

### 1. Introduction

We strive to achieve 100% sustainable packaging in our own operations by 2028 by using sustainable packaging materials and optimizing our operational processes. The company operates with transparency, responsibility, and sustainability, aiming to reduce environmental impact, and closing the loop. A double materiality analysis has shown that packaging and waste are among the most critical elements.

In our commitment to environmental sustainability, we adhere to relevant EU regulations and guidelines, including the Packaging and Packaging Waste Regulation (PPWR) and the Single-Use Plastics Directive (SUP). The PPWR aims to reduce packaging waste and promote recycling and reuse, while the SUP targets reducing the impact of certain plastic products on the environment, particularly those intended for single use. Additionally, we follow the principles set forth by the world leader, the Ellen MacArthur Foundation<sup>1</sup>, which advocates for a circular economy to eliminate waste and promote the continual use of resources. These regulations and standards guide our efforts in minimizing waste, promoting recycling, and reducing our overall environmental footprint.

The aim of this policy is to set unified standards for the Allegro Group in managing circularity and waste within our e-commerce operations. By doing so, we strive to enhance our sustainability practices, ensure regulatory compliance, and foster a culture of continuous improvement in environmental stewardship.

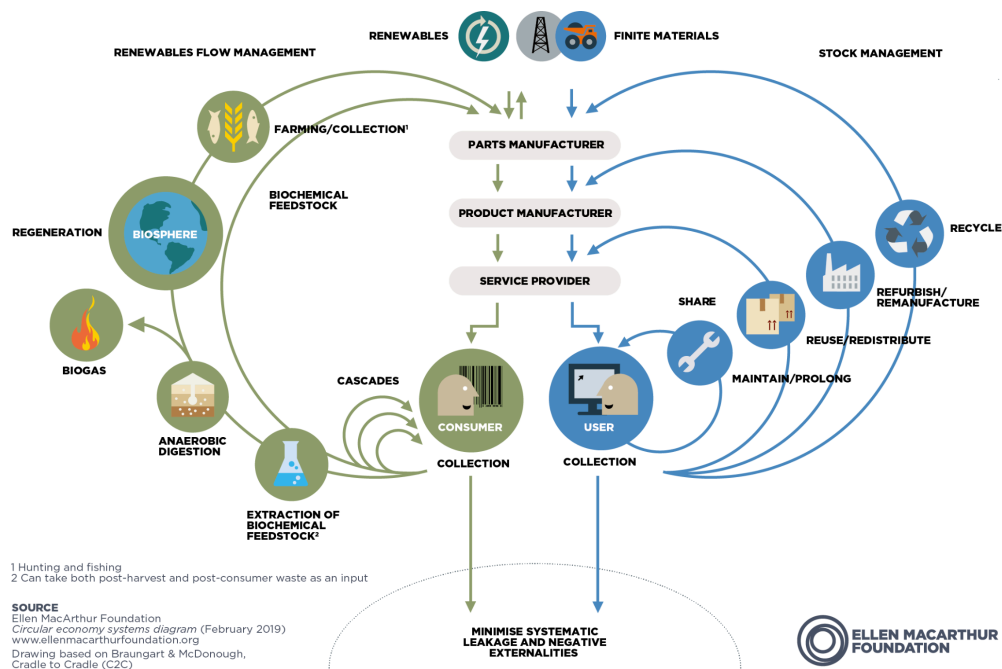
### 2. Scope of the Policy

This policy covers Allegro.eu and all its subsidiaries (hereinafter called the Allegro Group) including operations in offices, warehouses, hubs, depots and other company activities.

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<sup>1</sup> <https://www.ellenmacarthurfoundation.org/>

## 3. Principles of Circularity



At the Allegro Group, we are guided by the principles of the circular economy inspired by the Ellen MacArthur Foundation. Our approach spans the entire product lifecycle: from eco-design to post-use waste management, with a focus on process optimization and minimizing environmental impact.

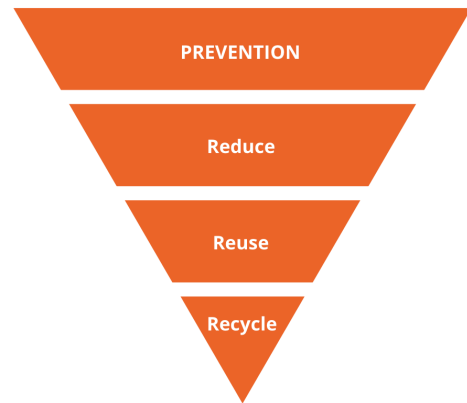
Principle	Explanation	Example of Action
<b>Eco-design</b>	Designing products and packaging to minimize environmental impact from the outset.	Using cardboard packaging made from recycled materials and certified by FSC and RESY; minimizing production waste through supplier commitments.
<b>Reduce</b>	Minimizing the use of raw materials and optimizing processes to reduce waste.	Shipping products in the manufacturer's original packaging when possible; consolidating orders into a single package in Fulfillment Centers.
<b>Reuse</b>	Extending the lifespan of materials and products through reuse initiatives, including the use of reusable packaging..	Processing waste paper into packing fillers; encouraging customers to participate in return and reuse programs. Testing the reusable packaging..

- Recycle** Ensuring effective recycling systems to recover and reintegrate materials into the production cycle. Collaborating with waste management companies and packaging suppliers; supporting recycling innovations to enhance process efficiency.
- Post-use Management** Managing post-consumer waste through collection, sorting, recycling, and proper disposal. Educating customers on responsible product disposal; implementing systems for efficient collection and recycling of post-consumer waste.

## 4. Sustainable Packaging

Our approach to packaging and waste management is structured around the waste hierarchy, emphasizing prevention, reduction, reuse, and recycling to mitigate environmental harm.

First, eco-design and reduction of the amount of used materials either by shipping in own packaging (SIOP), consolidating orders where possible, or fitting the best size of the packaging to minimize the use of fillers. Secondly, use high quality packaging boxes with automatic bottoms which allow consumers to reuse them for other purposes. If the parcel needs fillers, prioritize the use of self-made fillers made out of shredded cardboard waste. Last but not least, tend to use mono material packaging which makes it easier for customers to segregate waste and increase recycling rates.



The Allegro Group set the following requirements for our sustainable packaging materials:



Paper/Cardboard	Plastic
<b>Requirements</b>	
100% recycled and recyclable FSC (Forest Stewardship Council) certified PEFC (Programme for the Endorsement of Forest Certification) certified Designed to be reused for the same purpose water based inks	min. 70% recycled content 100% recyclable Designed to be reused for the same purpose Compostable verified in accordance with accepted standards for home and industrial compostability (eg. <a href="#">EN13432</a> )
<b>Not allowed</b>	
Laminated paper, Waxed paper, Contaminated paper, Paper with unknown fiber sources,	Single-use plastic, Plastic containing PVC, Plastic with unknown origin,

## 5. Waste Management

The Allegro Group adheres to the Extended Producer Responsibility (EPR) directive and complies with local laws in every country where we operate. Our waste management strategy includes:

- Segregation Systems: Effective waste segregation in all workplaces.
- Partnerships: Collaborations with recycling service providers.
- Regular tracking and reporting of waste generation and recycling activities. Tracking responsibilities are allocated to Depot Managers for courier depots and the Administration team for fulfillment centers, while the Operations Sustainability team oversees the reporting process. This includes comprehensive record-keeping of both the waste generated and the materials introduced to the market.

## 6. Education and Engagement

Through the Allegro Academy, we provide comprehensive training and informational campaigns that educate not only our merchants but also our employees, with a particular focus on our Operations team. These programs cover essential topics such as ESG (Environmental, Social, and Governance) practices, circular economy principles, and sustainable waste management. By equipping our workforce with this knowledge, we ensure they are prepared to drive and support our sustainability initiatives effectively. The Allegro Group's actions extend beyond our own operations to simplify shopping and selling. Moreover, the Allegro Group encourages our merchants to adopt "eco-friendly" packaging by providing them with sustainable options. The company aims to ensure that our merchants have access to all necessary packaging supplies, including boxes, fillers, and tapes. All products are designed to fit parcel lockers, facilitating low-emission deliveries and supporting our broader sustainability goals.

In collaboration with our business partners, we undertake joint educational initiatives and promote the principles of a circular economy. By working closely with these partners, we can ensure that sustainable packaging solutions are continuously developed and improved. These collaborations involve sharing best practices, engaging in research and development, and advocating for "eco-friendly" innovations in packaging. Together, we aim to foster a comprehensive approach to sustainability that benefits not only the Allegro Group but also our entire supply chain and customer base.

The Allegro Group engages in open dialogue with our customers about circularity and waste management efforts and encourages their participation. The company also collaborates with NGOs, educational institutions, and other entities to support circular economy initiatives.

## 7. Policy Monitoring and Review

This policy will be regularly reviewed and updated by the Operations Sustainability team at least every year to ensure its relevance and effectiveness in line with the latest environmental protection trends and regulations.

The policy was approved by the Board of Directors, ensuring it complies with the law and adheres to relevant guidelines.

The Operations Sustainability team is responsible for implementing and applying the Circularity and Waste policy, overseeing its integration into our operations, and ensuring that our practices remain at the forefront of sustainability standards. The policy's biennial review and updates guarantee that Allegro Group remains proactive in its environmental responsibilities, continually aligning our strategies with evolving best practices and regulatory requirements.

In the event of a breach of this policy, immediate corrective actions will be taken to address the violation. If an Employee or any other obligated person experiences or becomes aware of anything that violates the provisions of this Policy, they should immediately report this pursuant to the [Whistleblowing Procedure](#). Any irregularities will follow the established non-compliance procedure and will be directed to the appropriate person if necessary. The Operations Sustainability team will conduct a thorough investigation to identify the cause of the breach and implement measures to prevent future occurrences. Furthermore, the findings and actions taken will be reported to the COO, ensuring transparency and accountability.