for NGOs: Sustainable development, financing and partnership — BDO (September 2025).

Defense

Focuses on analyzing and supporting companies operating in the defense and security sector.

PUBLICATIONS

- Defence tech: key trends shaping the future of the defense industry — BDO (July 2025)

Group leader: Anastasiia Loban

Industry Groups

Communities and Smart Cities

In financial year 2025, the group focused its work on strengthening cooperation with Ukraine's territorial communities and implemented a number of projects aimed at increasing their capacity, management effectiveness and sustainable development.

PUBLICATIONS

- Recovery projects: communities and comprehensive municipal initiatives — BDO (September 2025)

Research conducted: Grant readiness of Ukrainian communities: a BDO 2024-2025 study — BDO

Group leader: Tetiana Demchenko

Recovery of Ukraine

Created to support companies, organizations and communities in the process of rebuilding Ukraine's infrastructure and economy after the hostilities.

PUBLICATIONS

- Rebuilding Ukraine — an investment guide for Scottish companies — BDO (May 2025)
- Rebuilding Ukraine — an investment guide for British companies — BDO (May 2025)
- Publications following URC 2025)

Research conducted: Entrepreneurship in Ukraine during the war: a study by BDO in Ukraine — BDO (September 2025

Group leader: Viktoriia Kulish

ANALYTICAL MATERIALS

- White Paper on supporting business in frontline territories (Group specialists contributed to the joint work with the EBA) — European Business Association presents the third edition of proposals to support businesses in frontline regions — European Business Association
- White Paper on supporting business in Ukraine's regions bordering the EU — the EBA presented proposals to support business in regions bordering the EU — European Business Association (Group specialists contributed to the joint work with the EBA)
- Comparative analysis of financial instruments for investors in Ukrainian business, prepared for Italy (2025)
- EU Industry Days 2025 — preparation of materials for the presentation

SECTION 04

Governance

ESG Governance and Responsibility

BDO in Ukraine views ESG governance as part of its overall system of corporate governance, internal control, risk management and strategic planning. ESG matters are integrated into the processes of management decision-making, policy development, risk assessment, stakeholder engagement, people management, information security, service quality and operations.

Overall strategic oversight of the ESG approach is exercised at the level of the CEO and the firm’s partners. They define the key sustainability priorities, approve the overall direction of ESG integration, review material risks and opportunities, and ensure that the ESG approach is aligned with the business strategy, professional standards, and the expectations of clients, the international BDO network and other stakeholders.

Coordination of the preparation of the ESG report and the development of sustainability approaches is carried out by the responsible ESG / Sustainability function. Its role is to collect and structure information, coordinate interaction between functional teams, update the map of material topics, prepare ESG disclosures, monitor progress in key areas and gradually develop the reporting methodology in line with international approaches, including the ESRS, the GRI Standards and the GHG Protocol.

ESG Governance and Responsibility

The company’s functional areas are responsible for the quality, completeness and timeliness of data within their respective areas of responsibility:

FUNCTION / AREA	KEY ESG RESPONSIBILITIES
CEO	Strategic oversight, approval of ESG priorities, integration of ESG into the business strategy and management decisions
ESG department	Coordination of the ESG report, disclosure methodology, map of material topics, progress monitoring, preparation of ESG data for consolidation
HR department	Own workforce data in line with ESRS S1: headcount, gender and age distribution, inclusion, training, well-being, engagement, team development and retention
Finance department	Data on office operations, energy consumption, water, office resources, expenses, business travel, operational continuity and resource efficiency
IT and Information Security departments	Cybersecurity, data protection, cloud environment, Microsoft 365, digital infrastructure, access controls, AI controls and the safe use of digital tools
Compliance	Business ethics, independence, anti-corruption measures, conflicts of interest, client acceptance, whistleblower protection, compliance with professional and regulatory requirements
Marketing / BD / Communications	Stakeholder engagement, external communications, partnerships, impact stories, participation in professional initiatives, promotion of ESG approaches among clients and partners

ESG Governance and Responsibility

ESG risks and opportunities are considered within the company’s overall risk management system. Material ESG matters — including cybersecurity, professional ethics, employee well-being, service quality, climate and resource aspects, supplier management and the use of AI — are integrated into the relevant internal control and management monitoring processes.

Material ESG topics, risks and opportunities are reviewed at least once a year as part of the preparation of the ESG report. Where necessary, individual matters may be reviewed more frequently: in the event of significant changes in the regulatory environment, business model, client expectations, security situation, team structure, digital infrastructure or the nature of the company’s services.

Preparation of the ESG report is based on cross-functional collaboration. Each responsible function provides data within its area of competence, while the ESG / Sustainability function coordinates their consolidation, checks their logic and consistency with the identified material topics, and prepares them for disclosure. The final draft of the report undergoes management review before publication to ensure integrity, balance and consistency with the stated reporting approach.

This approach allows BDO in Ukraine to gradually strengthen its ESG governance model: moving from individual initiatives and policies to a systemic model of accountability in which sustainability is linked to risk management, service quality, a culture of integrity, people development, digital security and the long-term resilience of the business.

ESG Policies

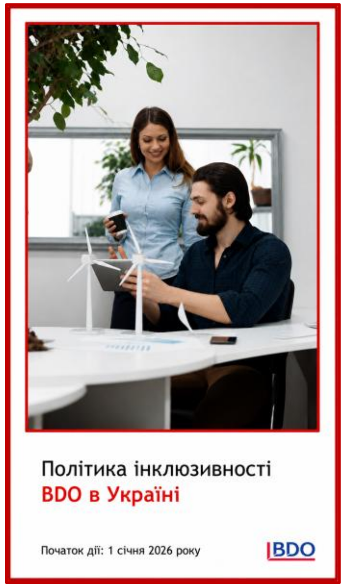
The adoption of the BDO in Ukraine Gender Equality Plan and its related documents — the BDO in Ukraine Gender Equality Policy, the BDO in Ukraine Inclusion Policy and the BDO in Ukraine Non-Discrimination Policy — in 2025 became a key element in the development of the company's ESG governance.

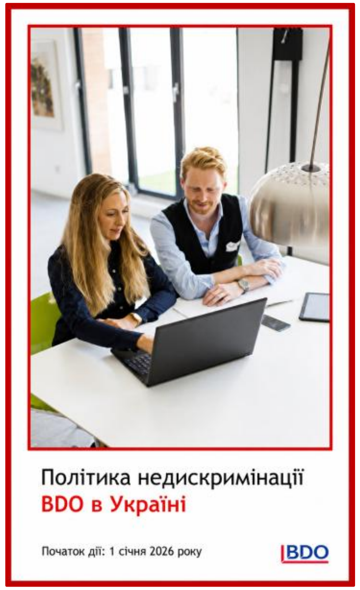
These documents created a systematic basis for ensuring equal opportunities, non-discrimination and an inclusive corporate culture, and established mechanisms for monitoring, reporting and raising employee awareness.

The implementation of these policies is consistent with the requirements of the ESRS, in particular ESRS S1 (Own Workforce), ESRS G1 (Business Conduct) and ESRS 2 (Governance), and contributes to the achievement of the UN Sustainable Development Goals, in particular Goal 5 (gender equality) and Goal 10 (reduced inequalities).

The Gender Equality Plan and the related policies govern key aspects of the company's activities, including:

- ensuring equal rights, opportunities and access to resources for all employees regardless of gender and other characteristics
- recruitment processes and non-discriminatory hiring
- career development, promotion and equal pay principles
- working conditions, including work-life balance and flexible work arrangements
- building an inclusive corporate culture and gender-sensitive communications
- mechanisms for preventing discrimination and for filing and handling complaints
- training and raising employee awareness of the principles of equality and inclusion
- a system of monitoring, internal control and regular reporting on gender equality indicators.





Anti-Corruption Measures

BDO LLC adheres to the principles of integrity, transparency and zero tolerance for corruption, which are an integral part of its corporate governance and internal control system. The Company's anti-corruption activities are carried out in accordance with the requirements of Ukrainian legislation, in particular the Law of Ukraine "On Prevention of Corruption", and are based on a risk-oriented approach.

The Company has implemented an Anti-Corruption Program that applies to all employees, officers, representatives and business partners. The Program establishes a set of policies, procedures and control mechanisms aimed at preventing, detecting and responding to corruption risks in all areas of activity.

Responsibility for implementing anti-corruption measures rests with the Company's management and the Anti-Corruption Compliance Officer, who ensures the coordination, monitoring and improvement of the control system, including conducting reviews, internal investigations and employee training.

The corruption risk management system provides for the regular identification, assessment and monitoring of risks, the maintenance of a risk register and the implementation of measures to minimize them. Risk assessment is carried out on a systematic basis and covers the Company's key business processes.

The Company applies a range of preventive measures, including:

- a prohibition on offering, receiving or providing undue advantage, including facilitation payments
- managing conflicts of interest through their mandatory declaration and control
- regulating gifts and business hospitality in accordance with established criteria
- conducting due diligence on business partners and including anti-corruption clauses in contracts
- controlling charitable and sponsorship activities and other financial interactions to prevent corruption risks.

The Company maintains channels for reporting possible violations, including anonymous ones, and guarantees the protection of whistleblowers from any form of persecution or discrimination.

To foster a culture of integrity, the Company regularly conducts training and communication activities aimed at raising employee awareness of anti-corruption requirements and standards of ethical conduct.

The effectiveness of the anti-corruption system is monitored through internal reviews, investigations and regular reporting. Where violations are identified, appropriate disciplinary measures are applied and actions are taken to prevent their recurrence.

The approaches in place comply with the requirements of ESRS G1 and help increase trust on the part of clients, regulators and other stakeholders.

Transparency and Regulatory Compliance

BDO LLC ensures a high level of transparency and accountability in its activities as part of an effective system of corporate governance and risk management.

In accordance with the requirements of the Law of Ukraine “On the Audit of Financial Statements and Auditing Activities”, the Transparency Report for 2025 was prepared and published on the company’s official website in a timely manner.

The publication of the Transparency Report is an integral part of BDO LLC’s information disclosure system and is consistent with the ESRS approaches to ensuring the transparency, reliability and accountability of governance processes.

Disclosure of this information helps increase trust on the part of stakeholders, including clients, regulators and the professional community, and ensures alignment with international best practices in corporate governance.

The Transparency Report is publicly available at the following link:
Transparency Report for 2025

THE REPORT COVERS KEY ASPECTS

- ownership structure and governance bodies (in line with the ESRS GOV-1 approaches)
- the quality management system and internal control mechanisms
- approaches to risk management and safeguarding independence
- policies and procedures in the area of ethics and integrity (in line with ESRS GOV-2).

SECTION 05

Materiality Assessment

Methodology for Identifying Material Topics

The report has been prepared with regard to the principles and selected requirements of the ESRS, as well as the relevant approaches of the GRI Standards to transparency, completeness and balance of disclosure. The report does not contain a statement of full compliance with the ESRS or the GRI Standards adopted by the European Commission as part of the first set of standards, which comprises the cross-cutting standards ESRS 1 (General Requirements) and ESRS 2 (General Disclosures) and the topical standards: ESRS E1–E5, ESRS S1–S4 and ESRS G1.

The purpose of the ESRS is to define what sustainability information an undertaking must disclose under Directive 2013/34/EU as amended by the CSRD, and to ensure disclosure of material impacts, risks and opportunities in relation to environmental, social and corporate governance matters.

The ESRS are built on the principle of double materiality — materiality is assessed both from the perspective of impacts on people and the environment and from the financial perspective (risks and opportunities for the company).

The regulatory basis for mandatory reporting in the EU is the Corporate Sustainability Reporting Directive (CSRD) — Directive (EU) 2022/2464, which amends, among others, Directive 2013/34/EU and introduces corporate sustainability reporting requirements.

The first set of ESRS was adopted by the European Commission as Commission Delegated Regulation (EU) 2023/2772, supplementing Directive 2013/34/EU as regards sustainability reporting standards.

Methodology for Identifying Material Topics

The architecture of the standards provides for disclosure in four reporting “zones”: GOV (governance), SBM (strategy/business model), IRO (management of impacts, risks and opportunities) and MT (metrics and targets).

GOV

governance

SBM

strategy / business model

IRO

management of impacts, risks and opportunities

MT

metrics and targets

RESULTS OF THE DOUBLE MATERIALITY ASSESSMENT

The results of the double materiality assessment confirmed that the key ESG priorities for BDO in Ukraine are the development of human capital; ensuring gender equality, inclusion and non-discrimination; maintaining a safe and fair working environment; upholding high standards of business ethics; protecting confidential information; and integrating ESG principles into the corporate governance system. Environmental topics remain relevant, but their priority is determined in proportion to the non-production nature of the company’s activities and its limited physical value chain.

Methodology for Identifying Material Topics

This section presents the double materiality assessment process used to identify BDO in Ukraine's key ESG topics. The assessment covered the analysis of impacts, risks and opportunities, stakeholder expectations, regulatory requirements and the specifics of the company's business model as a professional services provider. The results are summarized as a list of material topics mapped to SASB and the ESRS, together with a description of the related impacts, risks and opportunities.

TOPIC PER SASB	DESCRIPTION PER SASB	ESRS CLASSIFICATION — TOPIC / SUB-TOPIC / SUB-SUB-TOPIC	IMPACT	RISK	OPPORTUNITY
Human capital management	Attracting, developing and retaining staff; training; performance appraisal; succession planning; workload management in project teams.	ESRS S1 — Own workforce / Working conditions / Training and development, employment, work-life balance	High dependence of service quality on the competencies, motivation and stability of teams; impact on employees' professional development and the quality of client solutions.	Staff turnover, burnout, expertise shortages, declining service quality and missed project deadlines.	Developing training programs, career paths, mentoring, internal academies, succession planning and retention programs for key specialists.
Gender equality, equal opportunities and non-discrimination	Equality policies; non-discriminatory practices in hiring, development, pay and promotion; monitoring the representation of different groups.	ESRS S1 — Own workforce / Equal treatment and opportunities for all / Gender equality, equal pay, diversity, inclusion	Positive impact on fairness, engagement, access to career opportunities and the employer's reputation.	Risk of unequal access to development, reputational losses, internal conflicts, complaints from employees or candidates.	Implementing the BDO in Ukraine Gender Equality Plan and the inclusion and non-discrimination policies; increasing the attractiveness of the employer brand.

Methodology for Identifying Material Topics

TOPIC PER SASB	DESCRIPTION PER SASB	ESRS CLASSIFICATION — TOPIC / SUB-TOPIC / SUB-SUB-TOPIC	IMPACT	RISK	OPPORTUNITY
Fair remuneration and employee well-being	Competitive remuneration, transparency of compensation, social guarantees, well-being, support for employees during periods of increased workload.	ESRS S1 — Own workforce / Working conditions / Adequate wages, social protection, work-life balance	Impact on employees' financial stability, motivation, productivity and loyalty.	Loss of key specialists, declining engagement, higher hiring and onboarding costs, risk of burnout.	Reviewing the compensation framework, flexible benefit programs, well-being initiatives, regular labor market analysis.
Inclusive corporate culture and a safe working environment	Respect for diversity; psychological safety; prevention of harassment; safe working conditions, including in the remote work format.	ESRS S1 — Own workforce / Equal treatment and opportunities / Measures against violence and harassment; Working conditions / Health and safety	Building trust, openness, team collaboration and a healthy working environment in a predominantly remote work setting.	Risk of a toxic culture, conflicts, hidden discrimination, reduced productivity and reputational losses.	Internal training, a code of conduct, regular engagement surveys, psychological support programs and inclusive leadership.
Complaint filing and handling mechanisms	Channels for reporting violations; protection of reporters; transparent procedures for handling complaints; monitoring the effectiveness of the mechanisms.	ESRS S1 — Own workforce / Processes for engagement and channels to raise concerns; ESRS G1 — Business conduct / Corporate culture	Increased employee trust in the management system and the ability to identify problems in the team early.	Unaddressed complaints, escalation of conflicts, reputational risks, distrust of management.	Creating or strengthening a grievance mechanism, anonymous reporting channels, response procedures and reporting on complaints received.

Methodology for Identifying Material Topics

TOPIC PER SASB	DESCRIPTION PER SASB	ESRS CLASSIFICATION — TOPIC / SUB-TOPIC / SUB-SUB-TOPIC	IMPACT	RISK	OPPORTUNITY
Business ethics and professional integrity	Adherence to ethical standards, independence, anti-corruption principles, confidentiality and professional responsibility.	ESRS G1 — Business conduct / Corporate culture, whistleblower protection, anti-corruption and bribery, management of relationships with clients and suppliers	Critical impact on client trust, the quality of professional services and BDO’s reputation as an independent advisor.	Conflicts of interest, breaches of independence, corruption risks, client claims, loss of contracts or sanctions from professional bodies.	Strengthening ethics & compliance programs, conflict checks, client acceptance procedures, ethics and anti-corruption training.
Service quality and responsibility for professional opinions	Quality control of deliverables; methodologies; peer review; management of professional liability risks; compliance with engagement performance standards.	ESRS G1 — Business conduct / Corporate culture; ESRS S4 — Consumers and end-users / Impact on clients through service quality	Impact on clients through the quality of analytics, recommendations, reports and the management decisions made on their basis.	Errors in reports, incorrect conclusions, client claims, legal risks, declining trust in the brand.	Developing quality review, standardized methodologies, internal checklists, version control and team training.
Data protection, confidentiality and cybersecurity	Protection of client and personal data; access management; cyber resilience; secure remote work; control of cloud services.	ESRS G1 — Business conduct / Risk management and internal control; ESRS S4 — Consumers and end-users / Data privacy and security	High impact on clients and employees through the processing of confidential information, personal data and commercial documentation.	Data leaks, phishing, account compromise, attacks on the corporate network, fines and reputational losses.	Strengthening cyber controls, penetration testing, cyber hygiene training, MFA, DLP, backups, an incident response plan.

Methodology for Identifying Material Topics

TOPIC PER SASB	DESCRIPTION PER SASB	ESRS CLASSIFICATION — TOPIC / SUB-TOPIC / SUB-SUB-TOPIC	IMPACT	RISK	OPPORTUNITY
ESG integration into corporate governance	Embedding ESG in management decisions, policies, internal procedures, risk management, reporting and KPIs.	ESRS 2 — GOV, SBM, IRO, MT; ESRS G1 — Business conduct / Corporate culture and policy management	Systemic impact on the quality of governance, transparency, accountability and the company’s ability to meet the expectations of clients and the international network.	Fragmented ESG management, failure to meet stakeholder expectations, a weak evidence base for reporting.	Integrating ESG into the governance framework, risk matrix, policies, training, internal reporting and decision-making processes.
Energy consumption, climate and emissions	Accounting for the energy consumption of offices, IT infrastructure and business travel; assessment of Scope 1, Scope 2 and the relevant Scope 3 categories.	ESRS E1 — Climate change / Climate change mitigation, energy, greenhouse gas emissions	Limited but relevant impact through office infrastructure, remote work, cloud services and business travel.	Client inquiries about the carbon footprint, ESG requirements in tenders, additional costs of emissions accounting and reduction.	Office energy efficiency, optimization of business travel, green IT practices, emissions accounting and the gradual decarbonization of operations.
Resource and waste management	Use of office resources, electronic document management, IT equipment, paper, water, and the generation of office / electronic waste.	ESRS E3 — Water resources; ESRS E5 — Resource use and circular economy / Waste, resource consumption	Low direct environmental impact, but an impact exists through office processes, IT equipment and procurement.	Inefficient use of resources, reputational remarks, failure to meet client expectations regarding a responsible office.	Paperless processes, electronic document management, responsible disposal of equipment, environmental procurement criteria.
Responsible management of suppliers and contractors	Managing IT providers, cloud services, external consultants, translators, and office and administrative suppliers.	ESRS G1 — Business conduct / Management of supplier relationships; ESRS S2 — Workers in the value chain	Limited but important impact through the quality, confidentiality, ethics and security of services provided by external parties.	NDA breaches, weak access controls, poor quality of work, dependence on critical IT suppliers.	Vendor due diligence, an approved supplier list, ESG procurement criteria, NDAs, access controls and regular supplier assessments.

Assessment Results and Priorities

Based on the double materiality assessment conducted in line with the ESRS requirements, the company has identified a list of key ESG topics that have a material impact both on the external environment (the environment and stakeholders) and on the financial results, risks and opportunities of the business. The assessment covered the analysis of impacts, risks and opportunities (IRO) and took into account stakeholder expectations and regulatory requirements.

Social dimension (S)

In the social dimension (S), the highest level of materiality was assigned to matters related to the own workforce (ESRS S1), including:

- ensuring gender equality, equal opportunities and non-discrimination
- fair remuneration, staff development and retention
- building an inclusive corporate culture and a safe working environment
- implementing effective complaint filing and handling mechanisms.

These matters were prioritized, in particular, in connection with the adoption of the BDO in Ukraine Gender Equality Plan and the related gender equality, inclusion and non-discrimination policies, which form the basis for managing the social aspects of the company's activities.

Corporate governance (G)

In the area of corporate governance (G), the following were identified as material:

- business ethics and integrity (ESRS G1)
- transparency and accountability of management practices
- integration of ESG into the corporate governance system;
- compliance with internal policies and procedures, in particular the equality and non-discrimination policy.

Environmental dimension (E)

In the environmental dimension (E), the company identified as material the matters related to environmental impact, in particular in the context of climate change, resource management and compliance with environmental standards corresponding to ESRS E1-E5; however, the priority of these topics is determined in proportion to the nature of the company's operations.

As a result of the assessment, a portfolio of priority topics was formed, which became the basis for the structure of this report and defined the focus of disclosure across the four key ESRS areas: governance (GOV), strategy and business model (SBM), management of impacts, risks and opportunities (IRO), and metrics and targets (MT).

Assessment Results and Priorities

As a result of the assessment, a portfolio of priority topics was formed, which underpinned the structure of this report and defined the focus of disclosure across the four key ESRS areas: governance (GOV), strategy and business model (SBM), management of impacts, risks and opportunities (IRO), and metrics and targets (MT).

The results of the materiality assessment confirmed that the key priorities for BDO in Ukraine are the development of human capital, ensuring equality and inclusion, upholding high standards of corporate ethics and integrating ESG principles into all of the company’s business processes.

SECTION 06

Impacts, Risks and Opportunities (IRO)

Carbon Footprint of Business Travel

During the reporting period, BDO in Ukraine assessed the greenhouse gas emissions associated with employee business travel. The body of the report presents the summarized calculation results, while detailed assumptions, emission factors, formulas and step-by-step calculations should be placed in the methodological annex.

MODE OF TRANSPORT	NATURE OF IMPACT	ROLE IN THE EMISSIONS STRUCTURE
Air travel	The most carbon-intensive mode of business travel due to high specific emissions per passenger-kilometer.	Accounts for the main share of the company's transport carbon footprint.
Rail travel	A less carbon-intensive alternative for domestic and regional journeys.	Contributes significantly less to total emissions than air travel.
Car journeys and taxis	Create an additional indirect impact that depends on distance, vehicle type and fuel.	A supplementary emissions category within business travel.

CHANGE VS THE PREVIOUS YEAR

-34.1%

in business travel emissions compared with the previous reporting year

Carbon Footprint of Business Travel

Compared with the previous reporting year, business travel emissions decreased by 34.1%. This indicates a significant reduction in the company's transport-related climate impact and may be linked to changes in the structure of travel, wider use of remote interaction, optimization of business trips and lower intensity of carbon-intensive journeys.

The key conclusion is that air travel remains the main source of emissions in the business travel category, while rail transport has a significantly lower carbon footprint. For BDO in Ukraine, this means that further management of transport emissions should focus on justifying air travel, prioritizing rail routes where possible, and combining business trips with remote work formats.

For the public report, BDO in Ukraine uses neutral and professional wording regarding climate impact. Figurative comparisons, such as those with the weight of animals or other non-standard equivalents, are best reserved for separate communication materials or infographics based on the report. If a everyday equivalent is used in the report, it should be standard and climate-related, for example: "the volume of emission reductions corresponds to the approximate annual CO_2 absorption of a certain number of trees" — once the methodology and absorption factor have been confirmed.

Double Materiality: Financial and Non-Financial Impact

The assessment of the materiality of non-financial impacts shows that the most significant topics for BDO in Ukraine are social and governance ones: own workforce, equality and non-discrimination, staff retention and development, quality of professional services, business ethics, confidentiality and data protection. Environmental impacts have a lower level of materiality due to the non-production nature of the company's activities, but remain relevant with regard to energy consumption, business travel, digital infrastructure, resource use and electronic waste.

#	Topic	Sub-topic	Sub-sub-topic	Impact description	Own operations, upstream or downstream value chain	Positive / negative	Actual / potential	Scale	Scope	Irremediability	Overall severity	Likelihood	Short- / medium- or long-term
S1-1	S1 Own workforce	Equal treatment and opportunities	Gender equality, equal pay, non-discrimination	Creating equal opportunities for employees in hiring, development, pay, promotion and participation in management processes.	Own operations	Positive	Actual	High	High	Medium / High	High	N/A (actual)	Long-term
S1-2	S1 Own workforce	Working conditions	Fair pay, staff development and retention	Supporting professional development, competitive remuneration and the retention of key specialists on whom the quality of advisory services depends.	Own operations	Positive	Actual	High	High	High (lasting benefit)	High	N/A (actual)	Long-term

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Impact description	Own operations, upstream or downstream value chain	Positive / negative	Actual / potential	Scale	Scope	Irremediability	Overall severity	Likelihood	Short- / medium- or long-term
S1-3	S1 Own workforce	Working conditions	Burnout, workload and work-life balance	Intensive projects, deadlines, remote work and the wartime context may increase stress, overload and the risk of employee burnout.	Own operations	Negative	Potential	High	Medium / High	Medium	High	Medium / High (negative)	Short- / medium-term
S1-4	S1 Own workforce	Corporate culture	Inclusion, psychological safety and prevention of harassment	Creating a safe environment in which employees can openly express their views, report problems and take part in team interaction without discrimination or pressure.	Own operations	Positive	Actual	High	High	High (lasting benefit)	High	N/A (actual)	Long-term

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Impact description	Own operations, upstream or downstream value chain	Positive / negative	Actual / potential	Scale	Scope	Irremediability	Overall severity	Likelihood	Short- / medium- or long-term
S1-5	S1 Own workforce	Channels for raising concerns	Complaint filing and handling mechanisms	A reporting channel has been introduced and is operational; 100% of the reports received have been processed. In financial year 2025, 3 reports were received and handled through the channel, which reflects the functionality of the early-warning mechanism rather than a target for the number of incidents.	Own operations	Positive	Actual / Potential	Medium / High	High	Medium / High	High	Medium (positive)	Medium-term

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Impact description	Own operations, upstream or downstream value chain	Positive / negative	Actual / potential	Scale	Scope	Irremediability	Overall severity	Likelihood	Short- / medium- or long-term
S1-6	S1 Own workforce	Remote work	Ergonomics, isolation and inequality of employee experience	The remote work model may create risks of isolation, reduced access to mentoring, uneven visibility of results and problems with the ergonomics of the home workplace.	Own operations	Negative	Potential	Medium	High	Medium	Medium / High	Medium (negative)	Medium-term
S4-1	S4 Consumers and end-users	Service quality	Quality of advisory opinions and professional recommendations	High-quality consulting, audit, tax and advisory services can positively influence clients' decisions, their resilience, investment readiness and compliance with regulatory requirements.	Downstream chain / clients	Positive	Actual	High	Medium / High	High (lasting effect)	High	N/A (actual)	Medium- / long-term

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Impact description	Own operations, upstream or downstream value chain	Positive / negative	Actual / potential	Scale	Scope	Irremediability	Overall severity	Likelihood	Short- / medium- or long-term
S4-2	S4 Consumers and end-users	Service quality	Errors in reports, opinions or recommendations	Errors in analytics, methodology, reports or professional opinions may negatively affect clients' management decisions and trust in professional services.	Downstream chain / clients	Negative	Potential	High	Medium	Medium / High	High	Medium (negative)	Short- / medium-term
S4-3	S4 Consumers and end-users	Confidentiality	Protection of personal and client data	The processing of personal data, commercial information and confidential client documents creates a material impact on the privacy rights of clients, contact persons and employees.	Own operations / clients	Negative	Potential	High	High	High	High	Medium / High (negative)	Short- / medium-term

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Impact description	Own operations, upstream or downstream value chain	Positive / negative	Actual / potential	Scale	Scope	Irremediability	Overall severity	Likelihood	Short- / medium- or long-term
G1-1	G1 Business conduct	Business ethics	Professional integrity, independence and conflicts of interest	Adherence to professional ethics, independence, anti-corruption principles and the management of conflicts of interest has a critical impact on the trust of clients, the market and employees.	Own operations / clients	Positive	Actual	High	High	High (lasting benefit)	High	N/A (actual)	Long-term
G1-2	G1 Business conduct	Business ethics	Potential ethical violations or non-compliance with policies	Violations of ethical standards, independence, confidentiality or internal procedures may undermine trust in the company and in professional institutions.	Own operations / clients	Negative	Potential	High	Medium / High	High	High	Low / Medium (negative)	Long-term

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Impact description	Own operations, upstream or downstream value chain	Positive / negative	Actual / potential	Scale	Scope	Irremediability	Overall severity	Likelihood	Short- / medium- or long-term
G1-3	G1 Business conduct	Corporate governance	Integration of ESG into the governance system	Embedding ESG approaches in policies, risk management, decision-making and reporting increases the transparency, accountability and quality of the company's governance.	Own operations	Positive	Actual / Potential	Medium / High	High	High (long-lasting effect)	High	Medium (positive)	Medium- / long-term
G1-4	G1 Business conduct	Suppliers	Responsible management of contractors and external experts	Engaging IT providers, cloud services, consultants or other contractors may affect the quality, confidentiality and continuity of services.	Upstream chain / own operations	Negative	Potential	Medium	Medium	Medium	Medium	Medium (negative)	Short- / medium-term

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Impact description	Own operations, upstream or downstream value chain	Positive / negative	Actual / potential	Scale	Scope	Irremediability	Overall severity	Likelihood	Short- / medium- or long-term
E1-1	E1 Climate change	Mitigation	Emissions from offices, IT, remote work and business travel	Non-production activities have a limited direct climate impact, but emissions arise from office electricity, cloud services, IT equipment and business trips.	Own operations / upstream chain	Negative	Actual	Low / Medium	Medium	Medium	Medium	N/A (actual)	Long-term
E1-2	E1 Climate change	Mitigation	Emission reductions through digitalizatio n and remote work	A predominantly remote work format can reduce the impact of daily commuting to the office and the consumption of office resources.	Own operations	Positive	Actual	Medium	High	Medium / High	Medium / High	N/A (actual)	Medium- / long-term

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Impact description	Own operations, upstream or downstream value chain	Positive / negative	Actual / potential	Scale	Scope	Irremediability	Overall severity	Likelihood	Short- / medium- or long-term
E5-1	E5 Resources and circularity	Resource use	Electronic document management and reduced paper use	The transition to digital processes reduces the consumption of paper, printing, archive space and office supplies.	Own operations	Positive	Actual	Medium	Medium / High	Medium	Medium	N/A (actual)	Medium-term
E5-2	E5 Resources and circularity	Waste	IT equipment and electronic waste	The use of laptops, peripheral equipment and mobile devices creates a potential impact through electronic waste and the need for responsible disposal.	Own operations / upstream chain	Negative	Potential	Low / Medium	Medium	Medium	Medium	Medium (negative)	Medium- / long-term

Double Materiality: Financial and Non-Financial Impact

The financial materiality assessment shows that BDO in Ukraine's most significant financial risks are concentrated in the areas of professional ethics, service quality, data confidentiality, cybersecurity, staff retention and client experience. The greatest opportunities are linked to the development of ESG, risk advisory, cybersecurity and international consulting services, as well as ~~and~~ to greater efficiency through digitalization and the remote work format. Environmental financial impacts are smaller in scale, but remain relevant due to client expectations, tender requirements, emissions accounting, IT infrastructure and office resource management.

#	Topic	Sub-topic	Sub-sub-topic	Risk classification	Risk / opportunity description	Own operations, upstream or downstream value chain	Time horizon	Risk / opportunity	Scale of financial impact	Rationale for the scale assessment	Likelihood	Rationale for the likelihood assessment
G1-1	G1 Business conduct	Ethics and compliance	Independence, conflicts of interest, anti-corruption	Legal / reputational	Fines, contract terminations, loss of clients or restrictions on participation in~~-~~tenders due to breaches of independence, conflicts of interest or non-compliance with ethical standards.	Own operations; clients	Long-term	Risk	High	For professional services, trust, independence and integrity are key intangible assets, the loss of which can have a direct impact on revenue and market access.	Low / medium	The risk is not a daily one, but remains significant due to the complexity of client relationships, participation in tenders and high expectations of professional ethics.

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Risk classification	Risk / opportunity description	Own operations, upstream or downstream value chain	Time horizon	Risk / opportunity	Scale of financial impact	Rationale for the scale assessment	Likelihood	Rationale for the likelihood assessment
G1-2	G1 Business conduct	Service quality	Errors in reports, opinions or consultations	Legal / operational / reputational	Compensation, rework, client claims, reduced repeat sales or loss of clients due to errors in consulting, audit, tax or advisory opinions.	Own operations; downstream chain — clients	Short- / medium-term	Risk	High	BDO's core product is professional judgment, analytics and intellectual output; errors can quickly turn into financial claims and lost future revenue.	Medium	The likelihood depends on project complexity, team workload, the quality of review procedures and document version control.
G1-3	G1 Business conduct	ESG reporting and governance	Failure to meet the ESRS / CSRD expectations of clients or the network	Regulatory / market	Loss of competitiveness, additional costs of refining policies, procedures, metrics and reporting due to insufficient integration of ESG into corporate governance.	Own operations	Medium-term	Risk	Medium	The financial effect manifests itself through the costs of methodology, training and data collection, and a potential decline in attractiveness for clients with high ESG requirements.	Medium	The ESG expectations of clients and the international network are gradually rising, so the risk intensifies over the medium term.

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Risk classification	Risk / opportunity description	Own operations, upstream or downstream value chain	Time horizon	Risk / opportunity	Scale of financial impact	Rationale for the scale assessment	Likelihood	Rationale for the likelihood assessment
G1-4	G1 Business conduct	Responsible supplier management	IT providers, cloud services, external experts	Operational / contractual	Additional costs, project delays or client claims due to inadequate quality of contractors' work, NDA breaches, cloud service outages or dependence on critical suppliers.	Upstream chain; own operations	Short- / medium -term	Risk	Medium	BDO's value chain is not broad, but certain IT and expert suppliers may be critical to service continuity.	Medium	The likelihood is moderate given the use of external digital services, cloud solutions and the possible engagement of highly specialized experts.
S1-1	S1 Own workforce	Workforce stability	Turnover and a shortage of qualified specialists	Operational / market	Rising hiring, onboarding and training costs; loss of billable hours; reduced project margins due to a lack of expertise or the departure of key employees.	Own operations	Short- / medium -term	Risk	High	In consulting, financial results depend directly on the qualifications, availability and productivity of the team.	Medium / high	The professional services market is competitive, and the wartime context and remote work may affect talent retention.

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Risk classification	Risk / opportunity description	Own operations, upstream or downstream value chain	Time horizon	Risk / opportunity	Scale of financial impact	Rationale for the scale assessment	Likelihood	Rationale for the likelihood assessment
S1-2	S1 Own workforce	Well-being and workload	Burnout, overtime, work-life balance	Operational	Loss of productivity, more sick leave, errors in work, delayed deliverables and additional costs of supporting or replacing employees.	Own operations	Short-term	Risk	Medium / high	Team overload can directly affect service quality, delivery timelines and project profitability.	Medium / high	The likelihood is elevated for a project-based business with peak deadlines, simultaneous client requests and a remote work model.
S1-3	S1 Own workforce	Equality and non-discrimination	Gender equality, equal opportunities, inclusion	Reputational / workforce	Financial losses through a weakened employer brand, hiring difficulties, staff turnover or reputational claims if equality and non-discrimination policies are insufficiently implemented.	Own operations	Medium- / long-term	Risk	Medium	The impact manifests itself through the ability to attract and retain talent, especially for a company whose main asset is human capital.	Medium	The likelihood depends on the quality of implementation of the Gender Equality Plan, the inclusion policies and the monitoring mechanisms.

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Risk classification	Risk / opportunity description	Own operations, upstream or downstream value chain	Time horizon	Risk / opportunity	Scale of financial impact	Rationale for the scale assessment	Likelihood	Rationale for the likelihood assessment
S1-4	S1 Own workforce	Staff development	Training, mentoring, professional certification	Operational / market	Growth in revenue and margins through upskilling teams, developing new services, cross-selling and strengthening expertise.	Own operations	Medium- / long-term	Opportunity	High	Investment in training can directly improve service quality, productivity, the seniority mix and the company's ability to deliver more complex projects.	High	For a consulting business, developing expertise is a constant driver of financial results and competitiveness.
S4-1	S4 Consumers and end-users	Data confidentiality and security	Leak of client or personal data	Legal / cyber / reputational	Fines, legal costs, compensation, response costs, loss of contracts or clients due to the leak, loss or unauthorized disclosure of confidential information.	Own operations; clients; IT providers	Short- / medium-term	Risk	High	BDO processes personal data, client documentation and commercially sensitive information; an incident could have a direct financial and reputational effect.	Medium / high	The likelihood is increased by remote work, the use of cloud services, electronic document management and phishing attacks.

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Risk classification	Risk / opportunity description	Own operations, upstream or downstream value chain	Time horizon	Risk / opportunity	Scale of financial impact	Rationale for the scale assessment	Likelihood	Rationale for the likelihood assessment
S4-2	S4 Consumers and end-users	Client experience	Loss of key clients or reduced repeat sales	Market / reputational	Reduced revenue due to client dissatisfaction with the quality, timelines, communication or cost of services.	Downstream chain — clients	Short- / medium-term	Risk	High	For professional services, repeat sales, referrals and long-term relationships are important sources of income.	Medium	The likelihood depends on team workload, the quality of project management and communication, and the ability to demonstrate the value of services.
E1-1	E1 Climate change	Emissions and energy	Offices, IT infrastructure, cloud services, business travel	Regulatory / market	Additional costs of emissions accounting, energy efficiency, reducing business travel, and collecting data for client or tender ESG requirements.	Own operations; upstream chain	Medium-term	Risk	Low / medium	Due to the non-production model, the direct climate impact is limited, but financial costs may arise from the requirements of clients, tenders and the network.	Medium	The likelihood is moderate, as clients' ESG inquiries and carbon footprint requirements are gradually increasing.

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Risk classification	Risk / opportunity description	Own operations, upstream or downstream value chain	Time horizon	Risk / opportunity	Scale of financial impact	Rationale for the scale assessment	Likelihood	Rationale for the likelihood assessment
E1-2	E1 Climate change	Remote work and digitalization	Reduced office costs and travel	Operational / market	Savings on office resources, utility costs and part of business travel thanks to remote work and digital document management.	Own operations	Short- / medium-term	Opportunity	Medium	The remote format can reduce operating costs, but requires investment in IT, security and team management.	High	The opportunity is already supported by the nature of BDO's work, where most processes can be performed digitally.
E5-1	E5 Resources and circularity	IT equipment and electronic waste	Procurement, use and disposal of equipment	Operational / reputational	Additional costs of upgrading, tracking, secure decommissioning and responsible disposal of laptops, phones and peripheral equipment.	Own operations; upstream chain	Medium- / long-term	Risk	Low / medium	The scale is lower than for manufacturing companies, but IT equipment is a critical resource for remote work and cybersecurity.	Medium	Equipment upgrades are a regular process, and requirements for secure data deletion and responsible disposal may become stricter.

Double Materiality: Financial and Non-Financial Impact

#	Topic	Sub-topic	Sub-sub-topic	Risk classification	Risk / opportunity description	Own operations, upstream or downstream value chain	Time horizon	Risk / opportunity	Scale of financial impact	Rationale for the scale assessment	Likelihood	Rationale for the likelihood assessment
G1-5	G1 Business conduct	Development of ESG services	ESG reporting, ESRS, risk advisory, cybersecurity	Market / strategic	Additional income from growing demand for ESG consulting, ESRS preparation, risk assessment, cybersecurity and the integration of sustainability into clients' business processes.	Own operations; clients	Medium - / long-term	Opportunity	High	Expanding ESG and risk advisory services can create new revenue streams and cross-sales and strengthen BDO's position as a strategic advisor.	High	Regulatory changes and the ESG reporting requirements of investors and clients create steady demand for such services.
G1-6	G1 Business conduct	Financing and reputation	Access to grants, partnerships and international projects	Financing / market	The opportunity to participate in international programs, donor-funded projects, partnerships and Ukraine recovery projects, provided the company has a strong ESG position and reputation.	Own operations; partners; clients	Medium - / long-term	Opportunity	Medium / high	A strong reputation, the international network and ESG competencies can improve access to major client and partnership opportunities.	Medium / high	The likelihood depends on the Ukraine recovery market, the activity of donor programs and partnerships, and the company's ability to demonstrate transparency and expertise.

SECTION 07

Environmental Aspects

Climate Change (GHG Emissions, Carbon Footprint Calculation)

In 2025, BDO in Ukraine continued to shape its approach to managing climate impacts, taking into account the non-production nature of the company's activities. The main sources of potential emissions are associated with electricity use in offices, leased infrastructure, business travel, IT equipment, cloud services and procurement. In the reporting period, the company discloses the available operational data on water, electricity and resource consumption, and identifies the preparation of a full baseline for Scope 1, Scope 2 and the relevant Scope 3 categories as a priority for 2026. Until the baseline assessment is completed, the climate targets are treated as a roadmap requiring further validation, refinement of the methodology and integration into the regular monitoring system.

Climate Change (GHG Emissions, Carbon Footprint Calculation)

During the reporting period, the Company's employees covered 264 900 passenger-kilometers on business trips, including 113 660 km by air, 129 480 km by rail and 21 760 km by bus. The calculation was performed using the distance-based method provided by the GHG Protocol for Scope 3, Category 6 "Business travel". An average emission factor per passenger-kilometer was applied for each mode of transport. Total greenhouse gas emissions from business travel amounted to 31.84 t CO_2e, of which 24.84 t CO_2e related to air travel, 6.41 t CO_2e to rail transport and 0.59 t CO_2e to bus transport. For aviation, the calculation takes into account not only CO_2 from the combustion of aviation fuel, but also other greenhouse gases, indirect fuel-cycle emissions and the additional non-CO_2 climate impact of flights. For rail and bus journeys, average factors were applied due to the lack of data on the actual type of traction, fuel, vehicle model and occupancy.

31.84 t CO_2e

total emissions from business travel in the reporting period

264 900

passenger-kilometers on business trips

Air transport	**113 660 km**
Rail transport	**129 480 km**
Bus transport	**21 760 km**

Climate Change (GHG Emissions, Carbon Footprint Calculation)

Under the GHG Protocol, the transportation of employees for business purposes in vehicles not owned or controlled by the company falls under Scope 3, Category 6 “Business travel”. Where information on the mode of transport and distance is available, the distance-based method is applied:

Emissions, kg CO_2e = distance, passenger-km × emission factor, kg CO_2e/passenger-km

The GHG Protocol provides for the use of factors for each mode of transport and allows adjustments for the non-CO_2 impacts of aviation, including radiative forcing, provided the factor used is properly disclosed.

In this report, for each mode of transport, the distance, the CO_2 emissions from direct fuel combustion and the total CO_2e emissions are presented separately.

1. Input Data

MODE OF TRANSPORT	DISTANCE ACCOUNTED FOR, PASSENGER-KM
Air travel	113 660
Rail transport	129 480
Bus	21 760
Total	**264 900**

Kilometers are treated as passenger-kilometers, since each line in the business travel data set corresponds to one employee’s trip. If the same route is recorded for several employees, it is justifiably counted several times.

Climate Change (GHG Emissions, Carbon Footprint Calculation)

The factors were derived from the figures already approved in the previous ESG report:

MODE OF TRANSPORT	ENERGY / FUEL TYPE	CO_2 FROM COMBUSTION, KG CO_2/PASS.-KM	TOTAL FACTOR, KG CO_2E/PASS.-KM
Air travel	Aviation kerosene	0.1150	**0.2185**
Rail transport	Average traction mix: electricity and diesel fuel	0.0450	**0.0495**
Bus	Diesel fuel, average bus	0.0267	**0.0271**

The previous report contained the following reference data: air travel — 191 046 km and 41 744 kg CO_2e; rail transport — 125 064 km and 6 191 kg CO_2e; bus transport — 12 860 km and 349 kg CO_2e. The per-passenger-kilometer factors applied were derived from these ratios.

The official UK DESNZ/Defra factors are also structured by mode of transport and activity and are intended for calculating emissions based on fuel volumes, electricity or distance traveled. The 2025 set may be used by UK and international organizations; the methodology separately covers buses, passenger rail transport, aviation, indirect emissions from fuel production and the non-CO_2 impacts of aviation.

Climate Change (GHG Emissions, Carbon Footprint Calculation)

3.1. Air Travel

Distance: 113 660 passenger-km Fuel type: aviation kerosene CO_2 factor: 0.1150 kg CO_2/pass.-km CO_2e factor: 0.2185 kg CO_2e/pass.-km

CO_2 from the direct combustion of aviation fuel: 113 660 × 0.1150 = 13 071 kg CO_2 **Full climate impact:** 113 660 × 0.2185 = 24 835 kg CO_2e

Air travel — 24.84 t CO_2e

For aviation, total CO_2e significantly exceeds CO_2 from fuel combustion alone, as it accounts for CH_4, N_2O, indirect emissions from aviation fuel production and the additional non-CO_2 climate impact of flights. The GHG Protocol allows the use of multipliers or other adjustments for radiative forcing, but requires disclosure of the approach applied.

3.2. Rail Transport

Distance: 129 480 passenger-km Energy sources: electricity and diesel fuel in the average rail traction mix CO_2 factor: 0.0450 kg CO_2/pass.-km CO_2e factor: 0.0495 kg CO_2e/pass.-km

CO_2: 129 480 × 0.0450 = 5 827 kg CO_2 **CO_2e:** 129 480 × 0.0495 = 6 410 kg CO_2e

Rail transport — 6.41 t CO_2e

This is an average factor for passenger rail transport. As the routes ran through Ukraine and other European countries, and the exact ratio of electric to diesel traction for each journey is unknown, it is not possible to allocate kilometers separately between electricity and diesel fuel. The GHG Protocol explicitly recommends using average national or transport-specific factors where actual information on the type of vehicle or fuel consumption is unavailable.

3.3. Bus Transport

Distance: 21 760 passenger-km Fuel type: diesel Vehicle type: average bus CO_2 factor: 0.0267 kg CO_2/pass.-km CO_2e factor: 0.0271 kg CO_2e/pass.-km

CO_2: 21 760 × 0.0267 = 580 kg CO_2 **CO_2e:** 21 760 × 0.0271 = 591 kg CO_2e

Bus transport — 0.59 t CO_2e

The factor is applied per passenger-kilometer, meaning it already accounts for the average capacity and average occupancy of a bus. There is therefore no need to further divide bus emissions by a notional number of seats. The UK methodology for calculating transport factors also separately addresses direct bus emissions, average passenger occupancy and indirect fuel emissions.

Climate Change (GHG Emissions, Carbon Footprint Calculation)

MODE OF TRANSPORT	DISTANCE, PASS.-KM	CO_2 FROM COMBUSTION, KG	TOTAL EMISSIONS, KG CO_2E	TOTAL EMISSIONS, T CO_2E
Air travel	113 660	13 071	24 835	**24.84**
Rail transport	129 480	5 827	6 410	**6.41**
Bus	21 760	580	591	**0.59**
Total	**264 900**	**19 478**	**31 835**	**31.84**

HEADLINE FIGURE

31.84 t CO_2e

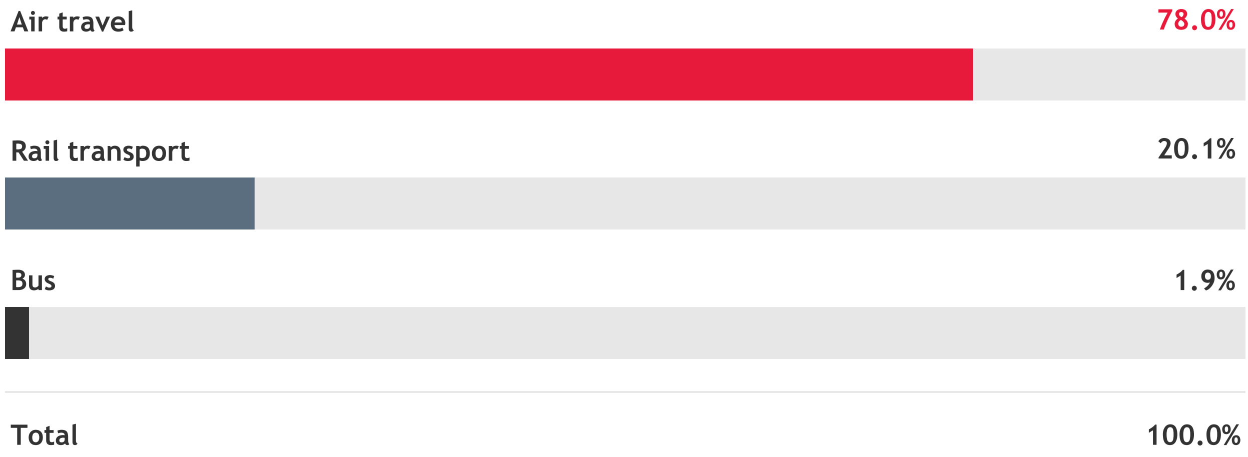
total carbon footprint of business travel

Of which:

- 19.48 t CO_2 — estimated emissions directly from fuel combustion and electricity generation
- 12.36 t CO_2e — the difference attributable to other greenhouse gases, fuel preparation and supply, electricity generation and the non-CO_2 impacts of aviation.

Climate Change (GHG Emissions, Carbon Footprint Calculation)

Although air travel accounts for around 42.9% of the total distance, it generates approximately 78.0% of the business travel carbon footprint. Rail transport accounts for approximately 48.9% of the distance but only 20.1% of emissions. This confirms that replacing some short-haul flights with rail routes is the most obvious way to reduce Scope 3, Category 6 emissions.



Climate Change (GHG Emissions, Carbon Footprint Calculation)

The comparison follows the same logic: Scope 3, Category 6 “Business travel”, distance-based method. Under the GHG Protocol, emissions are determined by multiplying the passenger-kilometers for each mode of transport by the corresponding emission factor.

Overall CO_2e Comparison

MODE OF TRANSPORT	PREVIOUS YEAR, T CO_2E	REPORTING YEAR, T CO_2E	CHANGE, T CO_2E	CHANGE, %
Air travel	41.744	24.835	-16.909	-40.5%
Rail transport	6.191	6.410	+0.219	+3.5%
Bus	0.349	0.591	+0.242	+69.3%
Total	**48.284**	**31.836**	**-16.448**	**-34.1%**

KEY CONCLUSION

Total emissions from business travel decreased by 16.45 t CO_2e, or 34.1%. In the previous year, emissions amounted to 48.28 t CO_2e, compared with 31.84 t CO_2e in the reporting year.

MEASURING THE YEAR-ON-YEAR DIFFERENCE IN EMISSIONS IN ELEPHANTS

8.78

elephants — previous year
48.28 t CO_2e ÷ 5.5 t/elephant

5.79

elephants — reporting year
31.84 t CO_2e ÷ 5.5 t/elephant

Climate Risks Based on Our Impact

Climate change creates physical and transition risks for the Company that can affect business continuity, employee productivity, office availability, the reliability of energy supply and ICT infrastructure, the fulfillment of contractual obligations, and operating and capital expenditure.

At the same time, the transition to a low-carbon economy creates opportunities to develop services in climate reporting, scenario analysis, climate risk management, the quantification of greenhouse gas emissions and the assurance of climate information.

Climate Risks Based on Our Impact

The assessment was carried out using global warming scenarios of 1.5°C, 2.7°C and 4°C. The 1.5°C scenario was applied mainly to analyze transition risks and opportunities related to stricter regulation, decarbonization, changing technologies and client expectations. The 2.7°C and 4°C scenarios were used to assess physical risks, including heat waves, extreme precipitation, flooding and disruptions to energy and telecommunications networks.

For each risk and opportunity, the drivers, time horizons, potential financial effect, likelihood and scale of impact, early indicators and key response measures were identified. The matrix below makes it possible to prioritize management decisions, monitor changes in the Company's risk profile in a timely manner, and plan measures for prevention, mitigation and adaptation to climate change.

LIKELIHOOD ↓ / IMPACT →	1 VERY LOW	2 LOW	3 MEDIUM	4 HIGH	5 CRITICAL
5 Very high					
4 High			R5	R2, O1	R1
3 Medium			R8, R9, R11	R6, R7	R3, R4
2 Low			R10		
1 Very low					

Climate Risks Based on Our Impact

CODE · TYPE	RISK / OPPORTUNITY · DRIVER	SCENARIO · TIME HORIZON	L × I = IXL · LEVEL	POTENTIAL FINANCIAL EFFECT (QUALITATIVE)	EARLY INDICATORS / TRIGGERS	MITIGATION / ADAPTATION MEASURES (KEY ACTIONS)
P-HEAT-2.7 Physical (chronic)	Heat waves / heat stress (staff productivity) Driver: rising average temperatures, more frequent heat waves	2.7°C · Short / medium	4 × 3 = 12 **High**	↑OpEx (cooling, OHS); ↓Revenue due to missed deadlines	Days >30°C; rising sick leave; complaints about indoor climate	Heat plan; HVAC upgrades; flexible schedules / remote-first during peaks
P-HEAT-4.0 Physical (chronic)	Same (intensified) Driver: longer / more intense heat waves	4°C · Medium / long	4 × 4 = 16 **Very high**	Significant ↑OpEx; potential ↑CapEx (office retrofit)	Days >35°C; systematic rise in summer energy costs	Thermal adaptation of offices (insulation / sun protection), revised schedules, occupational safety
P-FLOOD-2.7 Physical (acute)	Heavy rain / flooding (office availability, mobility) Driver: more intense precipitation	2.7°C · Short (seasonal)	3 × 3 = 9 **Medium**	↑OpEx (repairs / backup locations); ↓Revenue (disrupted meetings / fieldwork)	Precipitation forecasts; municipal service alerts; office accessibility incidents	BCP / remote; agreements with coworking spaces; site readiness (entrances / drainage)
P-FLOOD-4.0 Physical (acute)	Same (more frequent / severe) Driver: extreme precipitation becoming more frequent	4°C · Medium	4 × 4 = 16 **Very high**	↑OpEx (insurance, repairs); ↑CapEx (protection of premises / relocation of critical areas)	Rising insurance premiums; recurring downtime / damage	Site vulnerability assessment; strengthened protection; BCP scenario exercises

Climate Risks Based on Our Impact

CODE · TYPE	RISK / OPPORTUNITY · DRIVER	SCENARIO · TIME HORIZON	L × I = IXL · LEVEL	POTENTIAL FINANCIAL EFFECT (QUALITATIVE)	EARLY INDICATORS / TRIGGERS	MITIGATION / ADAPTATION MEASURES (KEY ACTIONS)
P-POWER-2.7 Physical (acute / systemic)	Weather-related power / connectivity outages Driver: storms / heat affecting networks	2.7°C · Short	3 × 4 = 12 High	↑OpEx (backup power / channels); risk of penalties / lost revenue (SLAs / contracts)	Operator warnings; VPN / cloud incidents; network failure rates	UPS / generators for critical areas; backup providers; DR / backup plans
P-POWER-4.0 Physical (acute / systemic)	Same (larger scale) Driver: more extreme events	4°C · Medium	4 × 4 = 16 Very high	Significant ↑OpEx / CapEx (IT resilience); potential security incident costs	Longer downtime durations; frequent restores from backups	Multi-region DR; regular recovery testing; elimination of single points of failure
T-REG-1.5 Transition (policy / legal)	Stricter requirements for climate reporting and climate assurance (CSRD / ESRS / IFRS S2) Driver: regulatory pressure, standardization of disclosures	1.5°C · Short / medium	4 × 4 = 16 Very high	↑OpEx (training, methodologies, IT); ↑Revenue (new services) / risk of penalties for non-compliance	Client inquiries (ESRS / IFRS S2); climate assurance tenders; regulatory updates	Developing the climate services portfolio; template library; training; strengthened QA

Climate Risks Based on Our Impact

CODE · TYPE	RISK / OPPORTUNITY · DRIVER	SCENARIO · TIME HORIZON	L × I = IXL · LEVEL	POTENTIAL FINANCIAL EFFECT (QUALITATIVE)	EARLY INDICATORS / TRIGGERS	MITIGATION / ADAPTATION MEASURES (KEY ACTIONS)
T-TRAVEL-1.5 Transition (policy / market)	Transport decarbonization → higher travel costs / travel restrictions Driver: carbon levies, client “travel reduction” policies	1.5˚C · Short / medium	4 × 3 = 12 **High**	↑OpEx (travel) or digitalization costs; potential ↓Revenue (on-site work) / savings from less travel	Share of air travel in business travel emissions; client policies on low-carbon delivery	Travel policy (rail-first); remote audit toolkit; route planning; travel MRV
T-REPUTE-1.5 Transition (reputation / legal)	Reputational / litigation risk: errors in climate disclosures / greenwashing Driver: rising transparency expectations, quality scrutiny	1.5˚C · Short / medium	3 × 5 = 15 **High**	Risk of lawsuits / penalties; ↓Revenue due to loss of trust; ↑OpEx on controls	Inconsistencies in internal QA; complaints / claims; media mentions	QA/QC for climate engagements; independent review; team training on greenwashing risks

Climate Risks Based on Our Impact

CODE · TYPE	RISK / OPPORTUNITY · DRIVER	SCENARIO · TIME HORIZON	L × I = IXL · LEVEL	POTENTIAL FINANCIAL EFFECT (QUALITATIVE)	EARLY INDICATORS / TRIGGERS	MITIGATION / ADAPTATION MEASURES (KEY ACTIONS)
T-ENERGY-1.5 Transition (market / tech)	Rising energy prices and office energy efficiency requirements Driver: decarbonization of the energy system, building requirements	1.5°C · Short / medium	4 × 3 = 12 **High**	↑OpEx (electricity); ↑CapEx (retrofit); potential savings from energy efficiency	Rising tariffs; landlord requirements; kWh consumption trends	Energy audit; LED / sensors; energy intensity KPIs; “green” energy contracts
T-MKT-1.5 Transition (market) opportunity	Growing demand for climate services (scenario analysis, risks, MRV) Driver: client need for transformation / reporting	1.5°C · Short / medium	4 × 3 = 12 **High**	↑Revenue; moderate ↑OpEx (hiring / training); investment in tools	Growth in RFPs / tenders; CSRD / ESRS / IFRS S2 inquiries	Climate services product line; standardized delivery; partnerships

Resource Use and Contribution to the Circular Economy

The Company tracks the consumption of water, electricity and paper, as well as the volumes of materials sent for recycling, in its Kyiv and Dnipro offices. Monitoring these indicators makes it possible to assess the resource efficiency of operations, identify opportunities to reduce resource consumption and support circular economy practices. Summarized resource use and waste management indicators for the reporting period are presented below.

Resource Use and Contribution to the Circular Economy

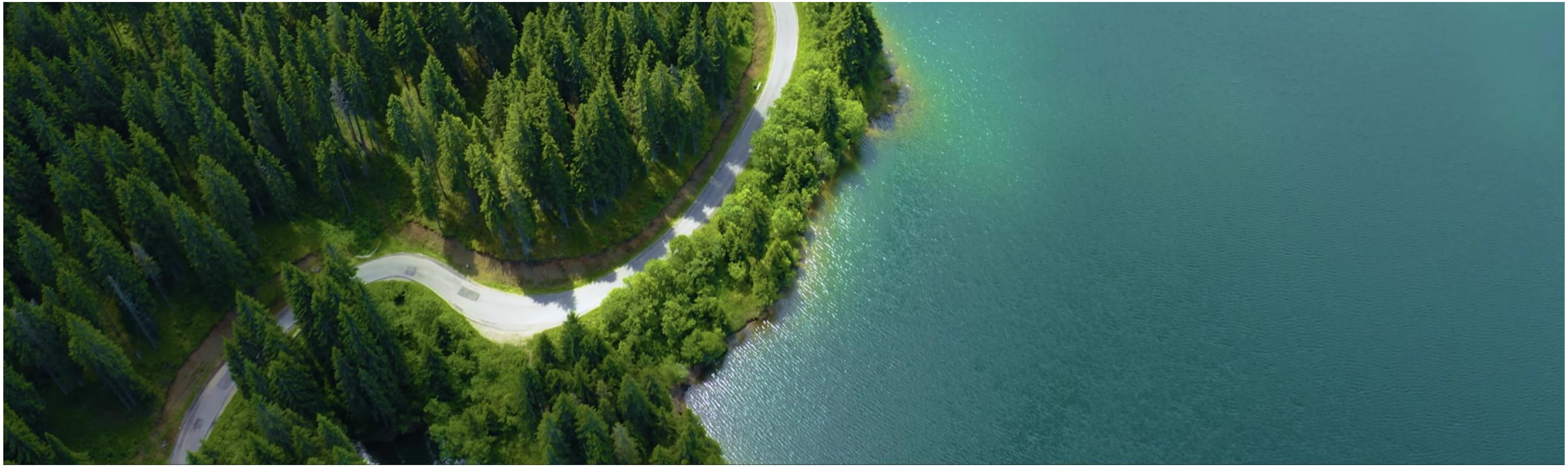
In the reporting period, the total water consumption of the Company's offices amounted to 172 m^3, of which 111 m^3 related to the Kyiv office and 61 m^3 to the Dnipro office. Total electricity consumption amounted to 40 162 kWh, including 22 713 kWh in Kyiv and 17 449 kWh in Dnipro.

Office operations used 262 reams of A4 paper (500 sheets each), of which 127 reams in Kyiv and 135 reams in Dnipro. As part of its efforts to support the circular use of resources, the Kyiv office handed over 575 kg of wastepaper and 11 kg of glass. No wastepaper handover was recorded for the Dnipro office, and no data are available on glass.

CATEGORY · INDICATOR	UNIT OF MEASUREMENT	KYIV	DNIPRO	TOTAL
Water resources · Water consumption	m^3	111	61	172
Energy resources · Electricity consumption	kWh	22 713	17 449	40 162
Material use and circular economy · Paper handed over as wastepaper	kg	575	0	575
Material use · A4 office paper, 500 sheets per ream	reams	127	135	262
Circular economy · Glass sent for recycling	kg	11	n/a	11[1]

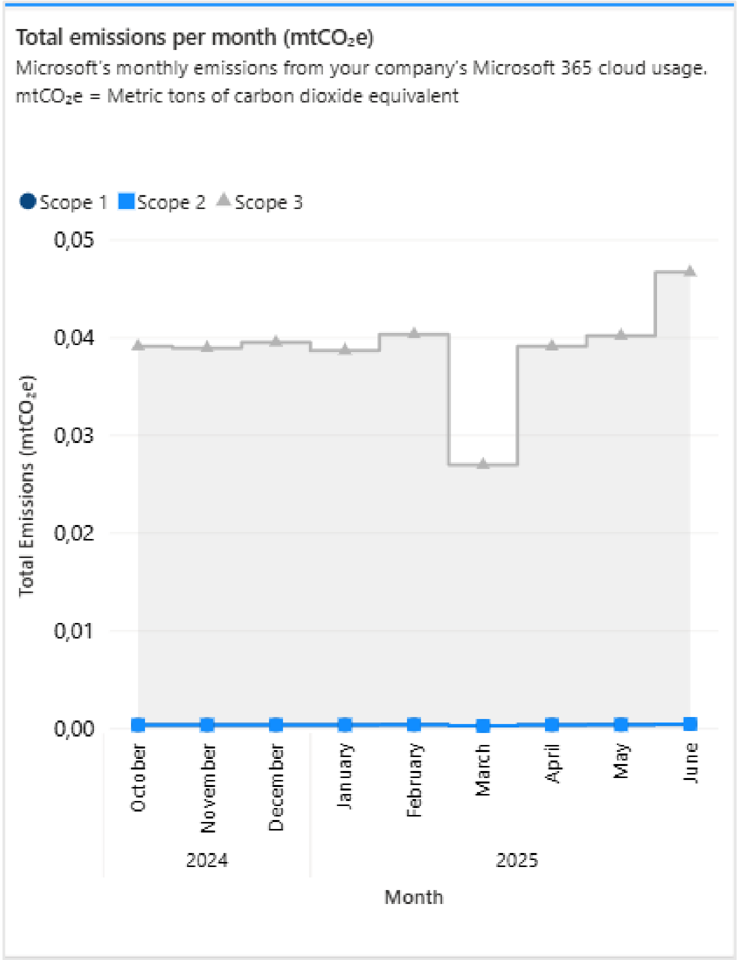
Resource Use and Contribution to the Circular Economy

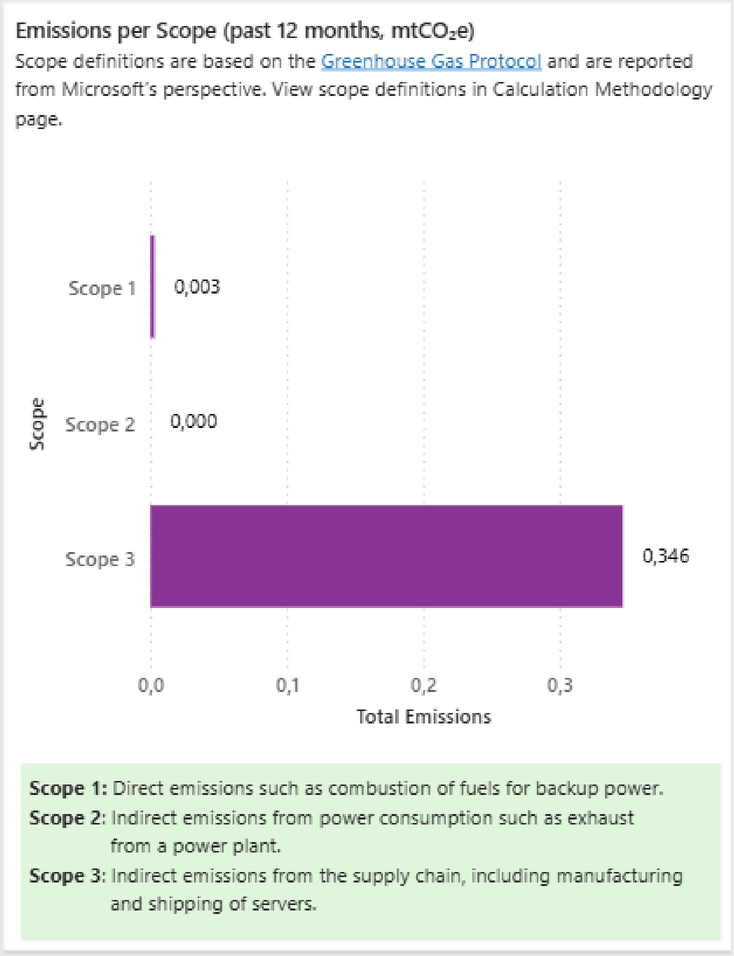
The Company makes active use of the Microsoft 365 cloud environment to ensure business process continuity, remote work, electronic document management, project collaboration and corporate data storage. The use of cloud services reduces the need for local server infrastructure, increases the flexibility of the team's work and supports the digitalization of internal processes. At the same time, the operation of cloud services is accompanied by indirect greenhouse gas emissions associated with the operation of data centers, electricity consumption, equipment cooling and the production of IT infrastructure.



Resource Use and Contribution to the Circular Economy

In the reporting period, the estimated carbon footprint of the use of Microsoft 365 services amounted to 0.349 t CO_2e. The largest share of emissions (0.346 t CO_2e, or over 99%) falls under Scope 3, which covers indirect emissions associated with the production, supply and disposal of data center equipment and related supply chain components. Scope 1 emissions amounted to 0.003 t CO_2e, while Scope 2 emissions for the reporting period were zero as a result of Microsoft's market-based accounting approach and its purchase of renewable electricity to offset the electricity consumption of its data centers on an annual basis.





Resource Use and Contribution to the Circular Economy

The Company views digitalization, the use of cloud services and electronic document management as one of the tools for improving resource efficiency and reducing indirect environmental impacts, including paper consumption, physical document archiving and the use of local IT infrastructure. Going forward, the Company plans to continue monitoring emissions associated with the use of digital services, to include them in its greenhouse gas accounting system and to implement Green IT practices aimed at increasing the efficiency of digital resource use and reducing the climate impact of its activities.

Impact of IT Equipment Procurement on the Company's Carbon Footprint and Resource Impact

For companies operating in professional services, the main environmental impact is associated not with production processes but with the use of office and digital infrastructure. One of the significant sources of indirect greenhouse gas emissions is the procurement and operation of IT equipment, including laptops, monitors, printing equipment, network equipment and devices ensuring operational continuity. Although such equipment consumes relatively little electricity during use, a significant part of its environmental impact arises at the production stage, through the extraction of metals and minerals, the manufacture of electronic components, transportation and subsequent disposal.

In the reporting period, the Company continued to upgrade and expand its IT infrastructure to support digital transformation, the hybrid work format, information security and operational resilience. Procurement covered laptops, monitors, printing equipment, tablets, power stations and other auxiliary equipment. Such investments help increase employee productivity, reduce downtime risks, develop electronic document management and reduce the need for paper-based processes, but at the same time they create an indirect environmental impact that falls under the category of supply chain emissions (Scope 3).

Impact of IT Equipment Procurement on the Company’s Carbon Footprint and Resource Impact

To better understand the environmental impact of its procurement, the Company assessed the structure of the equipment purchased and its potential life-cycle carbon footprint. This approach makes it possible to take into account not only the equipment’s current energy consumption but also the broader impact associated with the use of natural resources, the generation of electronic waste and greenhouse gas emissions at the stages of production, transportation, use and end of life. Based on the results obtained, the Company identifies further opportunities to implement Green IT principles, responsible asset management and the circular economy.

EQUIPMENT CATEGORY	CATEGORY COMPOSITION	QUANTITY, UNITS	CONFIRMED COST, UAH
Laptops	Lenovo V15, Lenovo IdeaPad, Lenovo ThinkPad, Lenovo ThinkBook, 14 WUXCAM/i5 laptops	41	302 444.46
Monitors	Samsung, 34" monitor	11	28 124.16
Printing equipment	HP LJ printer, Canon printer, Canon MFP	3	16 866.65
Tablets	Samsung Galaxy with a cover and charger	2	n/a
Power stations	BLUETTI EP500, power station	2	n/a
Other IT and office	Logitech MK295 set, WT922/B-MB thermostat, Wi-Fi access point	3	n/a
Total	All categories	62	347 435.27

Assessment of the Potential Carbon Footprint of Procurement

For IT equipment, this impact typically covers embodied emissions from production, operational emissions from electricity consumption during use, and end-of-life emissions. The Quantum Lifecycle source cites typical ranges: laptop — 200–350 kg CO_2e, monitor — 150–300 kg CO_2e, tablet — 70–110 kg CO_2e, office laser printer — 300–500 kg CO_2e, Wi-Fi router or similar network equipment — 50–150 kg CO_2e. In addition, Ericsson provides representative embodied emission values for ICT devices: laptop — around 100 kg CO_2e, smartphone — 50 kg CO_2e, customer access equipment — 30 kg CO_2e, which confirms the significance of the production stage for IT devices.

CATEGORY	QUANTITY, UNITS	INDICATIVE FACTOR, KG CO_2E/UNIT	INDICATIVE IMPACT, T CO_2E
Laptops	41	275	**11.28**
Monitors	11	225	**2.48**
Printing equipment	3	400	**1.20**
Tablets	2	90	**0.18**
Power stations and other IT equipment	5	100	**0.50**
Total, baseline estimate	**62**	—	**15.63 t CO_2e**

15.63 t CO_2e

baseline estimate of the potential life-cycle carbon footprint of IT equipment procurement

Direct Action Initiatives

Employees of BDO in Ukraine’s Kyiv and Dnipro offices held an internal initiative, “Measured Changes”, aimed at reducing the environmental footprint and supporting vulnerable groups.

Its goal was to unite the team around the shared values of environmental awareness, responsible consumption and social assistance. Over several weeks, we collected wastepaper, books, clothing and footwear, which were handed over for recycling and charity. The initiative became an example of how local actions within a company can have a real impact on the environment and society.

Wastepaper recycling: real benefits for the environment

Paper is one of the most widespread types of waste in the world. Its proper recycling helps significantly reduce deforestation, save energy and water, and cut carbon dioxide (CO_2) emissions. According to estimates by environmental organizations, recycling just 1 kg of paper saves 3.5 kg of CO_2, while producing new paper requires cutting down approximately 17 trees. The results of the “Measured Changes” initiative demonstrate how even small efforts can achieve a significant effect:

- 182 kg of wastepaper collected in the Kyiv and Dnipro offices
- part of the materials was handed over to the No Waste Ukraine sorting station for recycling
- 15 kg of books went to the PEN Ukraine office for its “Unbreakable Libraries” project.

Such actions help reduce the burden on the ecosystem, support a culture of waste sorting and contribute to sustainable development.

Direct Action Initiatives

The “Measured Changes” initiative combined environmental awareness with social responsibility, as caring for people is an integral part of BDO’s corporate culture. Proactive employees also collected clothing and footwear for charitable organizations supporting vulnerable groups. The results of the initiative impressed even the organizers:

- employees of the two offices collected 161 kg of items;
- in Kyiv, the clothing was donated to the Laska charity store, which passes items on to charitable distribution funds and directs the proceeds from sales to social projects;
- in Dnipro, the items went to the “My Razom” (“We Are Together”) Support Center for IDPs of Kramatorsk district, which helps displaced people and families affected by the war.

This stage of the initiative was particularly emotional, as every item donated is not just material assistance but an expression of humanity and support at a difficult time for the country.

SHARED RESPONSIBILITY IS THE FOUNDATION OF BDO IN UKRAINE’S CORPORATE CULTURE

We pay considerable attention to building a culture of sustainable development within the company. Such initiatives matter not only from the perspective of the environment or charity, but also because they shape a corporate culture in which every employee understands the importance of their role in protecting nature and supporting socially significant initiatives. Taking part in “Measured Changes” enabled the team to: recognize the significance of a personal contribution to the environmental cause; feel a sense of team spirit and shared purpose; and become part of a larger process — building a responsible business environment in Ukraine.

BDO in Ukraine strives to be an active participant in this transformation — not as a one-off, but systematically. That is why events like “Measured Changes” should become an integral part of our corporate culture and daily practice. We will continue to support environmental, educational and social initiatives that promote sustainable development and help make our shared space more responsible and caring. Together, we can change the world for the better.

BDO tree impact

In early November, the teams of BDO in Ukraine’s Kyiv and Dnipro offices joined forces to take part in an urban greening initiative.
Employees of BDO in Ukraine took part in tree planting in Kyiv and Dnipro as part of the company’s initiative to reduce its carbon footprint.

Kyiv, Lake Pozniaky, 30 willows

Planting willows near lakes has several significant benefits:

- **Strengthening the shoreline:** the root system of willows holds the soil well, which reduces the risk of bank erosion and prevents collapses.
- **Water purification:** willows can absorb pollutants from water, including heavy metals and excess fertilizers. They filter water, contributing to the natural purification of lakes.
- **Reducing evaporation:** the shade of willows lowers the water temperature, reducing evaporation, which is important for maintaining a stable water level in dry regions.

Young willows (up to 10 years old) typically absorb an average of around 5-10 kg of CO_2 per year. This means that 30 young willows will be able to absorb around 150 kg of CO_2 in their first year of growth alone.

30

willows planted in Kyiv, Lake Pozniaky

20

pines planted in Dnipro, Lazar Hloba Park

~150 kg CO_2

to be absorbed by 30 young willows in their first year of growth

~100 kg CO_2

to be absorbed by 20 young pines in their first year of growth

The tree planting was organized together with the NGO “Million Trees” and with the support of the Kyivzelenbud municipal enterprise. Both company employees and their families and friends took part in the event.

BDO tree impact

Dnipro, Lazar Hloba Park, 20 pines

Planting pines in the center of Dnipro brought the following environmental benefits:

- **Improved air quality:** pines absorb carbon dioxide and release oxygen, helping to clean the air of harmful impurities. In addition, they release phytoncides — volatile substances with antibacterial properties that reduce the number of pathogenic microorganisms in the air.
- **Noise reduction:** the dense needles of pines effectively absorb sound waves, helping to reduce noise pollution in urban environments.
- **Providing shade and lowering temperatures:** tall trees create shade, which helps lower temperatures in summer and improves the urban microclimate.
- **Supporting biodiversity:** pines create a habitat for various species of birds and insects, helping to preserve the urban ecosystem.

Young pines up to 2–3 years old absorb an average of around 5 kg of CO_2 per year. This means that 20 young pines will be able to absorb around 100 kg of CO_2 in their first year of growth alone.

This initiative not only improves the urban environment but also underscores BDO in Ukraine's responsibility to society and nature, helping to create better conditions for future generations. In this way, ESG initiatives such as tree planting not only demonstrate the company's responsible attitude toward nature but also unite employees around shared values, creating a corporate culture focused on sustainable development.

We believe that business has the power to change the world — not only through economic performance, but also through everyday actions that shape an environmentally and socially responsible environment.

SECTION 08

Social Aspects

The Company's People: Working Conditions, Gender Balance, Mental Health, Support Programs and Continuous Learning

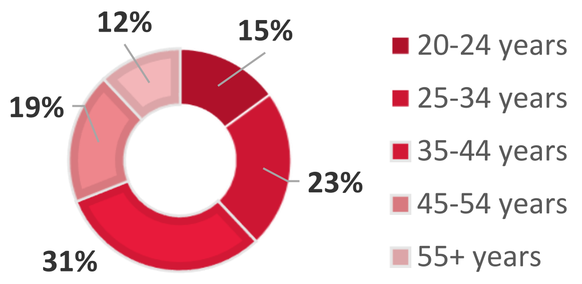
GENDER DISTRIBUTION, 2025 VS 2024

CATEGORY	INDICATOR	2025	2024
Company-wide	Women %	65%	65%
	Men %	35%	35%
Partners	Women %	36%	36%
	Men %	64%	64%
Professional staff	Women %	66%	65%
	Men %	34%	35%
Administrative staff	Women %	68%	68%
	Men %	32%	32%

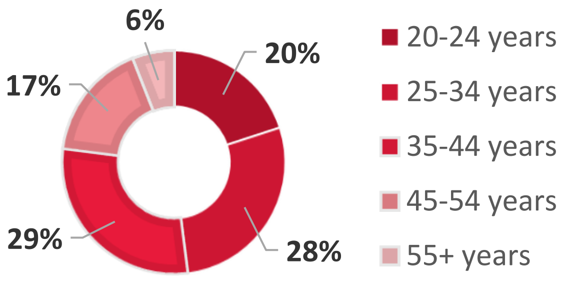
BREAKDOWN OF TRAINING HOURS IN 2025

TRAINING CATEGORY	SHARE	HOURS
Professional skills training	64%	79.7
Digital intelligence (digital skills) training	9%	10.8
General business (soft) skills training	18%	22
Training on mental health and wartime safety	10%	12.7
Total:		125.2

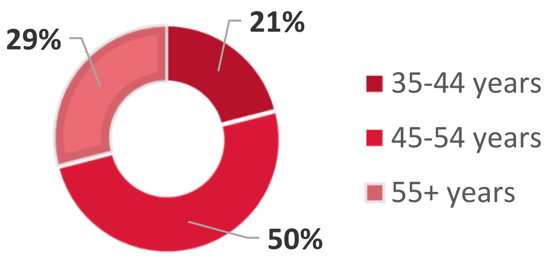
TOTAL NUMBER OF EMPLOYEES



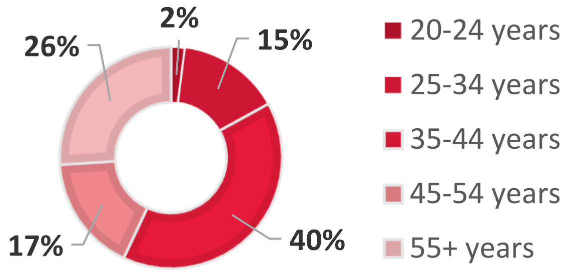
PROFESSIONAL STAFF



PARTNERS



ADMINISTRATIVE STAFF



The Company's People: Working Conditions, Gender Balance, Mental Health, Support Programs and Continuous Learning

Caring for the Physical and Mental Health of Employees and Their Families

- The improved voluntary health insurance program now covers new employees from the very start of their work with the company, including the probation period
- Voluntary flu vaccination was carried out, helping to preserve health and prevent the spread of viral diseases among employees
- Extension of the corporate life insurance program, which includes coverage of passive war risks for civilians
- Ensuring that office first aid kits are always stocked with first aid supplies
- Holding webinars on supporting mental health during the war
- Holding webinars by doctors on the link between stress and musculoskeletal pain, as well as on the principles of healthy eating.

Payment of financial assistance to employees in the event of important occasions or difficult life situations, such as:

- Marriage
- Birth of a child
- Serious illness of an employee and/or the need for surgery (the amount of assistance increased by 11% compared with last year)
- Serious illness, the need for surgery or the death of a close relative (the amount of assistance increased by 11% compared with last year).

Financial support for employees serving in the Armed Forces of Ukraine:

- One-time financial assistance to employees upon mobilization into the Armed Forces of Ukraine
- Payment of the average salary to employees mobilized into the Armed Forces of Ukraine, supporting not only them but also their families.
- Payment of the average salary to employees mobilized into the Armed Forces of Ukraine, supporting not only them but also their families.

+11%

- increase in financial assistance compared with last year

The Company’s People: Working Conditions, Gender Balance, Mental Health, Support Programs and Continuous Learning

In 2025, BDO in Ukraine continued its systematic work to support employees’ mental well-being. The annual program was aimed at strengthening emotional resilience, developing useful self-regulation skills, supporting balance during high-workload periods and fostering healthy communication patterns in teams.

1. Inner Resources and Self-Support

The session was held to identify available sources of inner resources, recognize internal limitations and develop an individual approach to restoring energy.

2. Causes of Energy Depletion

The session was held to analyze the factors that lead to energy loss and to recognize the conditions that help preserve inner resources

3. Processing Emotions in a Healthy Way

The webinar was aimed at building an understanding of the nature of emotions and of approaches that help experience stressful states more consciously and without excessive strain.

4. Stress and Its Physical Manifestations

The training session was held to demonstrate the link between psycho-emotional state and physical discomfort and to introduce physical relaxation techniques.

5. Conflicts and Their Resolution

The session was designed to develop approaches that allow disputes to be resolved constructively and without emotional exhaustion

6. Stress Management

The webinar was organized to build a better understanding of the impact of stress on a person and to introduce self-regulation practices that support a stable psycho-emotional state

7. Hidden Aggression in Interaction

The topic was chosen to explain the mechanisms of passive aggression, the ways it manifests itself and the response strategies that support psychological comfort in communication.

8. Depressive States and Self-Help

The session was designed to distinguish between the concepts of stress, burnout and depression, and to introduce everyday self-support strategies for difficult periods.

9. Nutrition and Energy

The webinar focused on the role of healthy eating in maintaining productivity, concentration and overall well-being.

10. Emotional Intelligence in Business

The webinar was held for managers to build an understanding of the role of emotions at work, create a psychologically safe atmosphere, work with empathy and foster a healthy corporate culture.

The Company's People: Working Conditions, Gender Balance, Mental Health, Support Programs and Continuous Learning

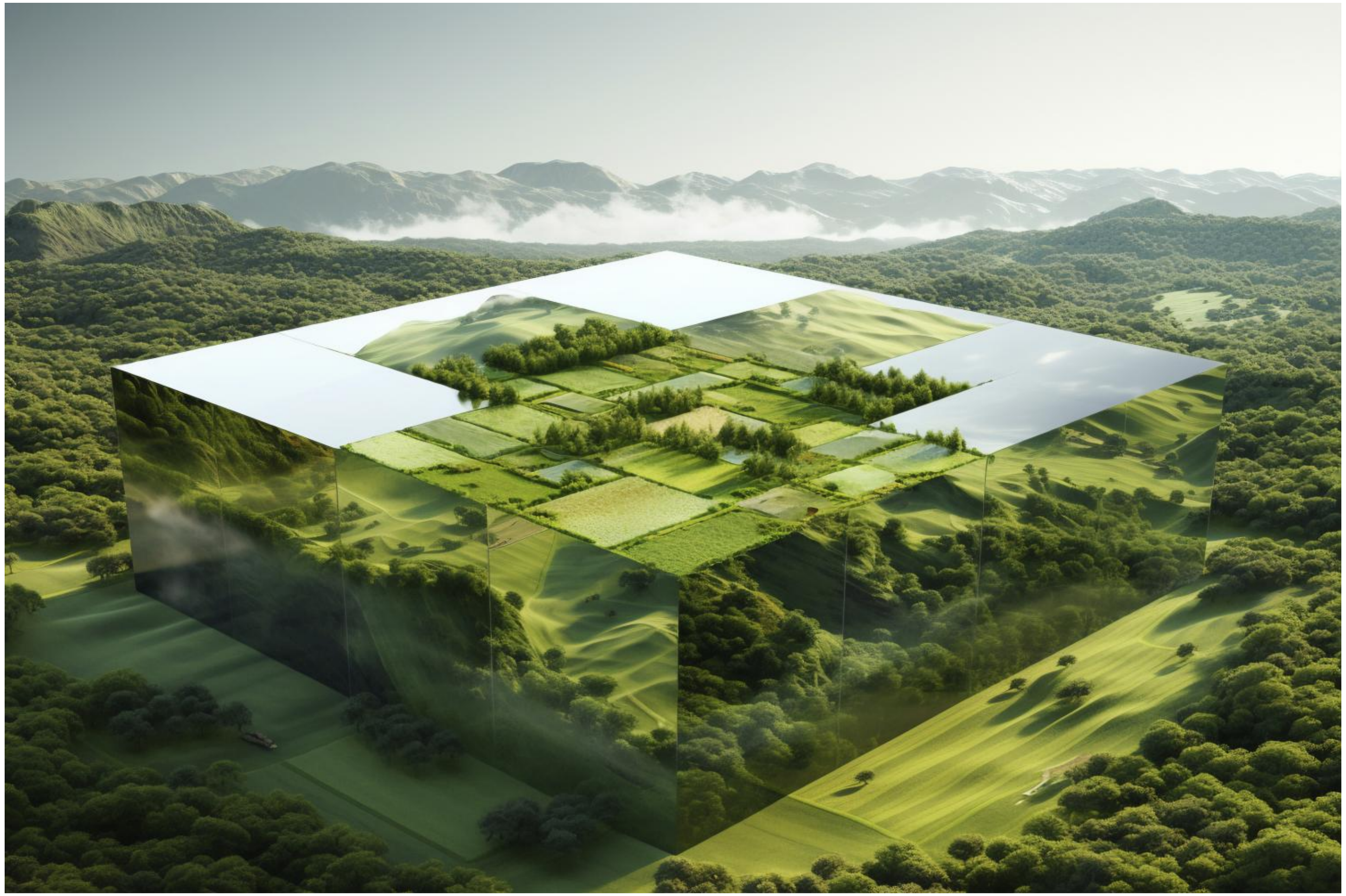
Throughout 2025, the average level of employee participation in the program's events was 50–60%, reflecting steady interest in the topic of mental well-being. According to a survey, 81% of colleagues noted that the Mental Health support initiatives bring them real benefit — 11% more than last year, demonstrating growing trust in the program and its relevance for the team.

50-60%

average level of employee participation in the program's events

81%

of colleagues noted the real benefit of the Mental Health initiatives — 11% more than last year



The Company's People: Working Conditions, Gender Balance, Mental Health, Support Programs and Continuous Learning

In 2025, BDO in Ukraine continued to invest actively in developing future professionals, expanding opportunities for students through its internship program. The initiative is aimed at building a talent pipeline, strengthening cooperation with leading educational institutions and creating conditions in which young specialists can gain their first practical experience on real business projects.

Over the year, 25 participants completed the internship program, joining the work of various departments of the company. After completing the program, 17 interns (more than two thirds of the participants) successfully continued their professional journey with our company, confirming the high effectiveness of young talent development and the quality of mentoring support. 8 interns completed the program without moving onto a project, but gained valuable practical experience and recommendations for their further career development.

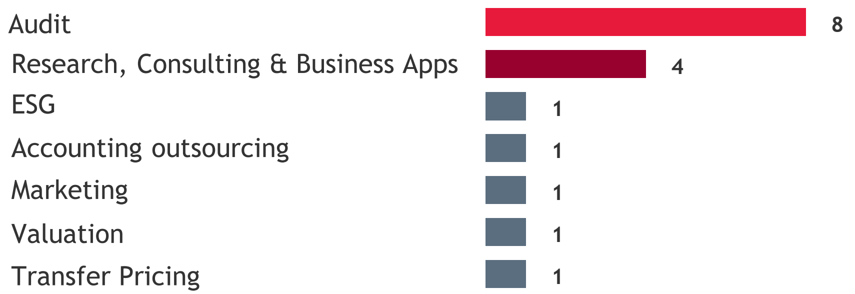
Thanks to the systematic approach to organizing the internship program, students had the opportunity to work on real tasks, interact with experienced professionals and develop the skills needed in their professional careers. Our mentors provided them with feedback that helped them grow. The internship remains a strategic initiative of BDO in Ukraine that fosters the professional growth of young specialists and strengthens the company's capacity for sustainable development.

25
interns completed the internship during the financial year

17
moved onto a project — more than two thirds of the participants

8
completed the program without moving onto a project

DEPARTMENTS INTERNS JOINED AFTER THE INTERNSHIP



Impact on Communities

To help Ukrainian communities, in 2024 BDO in Ukraine implemented a number of projects aimed at increasing their capacity and development.

In 2025, BDO in Ukraine continued its support for communities, focusing on developing their capacity to attract grant and investment financing, as well as on increasing the managerial and digital maturity of local self-government bodies.

Conducting community research. The analytical study “Grant readiness of Ukrainian communities: a BDO 2024-2025 study” was prepared. The work analyzed communities’ approaches to finding grant opportunities, preparing applications and organizing the project cycle. The results of the study outlined the key barriers and growth points, and provided practical recommendations for increasing communities’ ability to attract grant financing.

Holding a seminar for communities. The BDO in Ukraine team organized and held a seminar for community representatives on attracting investment to communities. During the event, participants explored tools for developing a community’s investment proposition, preparing projects and communicating with potential investors and donors. Particular attention was paid to common mistakes and practical steps that help increase the attractiveness of projects and speed up financing decisions.

The study “Grant readiness of Ukrainian communities: a BDO 2024-2025 study” — an analytical basis for supporting communities

Impact on Communities

Educational events on digital tools and international engagement. The team developed materials for and held the webinar “Using AI in Planning Local Development Projects” for representatives of local self-government bodies in Ivano-Frankivsk oblast. The webinar program focused on the practical application of AI for needs analysis, building project logic, preparing a concept note and an implementation plan. Participants received examples of AI use scenarios and recommendations on the responsible use of the tools (including data verification and confidentiality).

Participation in an international trade mission. BDO in Ukraine took part in the UK-Ukraine trade mission “Rebirth of Ukraine”, aimed at developing partnerships and attracting investment to recovery projects, including at the community level. As part of the mission, the team joined discussions with representatives of business and institutions on reconstruction priorities and possible formats of cooperation. This participation helped expand the network of contacts and build a better understanding of international partners’ expectations regarding the preparation and presentation of projects. The insights gained can be used in further support for communities — from structuring project proposals to preparing materials for attracting financing.

The experience of BDO in Ukraine demonstrates how professional expertise can be combined with modern digital solutions to successfully deliver projects at the local level, contributing to the recovery and strengthening of communities in the face of new challenges.

Occupational Health, Safety and Employee Well-Being

In 2025, BDO in Ukraine continued to develop its occupational health and safety system as part of the social dimension of ESG and an element of responsible business management. For the network of companies that make up BDO in Ukraine, a safe working environment is not only a legal requirement but also a practical tool for ensuring business continuity, supporting employees, reducing operational risks and strengthening the trust of clients, partners and the team.

BDO in Ukraine's approach to occupational health and safety is based on the principle of prevention rather than reaction after an event occurs. In 2025, particular attention was paid to risk-based management, hazard identification, the assessment of occupational and office risks, incident prevention, support for employees' physical and psycho-emotional health, and increasing the readiness of offices and teams to operate under martial law.

This approach is in line with current international expectations for ESG reporting. The GRI 403 standard defines occupational health and safety as an area covering management systems, hazard identification, risk assessment, incident investigation, worker participation, training, prevention and injury metrics. In turn, ESRS S1 requires disclosure of the coverage of employees by the health and safety management system, cases of injury, occupational diseases, fatalities, lost days and measures to manage risks for the company's own workforce.

Occupational Health, Safety and Employee Well-Being

Management approach. In 2025, occupational health and safety at BDO in Ukraine was treated as part of an integrated system of risk management, ESG and business continuity. The main goal is to create safe, adaptive and resilient working conditions for employees regardless of the work format: in the office, remotely, on business trips, at external events or at client sites.

In 2025, strengthening the practical component of occupational health and safety was especially important for BDO in Ukraine. The system makes it possible to quickly identify risks, make decisions, record events, monitor the implementation of measures and measure results.

THE OCCUPATIONAL HEALTH AND SAFETY SYSTEM COVERS THE FOLLOWING KEY AREAS

- compliance with the requirements of Ukrainian legislation on occupational health and safety, fire safety and civil protection
- hazard identification and risk assessment for office premises, workplaces, evacuation routes, utility networks and shared areas
- prevention of injuries, accidents, and occupational and psychosocial risks
- regular training, briefings and information for employees
- preparedness for emergencies, air raid alerts, damage to premises, utility system failures and temporary restrictions on access to offices
- safety control of contractors performing repair, technical, service or other work in the offices
- documentation, analysis and improvement of processes.

Occupational Health, Safety and Employee Well-Being

In 2025, BDO in Ukraine strengthened its risk-based approach to occupational health and safety management. This is in line with current trends in Ukraine, where the reform of labor regulation and state oversight is oriented toward the prevention of occupational risks, digital tools and a focus on material risks rather than merely formal document checks. For BDO in Ukraine's office network, the key risk groups in 2025 were:

Physical risks of the office environment

These include the risks of falls and injuries due to damage to floors, ceilings, furniture, lighting, doors, stairs and evacuation routes, as well as risks related to utility networks, electricity supply, water supply, ventilation and roofing.

Risks related to martial law

These include air raid alerts, damage to buildings or premises, power outages, the need for temporary evacuation or a switch to remote work, limited transport accessibility and increased psycho-emotional strain on employees.

Fire and emergency risks

In 2025, the serviceability of evacuation routes, the availability of primary fire-fighting equipment, employees' awareness of what to do in the event of fire or smoke, and the control of contractors' work that may create additional risks remained relevant issues.

Ergonomic risks

For office and remote work, the proper organization of the workplace, the prevention of musculoskeletal disorders, eye strain, fatigue and physical inactivity remain important.

Psychosocial risks

In the context of war, a fast pace of work, client deadlines and uncertainty, the prevention of burnout, support for psychological resilience, workload management, communication within teams and an attentive attitude toward employees with additional family, veteran or social circumstances take on particular importance.

Risks during business trips and work outside the office

Employees of BDO in Ukraine may perform assignments at client sites and take part in events, audits, meetings, training sessions or consultations. In such cases, it is important to ensure a preliminary assessment of the safety of the route, the location, the conditions of stay and communication with the responsible persons.

Occupational Health, Safety and Employee Well-Being

Throughout 2025, BDO in Ukraine continued to improve the processes aimed at the safe operation of office premises and employee support. Particular attention was paid to recording hazardous conditions, responding promptly to damage, and interacting with building administrations, technical services and contractors.

Where damage to office premises or utility elements was identified, a practical response algorithm was applied: photographic documentation of the damage, notification of the building administration, a joint inspection with technical staff, an assessment of the potential impact on employee safety, a decision on whether to restrict access to the risk area, selection of a contractor and monitoring of the repair work. This approach makes it possible not only to eliminate the consequences, but also to build an evidence base, ensure transparent communication and prevent similar situations from recurring.

PRIORITY PRACTICAL MEASURES IN 2025

- updating the list of potential hazards for BDO in Ukraine’s offices
- conducting internal inspections of the condition of work premises, evacuation routes, shared areas and technical zones
- monitoring the availability of safe evacuation routes
- checking the availability and currency of information materials on what to do during an air raid alert, fire, accident or other emergency
- strengthening communication with office building administrations regarding responsibility for the technical condition of the premises
- creating a register of identified hazards, incidents, near misses and corrective actions
- raising employee awareness about reporting hazardous conditions
- taking barrier-free design, accessibility and inclusion requirements into account when assessing the office environment
- integrating safety issues into the broader agenda of ESG, HR, administrative management and business continuity.

Occupational Health, Safety and Employee Well-Being

BDO in Ukraine views the safety culture as a shared responsibility of the company, managers, employees and contractors. In 2025, the emphasis was on developing a behavioral culture in which every employee has the right and the opportunity to report a hazardous condition, ask a safety question, initiate the elimination of a risk or draw the attention of responsible persons to a potential problem.

An important element of prevention is the shift from reactive indicators to leading ones. The international practice of ISO 45001 provides for the systematic identification, assessment and control of occupational health and safety risks, as well as performance monitoring through a combination of leading and lagging indicators. For BDO in Ukraine, this means that the effectiveness of occupational health and safety should be measured not only by the absence of accidents, but also by the number of preventive actions taken, hazards identified and eliminated, employee training coverage, the speed of response to risks and the quality of corrective measures.

PREVENTIVE TOOLS IN 2025

- short regular messages to employees on safety in the office and during remote work
- periodic office inspections
- mini-training sessions on emergency response
- collecting near-miss reports
- analysis of recurring problems
- monitoring deadlines for eliminating hazardous conditions
- discussion of safety issues at the level of the administrative, HR and ESG teams.

Occupational Health, Safety and Employee Well-Being

In 2025, occupational health and safety for BDO in Ukraine goes beyond the classic understanding of physical safety. For a professional services company, psychosocial factors play a significant role: work intensity, high client expectations, emotional strain, deadlines, the wartime context, air raid alerts, and the risks of losing concentration and of professional burnout.

The management of BDO in Ukraine identifies psychosocial safety as one of the priorities of the 2025 ESG report and takes a holistic view of employee safety, as a combination of physical, psychological, organizational and social well-being.

PRACTICAL MEASURES DURING THIS PERIOD INCLUDED

- monitoring workload levels in teams
- supporting flexible work formats
- communicating the available help channels
- informing employees about burnout prevention
- supporting managers in organizing their teams' work safely
- taking into account employees' individual circumstances, including those related to the war, displacement, family responsibilities, veteran experience or returning to work after difficult life events.

Occupational Health, Safety and Employee Well-Being

A separate focus area in 2025 is safe interaction with contractors performing repair, technical, service or other work in the offices. For BDO in Ukraine, this matters given the operation of office premises, possible repair work, damage to buildings, interaction with business center administrations and the need to monitor the quality of work performed.

Contractors performing work on office premises must comply with safety requirements, avoid creating risks for employees and visitors, fence off hazardous areas, clean up work areas after completing work, use serviceable equipment, and obtain approval for work that may affect evacuation routes, electrical networks, ceilings, roofing, ventilation or other utility systems.

To strengthen control, a short procedure for admitting contractors to work in the offices was introduced in 2025. It includes verifying the parties' responsibilities, agreeing the scope of work, assessing risks, appointing a responsible person from BDO in Ukraine, taking photographs before and after the work, and confirming the elimination of hazardous conditions.

Occupational Health, Safety and Employee Well-Being

For BDO in Ukraine's 2025 ESG report, greater attention was paid to data quality, internal controls, documentation, verification of indicators and transparency of the methodology.

AREA	KPI	PLANNED FOR 2025	RESULTS ACHIEVED IN 2025
Injuries	Number of work-related accidents	Target: 0 fatalities, 0 serious accidents, 0 injured employees.	**Achieved:** 0 fatalities, 0 serious accidents, 0 injured employees.
Near misses	Number of reports of hazardous conditions and near misses	Introduce the practice of reporting hazardous conditions and near misses. Target: at least 2 reports / recorded observations during the year.	3 reports / observations of potential hazards or hazardous conditions were recorded and processed.
Risk elimination	Share of corrective actions completed on time	Complete at least 90% of corrective actions within the set deadlines.	90% of corrective actions were completed within the set deadlines. The remaining measures are being monitored by the responsible persons.
Training	Share of employees covered by safety briefings or information sessions	Cover at least 100% of employees with safety briefings or information sessions.	100% of employees were covered by safety briefings, information messages or sessions.
Office safety	Number of office premises inspections conducted	Conduct at least 1 comprehensive inspection per year for each key office.	1 comprehensive inspection of the key office was conducted, with additional inspections as needed where damage or technical risks were identified.

Occupational Health, Safety and Employee Well-Being

AREA	KPI	PLANNED FOR 2025	RESULTS ACHIEVED IN 2025
Evacuation readiness	Checking the accessibility of evacuation routes and the currency of instructions	Ensure checks in 100% of key offices.	Evacuation routes and the currency of instructions were checked in 100% of key offices.
Contractors	Share of contractor work performed with prior approval and safety control	Ensure prior approval and safety control for 100% of contractor work that may affect the safety of the premises.	100% of contractor work related to repairs, maintenance or the elimination of damage was approved by the responsible persons.
Psychosocial safety	Holding events or communications on stress and burnout prevention	Hold at least 2 activities / communications per year on stress and burnout prevention and support for employee well-being.	2 information communications / activities were held on supporting well-being, psychological resilience and burnout prevention.
Remote work	Share of employees who received recommendations on a safe workplace	Provide recommendations to at least 80% of employees working remotely or in a flexible format.	Recommendations on the safe organization of a remote workplace were received by 80% of employees working remotely or in a flexible format.
ESG data	Existence of a register of incidents, hazards, training and corrective actions	Create 1 single consolidated register of HSE indicators for ESG reporting.	1 working register was created to record incidents, hazards, training and corrective actions. Its further elaboration for all companies of the BDO in Ukraine network has been identified as an area for improvement

The indicators are divided into **lagging** and **leading** ones. Lagging indicators reflect what has already happened: accidents, injuries, lost days, emergencies. Leading indicators show what the company is doing to prevent negative events: training, inspections, risk reports, hazard elimination, contractor checks, updated instructions.

Occupational Health, Safety and Employee Well-Being

Based on the results of 2025, BDO in Ukraine identifies the following priorities for the further development of its occupational health and safety system:

1. Creating a single register of HSE risks, incidents and corrective actions for all companies of the BDO in Ukraine network.

2. Introducing a regular assessment of office risks, taking into account the technical condition of premises, evacuation routes, ergonomics, accessibility and war-related threats.

3. Developing a culture of reporting hazards and near misses, so that employees see the practical value of their reports and receive feedback.

4. Strengthening contractor control, especially during repair, technical and restoration work.

5. Integrating occupational health and safety with Business Continuity Management, in particular regarding actions during air raid alerts, damage to offices, power outages or the temporary unavailability of locations.

6. Developing the psychosocial safety area, including burnout prevention, support for employees during the war and building skills for the safe organization of work.

7. Preparing ESG data in line with the logic of GRI 403 and ESRS S1, so that in the future the company can ensure more structured, comparable and verifiable disclosure.

In 2025, BDO in Ukraine continued to shape a modern approach to occupational health and safety that combines legal compliance, ESG principles, risk-based thinking, care for employees and practical readiness for crisis situations. For a company operating in wartime and providing professional services to clients, occupational health and safety is not a formal function but an important element of resilience, trust and responsible management.

The further development of this area will focus on measurability, prevention, data quality, employee participation and increased readiness for new challenges. BDO in Ukraine strives to create a working environment in which the safety, health, dignity and well-being of employees are an integral part of the corporate culture and ESG strategy.

Using AI to Boost Productivity

Artificial intelligence is one of the key tools of BDO in Ukraine's digital transformation and has been used in the company since 2023. The technology environment is based on solutions from the Microsoft ecosystem, in particular Microsoft Copilot, as well as selected corporate tools from other software vendors. Drawing on the BDO network's global expertise in digital technologies and Microsoft solutions, the company is systematically implementing artificial intelligence tools to increase productivity, improve the quality of team collaboration and optimize internal processes.

The use of AI is based on the principles of information security, confidentiality and responsible data handling. Only corporate solutions with a secure information processing perimeter are used for work processes, and corporate data are not used for further model training. The company has internal rules for the ethical and responsible use of artificial intelligence, which define permissible use scenarios, restrictions and requirements for user verification of results. Automated recommendations and materials created with the help of AI always undergo expert review by the company's specialists before being used in client work or management processes.

Microsoft Copilot has become one of the company's key digital assistants and is used by approximately two thirds of employees. The solution is integrated into everyday business processes and is available in Microsoft 365 applications, where it helps with documents, email, presentations, analytical materials and corporate communications. Copilot makes it possible to find the necessary information faster, structure meeting outcomes, summarize large volumes of data, prepare draft documents and increase the efficiency of operational tasks.

~2/3

of employees use Microsoft Copilot in their daily work

2023

the year the company began using AI tools

Corporate data are not used to train models; AI outputs undergo expert review

Using AI to Boost Productivity

The main areas of artificial intelligence use are document checking and verification, finding errors and inconsistencies, analyzing information, supporting analytical functions, generating ideas for research and professional opinions, and creating content, including individual texts, translations and visual materials. AI is also used to structure information, prepare presentations, summarize materials and support internal communications. The main purpose of this use is to free up employees' time for more complex expert tasks and to increase productivity without replacing human professional judgment.

For BDO in Ukraine, artificial intelligence is not just a technological tool but part of a broader transformation of the way we work. The company is actively integrating AI solutions into business processes and views Microsoft Copilot as a full-fledged digital assistant integrated with corporate resources, including email, documents, calendars, communication platforms and internal information systems. This approach provides a single secure working environment and enables faster access to relevant information.

An important component of this development is enhancing employees' digital competencies. The company regularly holds internal training on the practical and ethical use of artificial intelligence, organizes experience-sharing sessions, funds external training and professional courses, and encourages employees to share their own work and successful practices in using AI solutions. In addition, corporate motivation programs, competitions and initiatives are run to recognize the most effective cases of applying artificial intelligence at work.

Using AI to Boost Productivity

A separate area of development involves applying the accumulated expertise to client projects. The company's business analysts and consultants develop solutions for process optimization using artificial intelligence and help clients assess the potential of AI technologies for their own operations. BDO in Ukraine also shares its practical experience of using Microsoft Copilot and digital solutions with clients, communities, educational institutions and partners, promoting the responsible and secure implementation of artificial intelligence in real business processes.

To evaluate the effectiveness of implementation, the company analyzes the results of using AI solutions through user engagement indicators, the types of use cases implemented, examples of optimized processes, employee satisfaction levels, improvements in the quality of outputs and working time saved. This approach makes it possible not only to implement modern digital tools, but also to measure their impact on productivity, the development of staff digital skills and the long-term resilience of the business. Artificial intelligence is viewed as one of the key factors in increasing the company's competitiveness and shaping a modern work culture in which technology amplifies people's expertise rather than replacing it.

Technology amplifies people's expertise rather than replacing it — the principle on which the culture of AI use at BDO in Ukraine is built.

Using AI to Boost Productivity

AREA	KPI	DATA SOURCE	STATUS 2025	PLAN 2026
AI productivity	Number of active Copilot users / main use cases	Microsoft 365 admin analytics / internal tracking	Approach being developed	Introduce regular effectiveness monitoring
Digital skills	Number of training sessions / employee coverage	HR / L&D	Approach being developed	Introduce annual tracking
AI quality and security	Existence of an AI policy, human review, restrictions on confidential data	IT / Risk / Compliance	Approach being developed	Approve or update the internal rules

International Initiatives and Associations

1. EBA — works to enable its member companies to jointly address issues important for Ukraine's investment climate and to improve it for the benefit of industry, society, the economy and the country as a whole. BDO in Ukraine has been an EBA member for many years. Together, we implement projects and initiatives for Ukraine's development and recovery.

Vera Savchenko is Co-Chair of the Ukraine Recovery Committee. She actively participates in strategic initiatives aimed at the country's revival. Her experience in finance and artificial intelligence contributes to effective recovery efforts through informed decision-making, as well as the development of resilient economic strategies and the building of Ukraine's capacity.

Alla Savchenko is Head of the EBA Dnipro Coordination Council. She implements projects and initiatives that promote the economic growth and development of the region and its communities.

2. ACC — is a leading business association in Ukraine. It advocates for improving the business climate, working closely with the government authorities of Ukraine and the United States. It is part of the U.S. Chamber of Commerce and an integral part of the global network of the European Council of American Chambers of Commerce. As Vera Savchenko, CEO of BDO in Ukraine, noted: *"ACC membership will give the company the opportunity to engage even more actively in key initiatives, events and projects aimed at improving the business environment in Ukraine, attracting the foreign investment that is critically important for Ukraine's reconstruction, and promoting the country's economic resilience."*

3. Ukrainian Chamber of Commerce and Industry — we hold membership in the Kyiv and Dnipropetrovsk CCIs (and the all-Ukrainian CCI). A non-governmental, non-profit, self-governing organization that unites, on a voluntary basis, legal entities and citizens of Ukraine registered as entrepreneurs, as well as their associations.

Goal: a developed and competitive Ukrainian business on global markets.

International Initiatives and Associations

4. Global Compact — the UN Global Compact in Ukraine — is the Ukrainian network of the world's largest community of businesses operating in line with ESG principles. It is a special initiative of the UN Secretary-General whose mission is to call on companies to align their operations and strategies with the Sustainable Development Goals and with the Ten Principles in the areas of human rights, labor, environmental protection and anti-corruption. BDO in Ukraine has also signed the Ukraine Business Compact and the Anti-Corruption Collective Action.

5. NUCC — the Norwegian-Ukrainian Chamber of Commerce is a bilateral business network founded to stimulate trade between the two countries. NUCC is a leading organization for Ukrainian and Dutch business. We organize seminars, trade missions and networking events, provide market news and actively connect organizations with the relevant parties. In addition, NUCC actively supports the participation of Dutch companies in the reconstruction of Ukraine.

6. The Czech-Ukrainian Chamber of Commerce is a strategic platform that unites Czech and Ukrainian business, fosters cross-border partnership and supports economic cooperation. With a strong local presence and deep market knowledge, the Chamber facilitates trade, investment and innovation, while supporting Ukraine's reconstruction and sustainable development. Through networking, advocacy and practical support, we enable companies to succeed in both markets and promote long-term resilience, cooperation and shared prosperity between the Czech Republic and Ukraine.

7. CUCC — the Canada-Ukraine Chamber of Commerce, a member-driven business association that aims to promote the development of trade and investment opportunities between members in Canada and Ukraine, and to foster cooperation between Canadian and Ukrainian public and private stakeholders.

International Initiatives and Associations

8. SUCC — the Swedish-Ukrainian Chamber of Commerce in Scandinavia works to develop business ties and promote economic cooperation between Sweden, Ukraine and the wider Scandinavian region.

9. AHK — the German-Ukrainian Chamber of Industry and Commerce is part of the worldwide network of German Chambers of Commerce Abroad (AHK), which comprises 150 offices in 93 countries. The organization was founded in Kyiv in 2016 and has since supported Ukrainian and German companies in developing international business, serving as an important platform for bilateral economic exchange.

BDO's Global Activity

By region

Member firms

11 bn $ +4%*

10 bn € +2%

Including alliances

16 bn $ +7%*

15 bn € +5%*

By region

+0.4% Americas

+7% EMEA

+3% Asia-Pacific region

By service line

+3% Audit & Assurance

+4% Advisory

+7% Tax

+2% Business Services & Outsourcing

People

+94,900 +3%

Presence

870 offices

169 countries and territories

ESRS Disclosure Requirements Table

ESRS DISCLOSURE REQUIREMENT	WHERE DISCLOSED IN THE REPORT	LEVEL OF DISCLOSURE
BP-1 — General basis for preparation of the sustainability statement	“Report Scope and Reporting Approaches Applied”	**Partial**
BP-2 — Disclosures in relation to specific circumstances	“Report Scope and Reporting Approaches Applied”; “Approach to Greenhouse Gas Emissions Accounting”	**Partial**
GOV-1 — The role of the administrative, management and supervisory bodies	“ESG Governance and Responsibility”	**Partial**
GOV-2 — Information provided to the governance bodies and sustainability matters addressed by them	“ESG Governance and Responsibility”	**Partial**
GOV-3 — Integration of sustainability-related performance in incentive schemes	No information identified in the report	**Not disclosed**
GOV-4 — Statement on due diligence	“Value Chain”; “Anti-Corruption Measures”; supplier and client management	**Partial**
GOV-5 — Risk management and internal controls over sustainability reporting	“ESG Governance and Responsibility”	**Partial**
SBM-1 — Strategy, business model and value chain	“ESG Strategy and Integration”; “ESG Impact on the Business Model”; “Business Model and the Sustainable Development Goals”; “Value Chain”	**Substantial**
SBM-2 — Interests and views of stakeholders	“Materiality Matrix”; employee surveys; engagement with clients, communities, partners and regulators	**Partial**
SBM-3 — Material impacts, risks and opportunities and their interaction with strategy and business model	“Materiality Matrix”; the table of impacts, risks and opportunities; “Value Chain”	**Substantial**

ESRS Disclosure Requirements Table

ESRS DISCLOSURE REQUIREMENT	WHERE DISCLOSED IN THE REPORT	LEVEL OF DISCLOSURE
IRO-1 — Process to identify and assess material impacts, risks and opportunities	“Materiality Matrix and Sustainable Development Priorities”; description of double materiality	**Partial**
IRO-2 — ESRS requirements covered by the sustainability statement	ESRS Disclosure Requirements Table	**Partial**
MDR-P — Minimum disclosure requirements for policies	Gender equality, inclusion, non-discrimination, the anti-corruption program, information security and other ESG policies	**Partial**
MDR-A — Minimum disclosure requirements for actions and resources	Climate, social, HR, anti-corruption, educational, cybersecurity and charitable measures	**Partial**
MDR-M — Minimum disclosure requirements for metrics	Data on personnel, financial performance, energy consumption, water, business travel, emissions, training and social projects	**Partial**
MDR-T — Minimum disclosure requirements for targets	“Targets and Planning”; the 2026-2030 climate roadmap; the target of climate neutrality by 2050	**Partial**
E1-1 — Transition plan for climate change mitigation	“Targets and Planning”; climate neutrality by 2050; the plan for alignment with the SBTi	**Partial**
E1-2 — Policies related to climate change mitigation and adaptation	Climate approaches, energy efficiency, business travel, cloud infrastructure	**Partial**
E1-3 — Actions and resources in relation to climate change policies	Energy consumption mapping, energy audit, business travel optimization, emissions accounting, work with suppliers	**Partial**
E1-4 — Targets related to climate change mitigation and adaptation	Net zero by 2050; Scope 1-2 reductions; Scope 3 coverage; energy efficiency and business travel targets	**Partial**

ESRS Disclosure Requirements Table

ESRS DISCLOSURE REQUIREMENT	WHERE DISCLOSED IN THE REPORT	LEVEL OF DISCLOSURE
E1-5 — Energy consumption and mix	Sections on office energy consumption and resource efficiency	**Partial**
E1-6 — Gross Scopes 1, 2, 3 and total GHG emissions	“Approach to Greenhouse Gas Emissions Accounting”; business travel; the cloud environment; equipment procurement	**Partial**
E1-7 — GHG removals and GHG mitigation projects financed through carbon credits	Mention of the possible use of emission offsets	**Not disclosed**
E1-8 — Internal carbon pricing	No information identified in the report	**Not disclosed**
E1-9 — Anticipated financial effects from material climate-related risks and opportunities	Description of climate resilience, energy efficiency, and physical and transition risks	**Limited**
E2-1-E2-6 — Pollution	No information on material emissions of pollutants identified	**Not applicable / not disclosed**
E3-1 — Policies related to water and marine resources	Section on water use in the offices	**Limited**
E3-2 — Actions and resources related to water and marine resources	Measures for the rational use of office resources	**Limited**
E3-3 — Targets related to water and marine resources	No information on quantitative targets identified	**Not disclosed**
E3-4 — Water consumption	Table of water use by office location / period	**Partial**
E3-5 — Anticipated financial effects from water-related risks and opportunities	No information identified in the report	**Not disclosed**

ESRS Disclosure Requirements Table

ESRS DISCLOSURE REQUIREMENT	WHERE DISCLOSED IN THE REPORT	LEVEL OF DISCLOSURE
E4-1-E4-6 — Biodiversity and ecosystems	No information on material direct impacts identified	Not applicable / not disclosed
E5-1 — Policies related to resource use and circular economy	Office resources, paper, IT equipment, electronic document management, procurement	Partial
E5-2 — Actions and resources related to resource use and circular economy	Electronic document management, environmental initiatives, responsible disposal of equipment	Partial
E5-3 — Targets related to resource use and circular economy	No information on formalized quantitative targets identified	Not disclosed
E5-4 — Resource inflows	Procurement of IT equipment, office materials and services	Limited
E5-5 — Resource outflows	Office and electronic waste; environmental initiatives	Partial
E5-6 — Anticipated financial effects from resource use and circular economy-related risks and opportunities	No information identified in the report	Not disclosed
S1-1 — Policies related to own workforce	Gender equality, inclusion and non-discrimination policies; HR and safety approaches	Substantial
S1-2 — Processes for engaging with own workforce and workers' representatives	Employee surveys; internal communications; engagement programs	Partial
S1-3 — Processes to remediate negative impacts and channels for own workers to raise concerns	Channels for reporting violations, whistleblower protection, complaint mechanisms	Partial
S1-4 — Taking action on material impacts on own workforce, and managing risks and opportunities	Training, mental health support, flexible and remote work, inclusion, support for mobilized employees	Substantial
S1-5 — Targets related to managing material negative impacts, advancing positive impacts, and managing risks and opportunities	The Gender Equality Plan; staff development, training and well-being targets	Partial

ESRS Disclosure Requirements Table

ESRS DISCLOSURE REQUIREMENT	WHERE DISCLOSED IN THE REPORT	LEVEL OF DISCLOSURE
S1-6 — Characteristics of the undertaking's employees	Headcount, gender and age distribution, staff categories, locations	Substantial
S1-7 — Characteristics of non-employees in the undertaking's own workforce	No information identified in the report	Not disclosed
S1-8 — Collective bargaining coverage and social dialogue	No information identified in the report	Not disclosed
S1-9 — Diversity metrics	Gender and age composition of staff; the structure of partners, professional and administrative staff	Substantial
S1-10 — Adequate wages	General principles of fair remuneration	Limited
S1-11 — Social protection	Employee support, well-being and business continuity programs	Limited
S1-12 — Persons with disabilities	Share of employees with disabilities by staff category	Substantial
S1-13 — Training and skills development metrics	Corporate training, professional qualifications, competency development	Partial
S1-14 — Health and safety metrics	Employee safety during the war; remote work; well-being	Partial
S1-15 — Work-life balance metrics	Flexible and remote work formats; equality and support policies	Partial
S1-16 — Remuneration metrics: pay gap and total remuneration	No information identified in the report	Not disclosed
S1-17 — Incidents, complaints and severe human rights impacts	Non-discrimination policies; complaint channels; whistleblower protection	Partial

ESRS Disclosure Requirements Table

ESRS DISCLOSURE REQUIREMENT	WHERE DISCLOSED IN THE REPORT	LEVEL OF DISCLOSURE
S2-1-S2-5 — Workers in the value chain	“Value Chain”; management of IT providers, external experts, consultants and suppliers	**Limited**
S3-1-S3-5 — Affected communities	Charitable, educational, recovery and municipal projects; support for frontline communities	**Partial**
S4-1 — Policies related to consumers and end-users	Quality of professional services, data protection, confidentiality, cybersecurity, independence	**Partial**
S4-2 — Processes for engaging with consumers and end-users	Client engagement, professional consultations, surveys and communications	**Partial**
S4-3 — Processes to remediate negative impacts and channels for raising concerns	Client communication channels; internal quality control; cybersecurity procedures	**Limited**
S4-4 — Taking action on material impacts on consumers and end-users	Quality control, data protection, ISO/IEC 27001:2022, cybersecurity training	**Partial**
S4-5 — Targets related to managing impacts, risks and opportunities	Targets for quality, digital security and client trust	**Limited**
G1-1 — Business conduct policies and corporate culture	“ESG Policies”; “Anti-Corruption Measures”; professional ethics, independence, conflicts of interest, whistleblower protection	**Substantial**
G1-2 — Management of relationships with suppliers	“Value Chain”; screening of business partners; supplier ESG risks	**Partial**
G1-3 — Prevention and detection of corruption and bribery	“Anti-Corruption Measures”	**Substantial**
G1-4 — Confirmed incidents of corruption or bribery	No information on incidents identified in the report	**Not disclosed**
G1-5 — Political influence and lobbying activities	Participation in professional associations, working groups and the preparation of recommendations	**Limited**
G1-6 — Payment practices	No information identified in the report	**Not disclosed**

ESRS Disclosure Requirements Table

The company has defined ten key performance indicators covering the most material environmental, social and governance areas. The achievement of the target values will be assessed at the end of 2028 against the baseline figures established based on the 2025 results.

№	ESRS STANDARD	AREA	KPI	TARGET VALUE BY THE END OF 2028
1	ESRS 2 — General disclosures	**ESG integration into governance**	Share of material ESG indicators included in the annual management monitoring system	100% of material ESG indicators covered by internal monitoring, with responsible persons, data sources and control frequency defined
2	ESRS E1 — Climate change	**Greenhouse gas emissions accounting**	Coverage of the corporate greenhouse gas emissions inventory	Annual calculation of Scope 1, Scope 2 and all material Scope 3 categories in accordance with the GHG Protocol
3	ESRS E1 — Climate change	**Reducing business travel emissions**	Change in the intensity of business travel emissions per employee	A reduction of at least 15% compared with the 2025 baseline
4	ESRS E5 — Resource use and circular economy	**Responsible handling of equipment and electronic waste**	Share of decommissioned electronic equipment handed over for reuse, refurbishment or recycling	At least 90% of decommissioned equipment handed over to authorized organizations or directed to reuse
5	ESRS S1 — Own workforce	**Training and professional development**	Average number of professional training hours per employee per year	At least 24 hours of training per employee each year

ESRS Disclosure Requirements Table

№	ESRS STANDARD	AREA	KPI	TARGET VALUE BY THE END OF 2028
6	ESRS S1 — Own workforce	**Employee engagement**	Share of employees covered by the annual engagement and well-being survey	At least 80% of employees take part in the annual survey; an improvement plan is approved each year based on its results
7	ESRS S1 — Own workforce	**Equality and non-discrimination**	Coverage of employees with training on non-discrimination, harassment prevention and inclusion	At least 95% of employees complete the relevant training each year
8	ESRS S3 — Affected communities	**Social and pro bono projects**	Number of social, educational or pro bono projects implemented for communities and society	At least 5 projects each year with documented results and defined beneficiary groups
9	ESRS S4 — Consumers and end-users	**Data protection and cybersecurity**	Coverage of employees with information security and cyber hygiene training	100% of employees complete training each year; at least one training test or cyber incident simulation is held per year
10	ESRS G1 — Business conduct	**Ethics and corruption prevention**	Coverage of employees with anti-corruption training and conflict-of-interest declarations	100% of employees complete anti-corruption training each year and confirm their familiarity with the conflict-of-interest requirements

ESRS Disclosure Requirements Table

This report is a voluntary ESG report of BDO in Ukraine for the period from October 1, 2024 to September 30, 2025. The scope of the report covers the activities of the BDO in Ukraine member firms — BDO LLC, BDO Consulting LLC and BDO Corporate Finance LLC — and their operations in Kyiv and Dnipro. The report has been prepared with regard to the principles and selected requirements of the European Sustainability Reporting Standards — ESRS, adopted by Commission Delegated Regulation (EU) 2023/2772, as well as the general logic of Directive (EU) 2022/2464 on corporate sustainability reporting — CSRD.
The report does not constitute mandatory reporting under the CSRD and does not contain a statement of full compliance with all ESRS requirements. Its structure and content are aimed at gradually bringing the company's reporting practice closer to European requirements, increasing the transparency of ESG data and building a system for their regular collection, verification and management use. The report has not undergone external independent assurance, so the information presented is based on the company's internal data, documents of the responsible departments and available third-party information.

STRUCTURE OF THE METHODOLOGICAL ANNEX

1. The double materiality principle
2. Disclosure structure
3. Reporting boundaries and the value chain
4. Data collection, verification and reconciliation
5. Climate metrics and estimated data
6. Quality, comparability and limitations of information

ESRS Disclosure Requirements Table

1. The Double Materiality Principle

Information was selected for inclusion in the report with regard to the double materiality principle provided for by the ESRS. Under this principle, a sustainability matter is considered material if it is material from the impact perspective, from the financial perspective, or from both perspectives at once.

Impact materiality describes the company's actual or potential, positive or negative impact on people and the environment. Financial materiality covers sustainability-related risks and opportunities that may affect the company's development, financial position, performance, access to financing or cost of capital. This approach corresponds to the logic of the CSRD, under which reporting should make it possible to understand both the undertaking's impact on sustainability matters and the impact of those matters on the undertaking's development, performance and position.
As part of the materiality assessment, the company analyzed its own operations, the main elements of the upstream and downstream value chain, stakeholder expectations, the nature of its professional services and the specifics of operating in wartime. In setting priorities, the results of the employee survey, the international GRI standards, the UN Sustainable Development Goals and the relevant ESRS topics were also taken into account. Based on the analysis, a materiality matrix was developed and the priority environmental, social and governance matters were identified.

Human capital development, equality and inclusion, employee well-being and safety, quality of professional services, information protection, cybersecurity, business integrity, corruption prevention and the integration of ESG into corporate governance were identified as the most material matters for the company. Environmental matters were assessed in proportion to the non-production nature of the company's activities. The main sources of impact in this area were identified as office energy consumption, digital and cloud infrastructure, business travel, the use of water and office resources, the procurement of IT equipment and the generation of electronic waste.

ESRS Disclosure Requirements Table

2. Disclosure Structure

The information in the report is structured in line with the main ESRS disclosure blocks: corporate governance; strategy and business model; the process of identifying and managing impacts, risks and opportunities; and policies, actions, metrics and targets. This approach makes it possible to show not only individual ESG results, but also the connection between material sustainability matters, the governance system, operations and the company’s long-term priorities. The first set of ESRS includes cross-cutting standards as well as topical standards on environmental, social and governance matters.
In preparing the topical sections, the requirements of ESRS 2 “General disclosures”, ESRS E1 “Climate change”, ESRS E3 “Water and marine resources”, ESRS E5 “Resource use and circular economy”, ESRS S1 “Own workforce”, ESRS S2 “Workers in the value chain”, ESRS S3 “Affected communities”, ESRS S4 “Consumers and end-users” and ESRS G1 “Business conduct” were used. The inclusion of information under a given topical standard depended on its materiality for the company’s activities and the availability of sufficient and reliable data.

For each material topic, the company sought to disclose four interrelated components: applicable policies; implemented or planned actions; quantitative and qualitative metrics; and targets and expected outcomes. Where complete quantitative data were unavailable, the report presents the available information, describes the current stage of development of the accounting system and identifies areas for its further improvement. This approach does not replace full disclosure in accordance with the ESRS, but makes it possible to transparently show the current level of maturity of ESG management.

ESRS Disclosure Requirements Table

3. Reporting Boundaries and the Value Chain

The bulk of the information relates to the company's own operations. At the same time, in line with the ESRS approach, the relevant elements of the upstream and downstream value chain were taken into account when assessing material impacts, risks and opportunities. These include suppliers of IT solutions and cloud services, landlords, suppliers of office goods and professional services, external consultants, clients, investors, creditors, regulators, communities and other users of the results of the company's professional activities.

Information about the value chain was included in the report provided it was material and actually available. Where data from suppliers or other third parties were unavailable, the available operational data, justified estimation assumptions or a qualitative description of the impact were used. In such cases, data limitations were taken into account when formulating conclusions, and the relevant indicators were not presented as fully verified

4. Data Collection, Verification and Reconciliation

The report was prepared through cross-functional collaboration. Strategic oversight and the approval of priorities fall within the remit of the company's management. The ESG function coordinates the disclosure methodology, the map of material topics, and the collection, consolidation and logical verification of information. The HR department provides data on headcount and staff structure, equality, inclusion, training, well-being and engagement. The finance department compiles information on energy consumption, water, office resources, expenses and business travel. The IT department and the information security function are responsible for data on digital infrastructure, the cloud environment, cybersecurity and information protection. The compliance function provides information on professional ethics, independence, corruption prevention, conflicts of interest and whistleblower protection.

Before inclusion in the report, the information is checked for logical consistency, alignment with the identified material topics, correspondence to the reporting period and the compatibility of data received from different functions. The final draft undergoes management review aimed at ensuring integrity, balance and compliance with the stated methodology. Material ESG topics, risks and opportunities are reviewed at least once a year as part of the report preparation, and may be reviewed more frequently in the event of significant changes in the regulatory, security or operating environment.

ESRS Disclosure Requirements Table

5. Climate Metrics and Estimated Data

The methodology for climate disclosures is at the development stage. The company considers direct Scope 1 emissions, indirect energy-related Scope 2 emissions and the relevant categories of other indirect Scope 3 emissions. Given the non-production nature of its activities, the main focus is on electricity, business travel, cloud services, digital infrastructure, the procurement of IT equipment, office and electronic waste, and the potential impact of remote work.

The calculations are based on the available activity data — including resource consumption, travel distances, modes of transport and the number of items of equipment purchased — using the appropriate emission factors. Where primary information is incomplete or depends on third parties, the results are treated as estimates. The company plans to progressively expand the coverage of its emissions inventory, improve the documentation of data sources and ensure the comparability of indicators between reporting periods.

6. Quality, Comparability and Limitations of Information

The report was prepared applying the principles of relevance, faithful representation, comparability, verifiability and understandability of information. The indicators presented are accompanied by units of measurement, the reporting period and, where possible, comparative data. Descriptive information is provided alongside quantitative results so that the reader can assess not only individual indicators but also the context in which they were formed.

The main methodological limitations are the incompleteness of certain historical data, the dependence of some environmental indicators on third-party information, the absence of a full baseline calculation in some areas and the gradual implementation of unified ESG accounting procedures. The report therefore reflects both the results achieved and the areas where data collection and control systems are still developing. This ensures a balanced presentation of the company's activities and does not create the impression of fuller compliance with the ESRS requirements than has actually been achieved.

The report's methodology will continue to be reviewed in light of the development of internal data management systems, the refinement of the double materiality assessment, improvements in greenhouse gas emissions accounting and changes in European sustainability reporting requirements. As of July 3, 2026, the European Commission had announced the adoption of an act simplifying certain reporting standards, which as of that date had not yet entered into force pending official publication; the methodological basis of this report therefore remains the current version of the ESRS, applied with regard to the voluntary nature of the company's reporting.

CONTACTS

Kyiv:
201/203 Kharkivske Shose,
10th floor
+380 44 393 26 87, 88
+380 44 393 26 91

Dnipro:
4 Lazaria Hloby St.,
6th floor
+380 56 370 30 43
+380 56 370 30 45

Lviv:
120 T. Shevchenka St.,
Regus-KIVSH
+380 32 242 44 12

info@bdo.ua
www.bdo.ua