

allegro

ESG Report 2023

#SustainableAllTogether

raportesg.allegro.pl



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1. Outlook on Allegro

Every day Allegro strives to facilitate the buying and selling processes, thereby building a better, modern and responsible e-commerce world.

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Sustainable Development Goals [SDGs]



GRI ▶ [2-22]

1.1 Opening letter

Dear Stakeholders,

We are proud to present Allegro's Environmental, Social, and Governance Report for 2023.

Allegro has set the standard in Poland to incorporate ESG factors into its business. Our leadership is especially relevant now, as the rate of regulatory change accelerates. As one of the CEE region's largest companies, we are very much aware of our impact on the environment and society. We have consulted with all our stakeholders, especially employees and customers, as we shaped our pledges. We have been continuously evolving our business processes ahead of expected changes in the regulatory environment as we believe that operating sustainably is simply good business practice. We have prioritized specific themes based on an expansive double materiality assessment in order to have the greatest impact. Our refreshed ESG strategy sets out four pillars (All4People, All4Planet, All4Prosperity, Good Governance) and sets out benchmarks and accountabilities for each one. We have subsequently prioritised our actions and concentrated our focus on the top priority areas.

Leadership comes from the top. We strive to run our business responsibly and to integrate our ESG philosophy into everything we do. Our Remuneration, Nomination and ESG Committee as well as the full Board of Directors, are actively engaged in ensuring that our top priority initiatives are successfully implemented.

We hope that this report, presenting our dedication, progress, and aspirations transparently, demonstrate our commitment. We pledge to persistently create a profitable business within a regenerative and inclusive economy.

Thank you for your continued support for Allegro and our shared vision of a sustainable future.

Yours sincerely,

Nancy Cruickshank
Remuneration, Nomination
& ESG Committee Chair

Roy Peticucci
Chief Executive Officer



Nancy Cruickshank
Remuneration, Nomination
& ESG Committee Chair



Roy Peticucci
Chief Executive Officer

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We pledge to persistently create a profitable business within a regenerative and inclusive economy

1.2 2023 performance summary



Allegro continuously monitors the targets adopted in its ESG strategy. The summary presented gives an insight into the company's performance across key areas for 2023.

ESG strategy	Target	2023 Performance	Status	Comment
All 4 People	Adjusted gender pay gap less than 5%.	Below 3% adjusted gender pay gap in Polish Operations #1 in CEE Diversity Leader recognised by the Financial Times and Statista	On track	Allegro has introduced a systematic approach, which includes the implementation of distinct career levels. In an effort to promote equality, mid-year and end-year reviews are conducted in a gender-neutral manner. Additionally, pay adjustments are made following long-term absences in Poland. This approach is currently in the process of being implemented in other countries.
	100% sustainable packaging in own operations by 2028	49% sustainable packaging in own operations	On track	Allegro has initiated a sustainable packaging approach in Poland, which includes the reduction of additional packaging, the reuse of collective carton boxes, and transformation of packaging materials. This packaging policy is currently being expanded to other countries. Mondi Group and Stora Enso chosen as strategic business partners for sustainable packaging transformation.
All 4 Planet	-38% CO2e emission in own operations vs 2021 by 2030.	-5% reduction in emissions in absolute terms vs LY (scope 1 and 2, market-based method) -16% reduction in emissions intensity per revenue vs LY (scope 1 and 2, market-based method)	On track	Allegro is achieving reductions in greenhouse gas emissions through efficient use of resources in its own operations. 18% of electrical energy was from renewable sources thanks to guarantees of origin. In December 2023 10-year vPPA signed to secure the price for 220 GWh of green electricity in 2025-35.
	177 thousand merchants on the Allegro's platforms by 2026.	149.8 thousand merchants on the Allegro's platforms (84.6%) 49.2 thousand merchants have export offers 56.7 thousand unique users participate in Allegro Academy e-learning platform	On track	Allegro provides comprehensive support to merchants in growing and scaling their businesses in the Czech Republic and Slovakia through the "list once, sell everywhere" approach. Allegro also provides round-the-clock assistance at every stage of the merchant's lifecycle, from business establishment to education on effective sales techniques.
Good Governance	>90% employees trained for cybersecurity from 2025	58% trained for cybersecurity, 71% trained for data protection, 68% trained for compliance	On track	Allegro has introduced mandatory, recurring cybersecurity training for all employees, both new and existing, to ensure ongoing awareness and proficiency.
	>50% independent directors by 1 Sep 2026	Increased number of independent directors from 3 to 5, one below the >50% by 2026 target	On track	In its Board of Directors selection strategy, Allegro prioritises a diversity of perspectives as well as independence. Two non-independent and one independent directors to be replaced by 2 independent directors at 2024 AGM, thus exceeding the 50% 2026 target.

In this Report, we use the name Allegro to refer to Allegro.eu and its subsidiaries ("Allegro"), unless otherwise indicated in the text.

GRI ▶ [2-1] [2-6] ESRS ▶ [G1-1] [SBM-2]

1.3 Business Model

Allegro is the go-to commerce platform for Polish consumers and has delivered strong revenue growth, profitability and cash flow at scale. Allegro.eu is a holding company (together with all of its subsidiaries, "Allegro"). Allegro operates the leading online marketplace in Poland, Allegro.pl, and the leading price comparison platform in Poland, Ceneo.pl. Allegro also operates eBilet, which is the leading event ticket sales site in Poland. Allegro fintech and payment operations in Poland are conducted through other Polish subsidiaries: Allegro Pay and Allegro Finance.

Apart from the Polish Operations described above, from 1st April 2022, Allegro includes also the Mall Group, a leading e-commerce platform across Central and Eastern Europe and WE|DO, a last mile delivery business. Mall Group operates as an online retailer, using three different brands across multiple shopping verticals in the Czech Republic, Slovakia, Slovenia, Hungary and Croatia. WE|DO provides last mile distribution services in the Czech Republic and Slovakia, counting the Mall Group as one of its key customers. Mall Group and WE|DO have built some of the leading e-commerce and logistics businesses in the CEE region, combining a large customer base, strong traffic, experienced cross-country teams and brands that are highly popular across the region. Both Mall Group and WE|DO were acquired as 100% subsidiaries of Allegro. Together they form the "Mall Segment" of Allegro's operations.

In May 2023 Allegro launched its third party ("3P") marketplace in the Czech Republic, Allegro.cz, starting a new phase in Allegro international expansion. Results of Allegro.cz operations are reported in a newly formed "Allegro International" Segment, which together with the Mall Segment comprises Allegro "International Operations". Merchants on Allegro's e-commerce marketplace sell across a variety of categories including automotive, home and garden, books, media, collectibles and art, fashion and shoes, electronics, kids, health and beauty, sports and leisure, and supermarket. Merchants primarily sell new products to buyers on Allegro e-commerce marketplace in the business-to-consumer business model ("B2C"). Consumer-to-consumer ("C2C") transactions are made primarily on Allegro Lokalnie, it is smaller but important element of operations as it helps to drive

user engagement. The platform also offers business-to-business ("B2B") purchases with Allegro Business with convenient terms for entrepreneurs. Allegro e-commerce marketplace generates revenue primarily through facilitating 3P transactions between buyers and merchants and charging merchants commissions and other related fees. Allegro provides a range of supporting services to merchants to grow their sales using the platform, such as tools to monitor sales performance and manage offer competitiveness, integration with a range of payment providers, standardised delivery solutions in cooperation with national delivery service partners, and subscription based programs, sales incentives for quality performance, marketing campaign support, and merchant finance solutions. In addition, Allegro earns advertising revenue by providing various types of advertising opportunities to brands and merchants on the platform. In Poland, Allegro also has its own limited-scale, 1P (own shop) retail operations that generate revenue by selling products directly to buyers on the e-commerce marketplace. Allegro 1P retail business is intended to be a supplement to the 3P business, representing around 1% of Allegro gross merchandise value ("GMV") for the year ended 31 December 2023, used mainly to remedy important missing selection and uncompetitive price points among the offers available from the independent merchants. Allegro also operates its own proprietary FinTech consumer finance subsidiary, Allego Pay, which cooperates closely with the marketplace to advance consumer loans to active buyers to facilitate their purchases on the Allegro marketplace, providing further support to user engagement.

Ceneo.pl is a multi-category price comparison site in Poland. Ceneo.pl is an established brand that attracted an average of 16 million monthly users in 2023 (Source: SimilarWeb). As of December 2023, information on around 19 million products and on 39 million product offers was available to consumers using the price comparison service. Allegro also operates eBilet, which is an event ticket sales site in Poland, facilitating sales of a broad range of entertainment, cultural, family, and sports events. After most of 2020 and 2021 had been severely disrupted by COVID-19 related restrictions on public events, eBilet began to rebuild its sales from the second half of 2021 and

2023 Performance:

24

years on the market

PLN 58.4 bn

GMV

PLN 10.3 bn

Revenue

~19.6 m

Active Buyers in the region

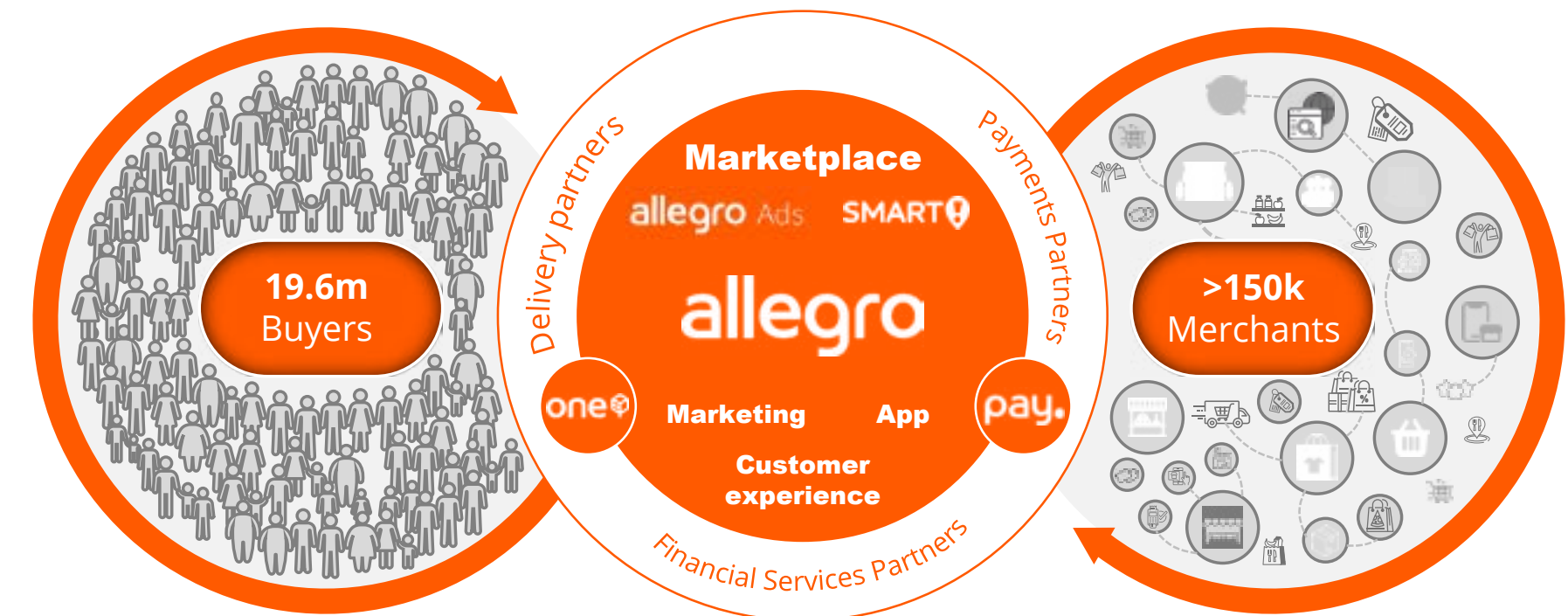
~150 k

professional merchants

6,624

workforce across CEE

Allegro seamlessly connects consumers, merchants and partners



Our countries



GRI ▶ [2-1] [2-6] ESRS ▶ [G1-1] [SBM-2]



throughout 2022-2023, with 2023 ticket sales up by 48.9% YoY and by 114.5% vs. the pre-covid result from 2019. Allegro also operates a number of other entities in Poland, including Opennet.pl – a technology solutions provider for logistics, including APMS and SCB Warszawa – a customs broker agency. In addition, Allegro generates revenue from data processing, hosting and related activities; other information technology and computer service activities; computer facilities management activities; software-related activities and computer consultancy activities.

While the Polish Operations remained the core of Allegro business, accounting for nearly 94% of GMV generated in FY 2023, Allegro continued its international expansion project throughout 2023.

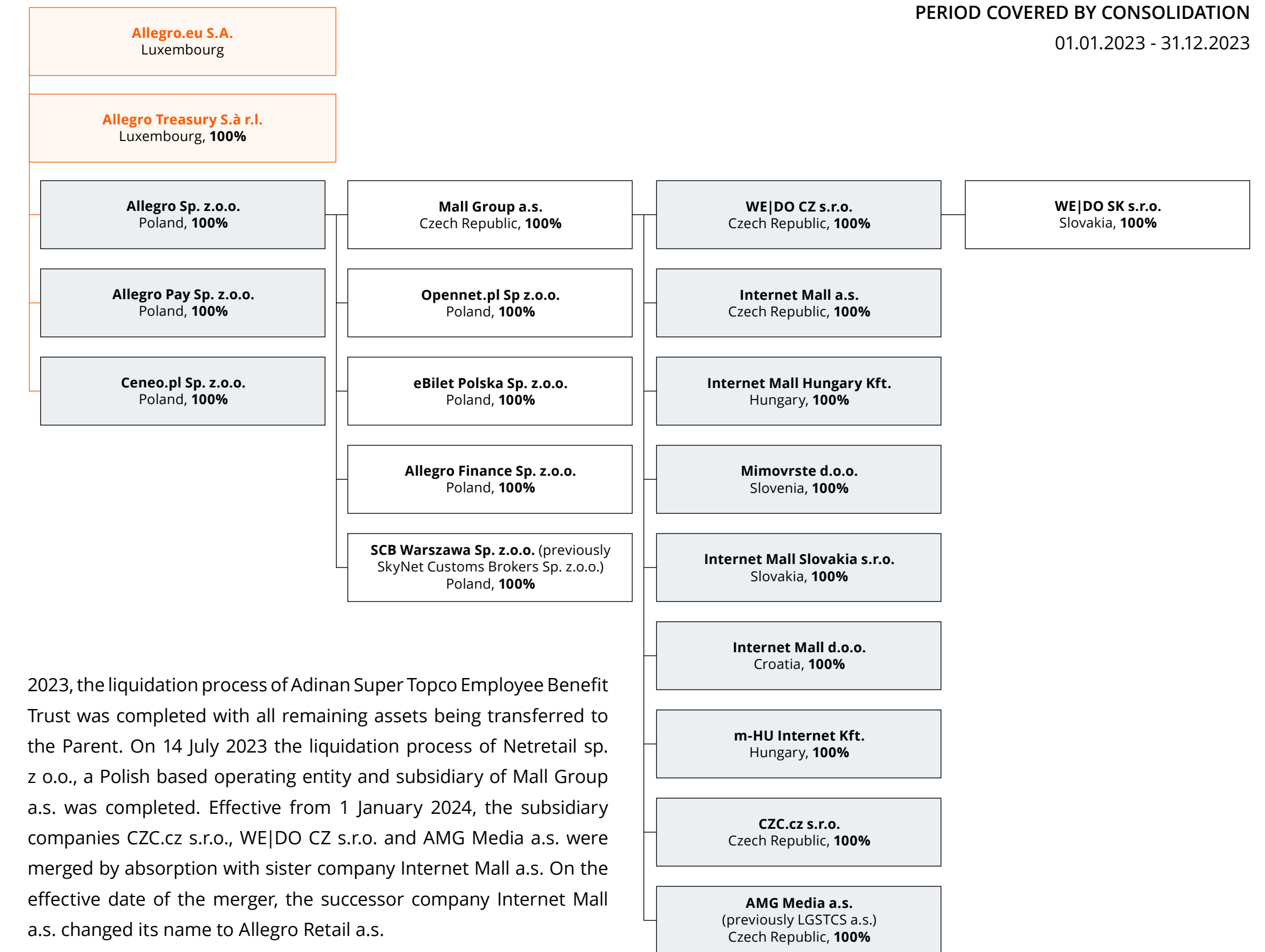
Scope of business activity, operating countries

As of 31 December 2023 Allegro operates on the territory of Europe mainly in Poland, Czech Republic, Slovakia, Hungary, Croatia and Slovenia. Allegro most significant operating entities in Poland are: Allegro Sp. z o.o. (previously Allegro.pl Sp. z o.o.), Ceneo.pl Sp. z o.o. ('Ceneo'), eBilet Polska Sp. z o.o. ('eBilet'), Allegro Pay Sp. z o.o. ('Allegro Pay'). In the Czech Republic Allegro operates through Internet Mall a.s. ('Mall.cz'), CZC.cz s.r.o. ('CZC'), in Slovakia through Internet Mall Slovakia s.r.o. ('Mall.sk') and in Slovenia through Mimovrste, spletna trgovina d.o.o. ('Mimovrste') that are included in the "Mall segment".

Allegro.eu, as well as intermediate holding company Allegro Treasury S.à r.l.(previously Adinan Midco) with their registered office in Luxembourg and a number of operating companies registered and conducting their operating activities in the territory of Poland. Apart from the Polish operating companies, as at 31 December 2023, Allegro also included the Mall segment companies that have been consolidated since the Mall acquisition in April 2022.

Key information regarding the members of Allegro, their country of domicile, economic interest held by the Allegro as at 31 December 2023 and the periods subject to consolidation are presented in the following chart.

Please note: On 1 January 2023, Allegro completed the merger of Mall Group a.s. with E-commerce holdings a.s., with Mall Group a.s. remaining in existence after the business combination. On 9 June



2023, the liquidation process of Adinan Super Topco Employee Benefit Trust was completed with all remaining assets being transferred to the Parent. On 14 July 2023 the liquidation process of Netretail sp. z o.o., a Polish based operating entity and subsidiary of Mall Group a.s. was completed. Effective from 1 January 2024, the subsidiary companies CZC.cz s.r.o., WE|DO CZ s.r.o. and AMG Media a.s. were merged by absorption with sister company Internet Mall a.s. On the effective date of the merger, the successor company Internet Mall a.s. changed its name to Allegro Retail a.s.

GRI ▶ [2-1] [2-6] ESRS ▶ [G1-1] [SBM-2]

Mission and vision

OUR MISSION

We simplify shopping and selling

OUR VISION

To be the most *loved* online shopping destination in Europe

Go big - first in CEE, then across EU!

For Allegro, the opinions of stakeholders, especially buyers, merchants and employees, are crucial in creating the mission and vision. Every day Allegro strives to facilitate the buying and selling processes, thereby building a better, modern and responsible e-commerce world. Allegro stands for simplicity and efficiency in the often complex world of online shopping. Allegro's mission is clear: simplify shopping and selling. By removing common obstacles, Allegro strives to offer a seamless process that both customers and sellers can grow to love over time. With the vision to be Europe's most loved online shopping destination - Allegro strives to ensure that every aspect of its service is trustworthy and user-friendly.

What sets Allegro apart? Allegro customers can enjoy a wide range of trusted products available at competitive prices. A commitment to quality and value are at the heart of every transaction, supporting a safe shopping environment that our customers rely on. Engagement and loyalty go hand in hand at Allegro. With Allegro best-in-class Smart! programme, customer loyalty is rewarded with exclusive benefits that enhance the shopping experience, making every visit more attractive.

- For sellers and brands that want to grow, Allegro is the perfect partner. We provide a reliable and supportive platform for

businesses to develop, innovate and succeed in a highly competitive marketplace.

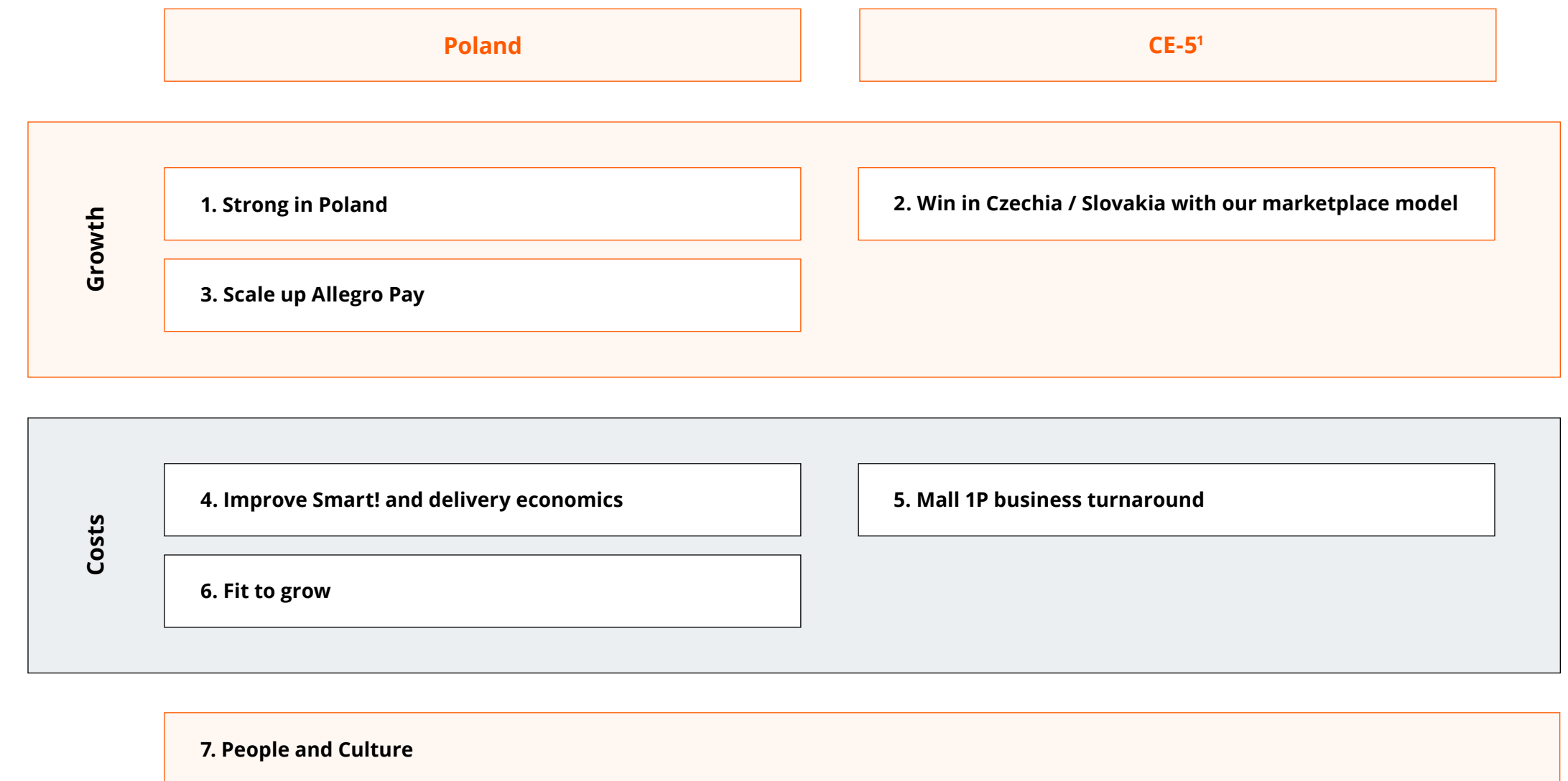
- Understanding the importance of secure and simple financial transactions, Allegro offers easy-to-use fintech products. These solutions are designed to integrate seamlessly into Allegro's customers' daily lives, providing convenience without sacrificing the security.
- Efficiency does not end at checkout. Allegro ensures that every order is delivered quickly and sustainably through the Allegro's fast, reliable and cost-effective pan-European logistics network. This commitment to logistical excellence is the foundation of Allegro's commitment to the customers.
- At Allegro, technology regularly delights customers. Allegro invests in technology that innovates and scales, creating solutions that evolve with our customers' needs and regularly bring convenience to daily lives.
- Allegro platform is not just a marketplace; it is a place of growth and opportunity. Allegro aims to be a place where diverse talent can grow, contribute and make a meaningful difference.

Looking to the future, Allegro's vision is bold: "To be the most loved

online shopping destination in Europe". This implies a gradual expansion to ensure that Allegro maintains its high standards (3P marketplace with 1P user-experience), stays true to its mission and continually works towards a vision that drives it forward, prioritising expansion to countries where Allegro is welcomed.

Key strategic pillars

Throughout 2023, in execution of Allegro's growth strategy the management was focused on the following seven priorities. The priorities are agreed goals that the entire group is working towards:



ESG is included in one of the strategic pillars for Allegro - People & Culture, essential to its business fundamentals and central to its operational framework. It drives the company towards responsible growth, ensuring decisions are made with a conscious regard for environmental sustainability, social responsibility, and ethical governance. The strategic goal for the People & Culture pillar is to build the best place to develop and make a difference by creating a friendly and inclusive work environment, supporting the personal and professional development of Allegro employees and integrating sustainable growth (ESG) in value creation. Allegro's commitment to ESG principles is clear in its efforts to foster a diverse and inclusive workplace, its strategies to reduce environmental impact, and its

policies ensuring accountability and transparency. Through ESG, Allegro aims to not only achieve commercial success in the short term but also build long term value demonstrating that a commitment to global stewardship can go hand in hand with business innovation and success.

The Allegro Way - Common goals require common solutions

We believe that speaking the same language throughout company is the basis of our success. We implemented a set of twelve core behaviours we value across all our offices and teams. These

¹Croatia, Czechia, Hungary, Slovakia, Slovenia

GRI ▶ [2-1] [2-6] ESRS ▶ [G1-1] [SBM-2]

behaviours reflect a culture of respect, taking responsibility, and always striving to improve. Let's all embrace The Allegro Way, working together to strengthen our company and create a positive future. They encapsulate our approach to growth, our commitment to our goals, and the way we foster teamwork and collaboration.

How we grow

At Allegro, we prioritise a customer-centric approach, strive for excellence, and embrace bold visions for the future. Our growth is driven by understanding and exceeding customer expectations, setting and elevating high standards, and pursuing innovative, forward-thinking strategies.

- Seek to understand customers and work backwards from their experiences that means making the best decisions for our customers that leads to success. We gain customers' loyalty when we truly understand what they expect from us and then consistently meet or exceed those expectations. Loyalty is our single largest driver of growth.
- Set high standards for myself and our teams and raise them regularly. No matter how well we execute, we can always get better. Continuous improvement is what really matters and it can come from us leveraging our own constant learning, sharing know-how between teams and functions, as well as identifying new synergies or innovations.
- Boldly think ahead when formulating action plans, we lean toward exciting, aggressive yet realistic plans and provide bold direction to our teams. We are not afraid to pursue new, ambitious initiatives to serve our customers that some people may simply believe cannot be done.

How we show commitment

At Allegro, we demonstrate our commitment by embracing a wide-ranging perspective and cross-functional cooperation. This approach ensures that our actions not only serve immediate business needs but also contribute positively in the long run.

- Thinking about the business as if it were my own means acting on behalf of the entire company as well as maximising quality output while minimising the resources needed. We think long-term and do not sacrifice long-term benefits for a short-term

pay-off. We contribute to the wider community, acting ethically, and complying with the law, regulations, internal policies and processes while recognising climate and social objectives and giving back to society. We choose what's best for the business – not for us or our team.

- Assume responsibility for objectives and build cross-functional cooperation. We progress when we are precise about what we will deliver, how we will deliver it, and when it will be ready. We make sure that all involved parties are aligned not only on expectations and deliverables, but also decision-making power or resources.
- Deliver results by focusing on key inputs for the business and deliver them with the right quality and in a timely fashion while keeping in mind the ultimate goal and big picture. We treat setbacks as opportunities to learn.

How we work

At Allegro, we embrace a data-driven, simple, and critical approach in our work. We analyse data deeply to make informed decisions and value simplicity in solving complex challenges, always with a critical mindset to ensure effectiveness and relevance.

- Dive deep into facts to guide my actions and decisions. We use data to identify and understand the real inputs to our business. We manage by tracking them, because a story of cause and effect can be compelling yet not be true - correlations do not always prove causality! Getting to the root cause is key.
- Striving for simplicity allows us to be successful. In a complex world with many competing priorities. We do not confuse 'simple' with 'simplistic' nor 'high level' with 'vague'. Simplicity can be achieved through, e.g. continuous improvement, innovation or disruption.
- I put purpose first, ego second. Looking at the same or similar set of facts, we can draw different conclusions. Getting to the truth in and solving problems requires open and often direct discussion of the available facts. We are vocally self-critical, even when doing so is awkward or embarrassing.

How we work with others

At Allegro, we approach collaboration with a focus on teamwork and proactive problem-solving. We believe in building winning teams that leverage individual strengths and fostering a culture of open but

committed decision-making. Our 'bias for action' mindset drives us to take initiative and embrace uncertainty as a potential source of opportunity, recognizing the importance of speed in business.

- Attract, hire and develop the best to build a winning team. We all have exceptional abilities or aptitudes. We focus on articulating an individual's strengths and how they can raise team performance rather than concentrating on personal characteristics. We encourage strengths-based careers across the entire organisation.
- Have the courage to disagree, but I commit once a decision is made. We can only win as a team if we follow the same game plan.

We understand that full consensus is not always possible - in those situations, we disagree in the room (robustly when necessary) and commit to a united front when the decision has been made.

- Tackle problems. We demonstrate 'bias for action', which means taking initiative and anticipating future events. We approach uncertainty with curiosity because it can create opportunity. If we are going to fail, let's fail fast, because speed matters in business.

12 BEHAVIOURS



HOW WE GROW

I seek to understand customers and work backwards from their experiences.

I set high standards for myself and our teams and raise them regularly.

I boldly think ahead.

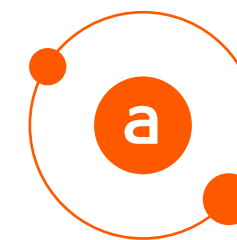


HOW WE SHOW COMMITMENT

I think about my business as if it were my own.

I assume responsibility for objectives and build cross-functional cooperation.

I deliver results.

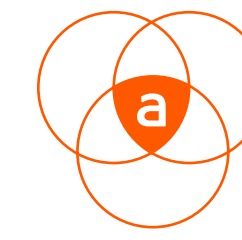


HOW WE WORK

I dive deep into facts to guide my actions and decisions.

I strive for simplicity.

I put purpose first, ego second.



HOW WE WORK WITH OTHERS

I attract, hire and develop the best to build a winning team.

I have the courage to disagree, but I commit once a decision is made.

I tackle problems.

GRI ▶ [2-1] [2-6] ESRS ▶ [G1-1] [SBM-2]

Allegro awards and achievements

Each year, Allegro is nominated for many competitions and awards. The numerous awards confirm its commitment to operational excellence and its leadership in promoting best practice in the e-commerce segment and beyond.

ESG awards & achievements

1. AAA score in MSCI rating

- Allegro achieved leadership position in MSCI scoring

2. Diversity Leader 2023

- Allegro has been listed among the prestigious group of employers in Europe supporting diversity and building inclusive practices in the newest ranking by Financial Times and Statistics.
- Allegro also achieved the highest score in Central and Eastern Europe (CEE).

3. Poland's Best Employer

- 1st place among employers in the Retail category of Poland's Best Employers ranking announced by Forbes Polska and Statista.
- 18th place in the general classification of the companies

4. Benefactor of the Year

- An award in the "Social and Charity Aid" category for cooperation with the Stowarzyszenie WIOSNA in the Noble Gift campaign.

5. Poznań Volunteer of the Year 2023

- The award for the "Sojusz firm", which includes 19 Poznanian companies, including Allegro, non-governmental organisations, and the City of Poznań, for the project "Wspólnie POZmieniamy" in the Employee Volunteering category.

6. e-Commerce Poland Awards 2023 in CSR category

- The award in the Best in CSR category. The distinction has been awarded for the Employee Volunteer Program.

7. Invest Cuffs - The ESG company of the year

- The ESG company in the Investors and customers opinion

8. CSR Silver Leaf Award "Polityka" Magazine & Responsible Business Forum

9. Merchant Payments Ecosystem Awards - the only European award presented to online payment service providers.

- Main prize for Allegro Merchant Finance in "the Best Use of Data Analytics (outside of fraud)" category for the best use of data analytics and AI to support merchants.

10. ERM Leader

- A title awarded in cooperation with PBSG SA received by Allegro Group Risk & Compliance Manager.

E-commerce awards

11. Business Leader on the Czech Market in 2022 - Award given by the member companies of the Polish Capital Club.

- Allegro was awarded during the XI Czech-Polish Ball organised by the Polish Capital Club in the Czech Republic, in cooperation with the Polish Embassy in Prague.

12. Tech Awards 2023 - the most important plebiscite of technology products in Poland, where the winner is decided by the votes of Internet users.

- Award in the Shopping Subscriptions category for Allegro Smart

13. FinTech & InsurTech Awards

- The main prize in the Best Payment Solution category for using UX technology and a unique approach to the payment ecosystem for business clients.

14. Best App of the Year 2023 in the Adriatic region - the biggest competition for online sellers in the Adriatic region, organised by Ceneje.si, Jeftinje.hr and Idelno.rs - all part of the Heureka group.

- Mimovrste was awarded for both markets SLO: mimovrste.com and CRO: mall.hr.

15. Mobile Trends Awards

- Mobile Trends Awards - nomination in the M-COMMERCE - DEVELOPMENT category.

16. Effie Awards 2023 - prestigious competition for the most effective marketing campaigns.

- Silver - in the Finance and Insurance category - for the campaign "Comes, likes, pays later".
- Bronze - in the E-commerce & Shopper Marketing category for the campaign "Allegro Days"
- Bronze - in the Retail category - for the campaign "Our Most Reliable Store"
- Bronze - in the Services category - for the campaign "Allegro Protect"
- 3rd place for Allegro, in the ranking of marketers

17. Polish National Sales Awards

- Polish National Sales Awards - award in the Technological Innovator category for Allegro employee for the Deaf hotline project.

18. Ecommerce Germany Awards nominations in two categories

- Allegro Smart! as Best Sales Generating Tool
- AllegroPay as Best Payment Solution

19. Polish Contact Center Awards

- Award for Best Service for an Allegro employee
- GrandPrix Award for #AllegroCX

20. Loan Magazine Awards 2023

- The magazine recognised Allegro Merchant Finance, powered in partnership with PragmaGO, in the Partnership category.



GRI ▶ [2-6] [2-28] [2-29] ESRS ▶ [SBM-2] [S4-3] [GOV-4]

1.4 Value chain

Allegro's value chain forms the foundation of its ESG strategy. It entails multiple activities from sourcing products to the terminus of their lifetime, thereby facilitating comprehensive stakeholder engagement. This approach makes it possible to identify and manage environmental, social, and governance impacts in all of the company's operations and map the key stakeholders involved.

Stakeholders are engaged in operations thereby enabling Allegro to make better business decisions, manage risks more effectively and foster innovation. The most important groups in the business environment were identified by conducting a comprehensive double materiality analysis and engaging in stakeholder dialogue.

The company facilitates interaction with business partners and suppliers through an internal complaint handling system, out-of-court procedures, and cooperation with public authority channels to ensure all concerns are managed with due diligence while fostering collaborative solutions.

The company's engagement with local communities, NGOs, the business environment, media, and competition is multifaceted. It includes active participation in industry organisations and initiatives, conferences and meetings, and public consultations. Stakeholders receive regular updates in the form of a steady stream of current and periodical reports and media announcements. The company also maintains open lines of communication via email.

Shareholders and market participants receive updates and reports and are invited to participate in discussions via meetings and roundtables to ensure transparency. The company openly communicates with them through direct emails and timely newsletters. The Annual General Meeting serves as a forum to provide a concise overview and engage with investors.

As a member of trade associations, Allegro regularly participates in public consultations on Polish, Czech and EU draft legislation during which it represents the interest of merchants, consumers and European technological companies actively engaged in ongoing digitisation and the creation of an innovation-friendly legal environment. Allegro representatives are in touch with government bodies such as the Polish Office for Competition and Consumer

Key stakeholders

		Upstream			Own Operations		Downstream		
Allegro value chain	Extraction and processing of raw materials	Production	Transport and logistics	Merchants	Allegro	Transport and logistic	Consumers	End of life	
Stakeholders	Employees in the value chain, affected communities	Employees in the value chain, affected communities	Employees in the value chain, affected communities	Mainly small and medium entrepreneurs, employees in the value chain	Employees, workers/contractors, investors, affected communities, business partners, regulatory authorities, cities/city authorities	Business partners, contractors, employees in the value chain	Consumers and end users, affected communities	Consumers and end users, cities/city authorities, affected communities	
Localisation	Whole world, mainly Poland and Czech Republic			Poland, Czech Republic, Slovakia, Hungary, Croatia, Slovenia and others		Poland, Czech Republic, Slovakia, Hungary, Croatia, Slovenia			
Description of the business relationship	Indirect relationships	Indirect relationships with merchants and producers Direct relationships for Allegro retail operations (1P)		Direct and long-term relationships	Direct and long-term relationships	Direct and long-term relationships	Direct relationships, recurring and non-recurring	Indirect relationships	

Communication channels with stakeholders

		Upstream			Own Operations		Downstream		
Allegro value chain	Extraction and processing of raw materials	Production	Transport and logistics	Merchants	Allegro	Transport and logistic	Consumers	End of life	
Key areas	No direct contact	No direct contact for 3P. Planning, Performance Review for 1P	No direct contact for 3P. Planning, Performance Review for 1P	Merchant need analysis Information on changes Problem solving Education	Employee need analysis Information on changes Day to day operations	Planning, Performance Review	Consumer need analysis Information of changes Advertising campaigns Problem solving Education After sale care		
Channel	Contact form Social media accounts Media relations	Contact form Email Direct communication Periodical reports Social media accounts Media relations	Contact form Email Direct communication Periodical reports Social media accounts Media relations	Contact form Email Contact with Allegro advisers Allegro Academy Social media accounts Regular surveys Allegro Gadane community Mailings	Individual contact Email #Let's_Talk: Company Update - quarterly meeting with Exec Team and Q&A session The qa_allegro channel for asking questions on an ongoing basis Inspirational meetings Thematic communities Mailings	Contact form Email Direct communication Periodical reports Media relations	Contact form Allegro chat Hotline for Seniors Contact channel for deaf users Allegro Protect Social media accounts NPS survey Regular surveys Allegro Gadane community Social media accounts Media relations Mailings		

GRI ▶ [2-6] [2-28] [2-29] ESRS ▶ [SBM-2] [S4-3] [GOV-4]



Protection in an effort to support education and develop the best market standards. The company also works with the relevant ministries and public economic administration to improve the position of local entrepreneurs and afford them full representation. Allegro is a member of the following organisations (as at 31.12.2023):

International organisations:

- [Ecommerce Europe](#) [Allegro]
- [The European Tech Alliance](#) (EUTA) [Allegro]
- IAB Europe [Allegro]

Polish organisations:

- [UN Global Compact Poland](#) [Allegro]
- [The Chamber of Digital Economy](#) (Izba Gospodarki Elektronicznej) [Allegro, Ceneo.pl]
- [Digital Technology Employers Lewiatan](#) (Związek Pracodawców Technologii Cyfrowych Lewiatan)
- [Konfederacja Lewiatan](#) via the trade association [Związek Pracodawców Technologii Cyfrowych Lewiatan](#) [Allegro] [eBilet.pl]
- [The Union of Entrepreneurs and Employers](#) (Związek Pracodawców

i Przedsiębiorców, ZPP) [Allegro]

- [The IAB Polska Association of Internet Industry Employers](#) (Związek Pracodawców Branży internetowej IAB Polska) [Allegro]
- [IAB Europe](#) [Allegro]
- [Responsible Business Forum](#) (Forum Odpowiedzialnego Biznesu) [Allegro]
- [The Polish Association of Listed Companies](#) (Stowarzyszenie Emitentów Giełdowych) [Allegro.eu]
- [The Polish Organisation of Non-Bank Payment Institutions](#) (Polska Organizacja Niebankowych Instytucji Płatności) [Allegro Finance]
- [Business Accessibility Forum](#) (Widzialni Foundation) [Allegro]
- [Związek Przedsiębiorców Finansowych](#) [Allegro Pay]
- FinTech Poland [Allegro Pay]

Czech organisations:

- [Digital Economy Network](#) [Allegro]
- [Czech Business Leaders Forum](#) [Allegro]
- [APEK – Association of E-commerce in Czech Republic](#) [Mall, CZC]

Allegro representatives also work with [BusinessEurope](#) as part of

Konfederacja Lewiatan [Allegro] and [Interactive Advertising Bureau Europe](#) as part of IAB Poland [Allegro]. The company is also a member of SME Connect at SME Europe through its membership in ZPP. Allegro is engaged in the public debate on how to enhance innovation and the competitiveness of local companies. As a member of the European Tech Alliance (EUTA) and other business organisations in Poland and at the EU level, Allegro is making a contribution to regulatory dialogue with the objective of creating optimal conditions for innovation, providing merchants with the proper support and ensuring consumer safety and user-friendliness, as well as a level playing field for all players, including scale-ups. As part of its contribution to ongoing discussions in the EU, Allegro presented its EU Tech Credo¹ in which it underlines how crucial it is for EU policies to be effectively construed in accordance with principles such as proportionality and smart regulation while aligning various policy objectives and legal regulations. Regulations governing the platform's obligations, taxes, innovative payment solutions, use of

artificial intelligence and data should allow the company to innovate and develop cutting-edge services without hindering processes or creating unjustified costs or unfair administrative burdens. Allegro sees the legal framework as an important factor for success and competitiveness for all EU-based companies. This is why company representatives have ardently advocated for rules to support EU companies as they innovate and leverage new technologies to improve services for consumers. The aim is to focus on constantly enhancing the experience of its customers and partners, propelling investments and innovation and employing great talents. At the same time, Allegro believes that EU rules can help make the bloc a true Digital Single Market that allows companies to operate and thrive in multiple countries, ensuring that the rules established are applicable and enforceable equally to all companies that do business in Europe. Allegro was one of the founders leading the European Tech Alliance (Allegro representative served as Chairperson in 2018-2022, and as a Board member since 2023).



¹<https://about.allegro.eu/static-files/c32463e3-8a82-4ba1-8ee3-f3db25833984>

2. ESG Strategy

An action plan to achieve environmental, social, and governance goals that align with Allegro's vision, values and business growth.

2.1 ESG strategy

14

Sustainable Development Goals [SDGs]



GRI ▶ [2-22] ESRS ▶ [SBM-3]

2.1 ESG strategy

Environmental, social and governance issues are a part of Allegro's daily business operations as well as its long-term strategic plans. ESG issues are considered to be as important as other business factors when making strategic decisions. ESG Strategy is implemented through cooperation in all areas, incl. Technology, Commerce, Operations (Customer & Delivery Experience), Human Resources, Compliance & Risk, Investor Relations, Procurement, Marketing, PR, CSR. ESG is managed comprehensively with the participation of members of the Executive Team and the Board of Directors. It also involves all major stakeholders: consumers, merchants, employees, and government and non government organisations as well as investors, ESG rating agencies, business partners and regulators. Allegro's strategy is built on the premise that growth equates to responsibility, focusing on positive transformation and tangible actions rather than big words.

Allegro's strategic framework is designed to scale across six countries, engaging nearly 150 thousand merchants, over 19.6 million Active Buyers, 6,624 staff members, and over 10 thousand business partners in the value chain in the pursuit of becoming Europe's favourite online shopping destination. By embedding care into the very fabric of our operations through the following pillars: All 4 People, All 4 Planet, and All 4 Prosperity, Allegro is committed to deliver a sustainable future to the entire value chain that extends beyond its immediate operations. All 4 Prosperity, the latest addition to our strategic framework, focuses on facilitating the growth of merchants and promoting digitalization. At the core of our strategy is Good Governance, an area we consistently prioritise. Good governance underpins this approach, ensuring that as Allegro expands, it makes a meaningful impact, leading to a better sustainable future and shaping the e-commerce world.

By setting ambitious climate targets, the company is a leader setting the trend in the CEE region. Allegro has already set long-term climate targets accepted by the Science Based Targets initiative. The goal includes 38% reduction of GHG emissions (scope 1 and 2) by 2030, in line with the Paris Agreement 1.5°C pathway and engaging at least 73% of suppliers by spend to determine their science-based targets

for Scope 1 and 2 by 2027.

Allegro also continuously works on diversity, equity and inclusion to incorporate different groups: gender-based, seniors, young generation and people with disabilities etc. To fulfil the diversity targets Allegro ensures that independent members constitute at least a majority (over 50%) of the Board of Directors Allegro.eu by 1 September 2026.

Presented strategy is the result of an extensive double materiality assessment that took into account the views and interests of Allegro's stakeholders. More about the double materiality analysis process can be found in the About the report section. The strategy was approved and adopted by the Board of Directors. The results of the strategy are regularly monitored by the Remuneration, Nomination and ESG Committee (RemNomESGCo). More on this subject can be found in the ESG and climate corporate governance chapter).



#SustainableAllTogether

All 4 People

Engage & empower people for doing good through promoting responsibility, accessibility and inclusiveness.

<5%

adjusted gender pay gap each year

All 4 Planet

Positively impact customers by providing simple & sustainable choices while minimising environmental footprint in own operations and value chain.

100%

sustainable packaging in own operations by 2028

-38%

CO₂e emission in own operations by 2030

All 4 Prosperity

Make economic impact building prosperity and profits for the company and value chain.

177 000

merchants selling on Allegro platforms by 2026

Good Governance

Provide the oversight, structures, and accountability needed for converting ESG priorities and commitments into impacts.

>90%

employees trained on cybersecurity by 2025

3. Good Governance

Provide the oversight, structures, and accountability needed for converting ESG priorities and commitments into impacts.

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Sustainable Development Goals [SDGs]



3.1 ESG and climate corporate governance

Allegro.eu, a company incorporated and existing under the laws of Luxembourg, has a one-tier (unitary) board structure in which the Board of Directors consists of executive directors (dealing with day-to-day management) and non-executive (supervisory) directors as opposed to Polish listed companies that have a two-tier structure consisting of a management board and a supervisory board. The Board of Directors is Allegro.eu's highest governing body and it takes ESG issues into account when performing its supervisory duties. The aim is to appoint Board members with diverse knowledge, skills and experience suitable to their functions in order to ensure high-quality performance. Allegro's diversity & inclusion approach includes principles emphasising that differences in opinions and personal background (which, apart from the criteria mentioned above, result from nationality, gender and age) help to achieve the best results. At the end of 2023, the Board numbered eleven members among whom 3 (27%) have expertise in ESG. The number of independent directors was increased from 3 to 5, one below the target of >50% by 2026.



STATEMENT ON BOARD INDEPENDENCE TARGET

On 22 September 2021 the Board of Directors of Allegro.eu approved an Amendment to the Rules of Procedure by introducing a new target to have at least a majority of independent directors on the Board. The Board has adopted a maximum timeline of five years ending on 1 September 2026 to achieve this target.



The Board members' full biographies are presented on the [dedicated website](#).

2023 Performance:

11

At the end of 2023, the Board of Directors numbered eleven members among whom 3 (27%) have expertise in ESG.

5

The number of independent directors was increased from 3 to 5, one below the target of >50% by 2026.

58.2%

employees trained for cybersecurity

70.9%

All policies are verified at least once a year and if necessary they are updated to be aligned with new legislations, regulator requirements and environment changes.

67.5%

employees trained for compliance

0

penalties for data leak and cybersecurity incidents

CASE STUDY

Board of Directors oversight on ESG

Allegro, like many companies worldwide, has recognized the growing importance of Environmental, Social & Governance. Over time, the company has realised that ESG now needs to be a value ingrained within the organisation rather than just a standard corporate social responsibility (CSR) objective. The journey of ESG becoming a critical consideration for Allegro began in 2023 when Allegro Board of directors made a crucial decision. The Remuneration and Nomination Committee (RemNomCo) were appointed to take on the responsibility of ESG matters, indicating the commitment of Allegro's management to making ESG an essential part of the business's processes (RemNomESGCo).

The integration of ESG matters into important decision-making processes, risk management, governance, accountability reporting are vital considerations for Allegro. The shift towards this model

demonstrates Allegro understanding of the critical role of ESG in Allegro overall strategy. The board's appointment of a member responsible for ESG matters further emphasises Allegro's commitment to promoting sustainable, responsible, and more equitable business practices. By placing ESG in the RemNomCo's agenda, Allegro signals its intention to make sure that the principles underpinning ESG are etched in the company's culture. In March 2024 the name of the RemNomCo was changed to RemNomESGCo.

These changes demonstrate Allegro's dedication and willingness to embrace new challenges that come with the advancement of ESG globally, ultimately enabling them to develop more sustainable business practices with greater accountability and transparency.

GRI ▶ [2-9] [2-10] [2-11] [2-12] [2-13] [2-14] [2-16] [2-17] [2-18] [2-19] [2-20] ESRS ▶ [GOV-1] [GOV-2] [GOV-5] [SBM-1] [SBM-2] [IRO-1] [IRO-2]

By the end of 2023, women constituted 27% of the Board of Directors at Allegro.eu. However, if the Annual General Meeting approves the new composition of the Board of Directors, the representation of women on the Board will increase to 30%. Moreover, at the end of 2023 women held 33% of the non-executive roles at the end of 2023, and this figure is projected to rise to 37.5% after the above mentioned prospective changes. Additionally the incidence of independent Board of Directors members will exceed 50% target*. In its Board of Directors selection strategy, Allegro prioritises a diversity of perspectives as well as independence.

The role of the Board of Directors in ESG issues is as follows:

- approve Allegro ESG strategic directions, flagship Key performance Indicators (KPI's) and recommend changes/activities,
- approve reports on the implementation of Allegro ESG Strategy,
- supervise the integration of Allegro ESG Strategy and initiatives with Allegro's business goals,
- ensure the integrity of non-financial information,
- monitor corporate risk, define the scope of risk management, define directions for the development of the risk management system and determine risk appetite levels.

The Board of Directors meets at least once per quarter and as required by the Company's articles of association. It can only validly deliberate if a majority of the directors are present or represented. The resolutions of the Board of Directors are passed by a simple majority of the votes cast by the voting directors present or represented, not considering abstentions. The Board of Directors held 8 meetings in 2023, on 4 ESG and climate issues were discussed.

Additionally, each year at the turn of the third and fourth quarters, the Board of Directors (including Remuneration, Nomination and ESG Committee and Audit Committee members), executive team members, and senior managers in the key subsidiaries participate in a strategic workshop during which the executive team members present business strategy for the upcoming fiscal year. In 2023, ESG themes and issues were included and approved for the first time in strategies, plans, and KPIs for the next fiscal years. Furthermore, members of the Remuneration, Nomination and ESG Committee and the Audit Committee had training on the new Corporate Sustainability Reporting Directive (CSRD) requirements and a meeting on Allegro's compliance with European Sustainability Reporting Standards (ESRS). The Board of Directors is responsible for ESG leadership including oversight and monitoring ESG and climate strategy and flagship non-financial KPI performance. It also monitors corporate risk (incl. ESG, climate), defines the scope of risk management, defines directions for the development of the risk management system and sets risk appetite levels. Allegro maintains the following committees directly reporting to the Board of Directors: (i) Audit Committee (AuditCo) and (ii) Remuneration, Nomination and ESG Committee. RemNomESGCo is responsible for determining the principles of remuneration of members of the highest supervisory body and senior management staff. In 2023, remuneration policies for Board of Directors did not address their objectives and performance in relation to managing the organization's economic, environmental and people impact. Starting from 2024 the ESG related objectives are set for Exec Team members and the team that have operational oversight on ESG.

Remuneration, Nomination and ESG Committee

Name	Function	Representing
Nancy Cruickshank	Chair	Independent Non-Executive Director
Darren Huston	Member	Non-Executive Director
Catherine Faiers	Member	Independent Non-Executive Director
Tomasz Suchański	Member	Independent Non-Executive Director

Board of Directors

Name	Year appointed - year term expires	Representative	Independence status	Gender	Expertise in ESG and Climate areas
Darren Huston	2020-2026	Non-Executive Chairman	Not independent	M	No
Roy Peticucci	2022-2026	Executive Director, CEO	Not independent	M	No
Jonathan Eastick	2020-2026	Executive Director, CFO	Not independent	M	No
David Barker	2020-2026	Non-Executive Director	Not independent	M	No
Richard Sanders	2020-2026	Non-Executive Director	Not independent	M	No
Paweł Padusiński	2020-2026	Non-Executive Director	Not independent	M	No
Nancy Cruickshank	2020-2026	Non-Executive Director	Independent	F	No
Clara (dit Carla) Smits-Nusteling	2020-2026	Non-Executive Director	Independent	F	No
Pedro Arnt	2022-2028	Non-Executive Director	Independent	M	Yes
Catherine Faiers	2023-2026	Non-Executive Director	Independent	F	Yes
Tomasz Suchański	2023-2026	Non-Executive Director	Independent	M	Yes
SUMMARY		82% non executive	45% independent	27% female	27% has ESG expertise

Audit Committee

Name	Function	Representing
Clara (dit Carla) Smits-Nusteling	Chair	Independent Non-Executive Director
David Barker	Member	Non-Executive Director
Pedro Arnt	Member	Independent Non-Executive Director

* Two non-independent and one independent directors to be replaced by 2 independent directors at 2024 AGM, thus exceeding the 50% 2026 target.

GRI ▶ [2-9] [2-10] [2-11] [2-12] [2-13] [2-14] [2-16] [2-17] [2-18] [2-19] [2-20] ESRs ▶ [GOV-1] [GOV-2] [GOV-5] [SBM-1] [SBM-2] [IRO-1] [IRO-2]

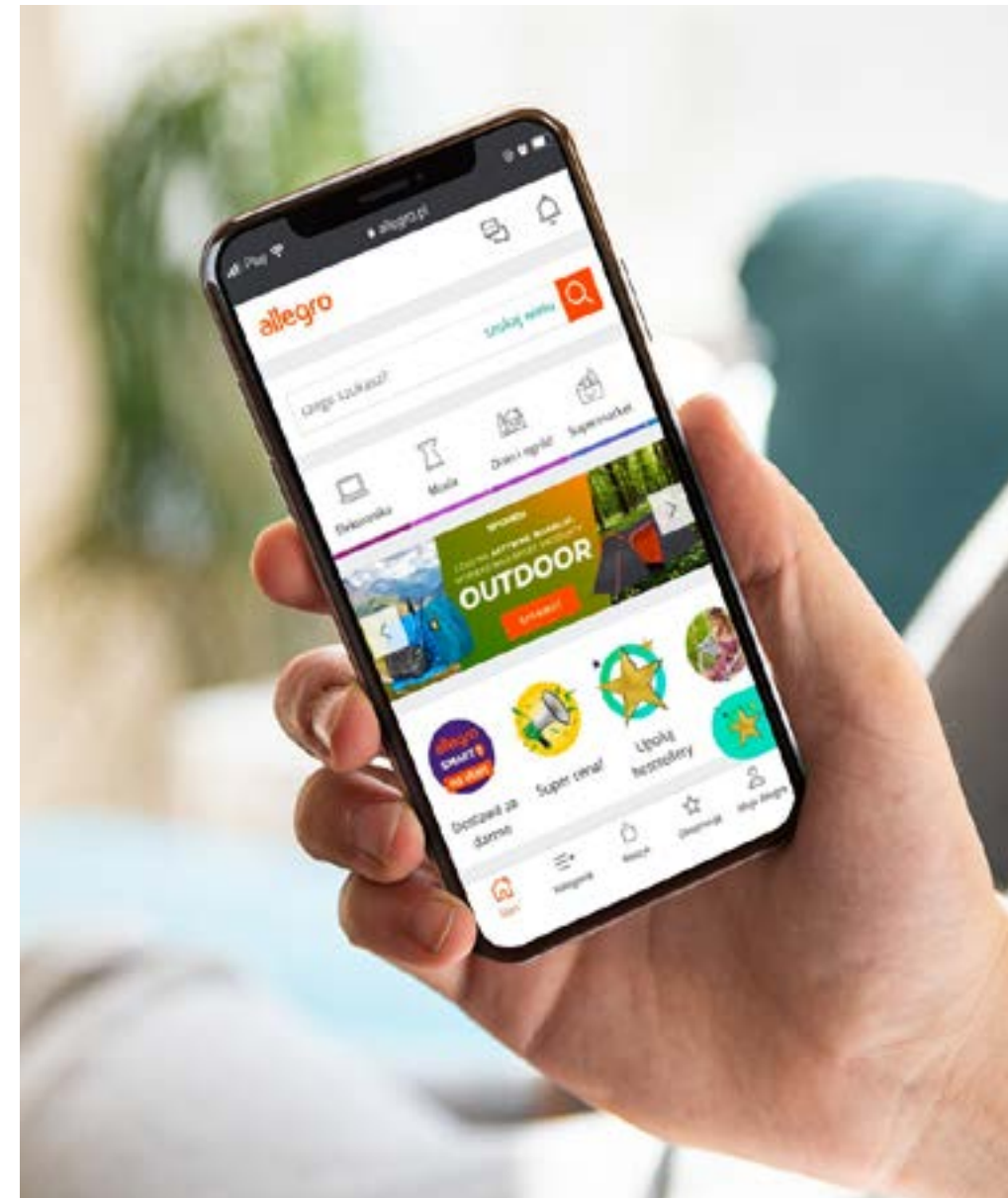
Additionally RemNomESGCo provides a strategic recommendation on ESG priorities and monitors ESG & climate strategy implementation, whereas the Audit Committee provides a strategic recommendation and review of ESG & climate risks, ESG reporting, non-financial audit results and remediation plan. Additionally, Chief Executive Officer, Chief Legal Officer and Group Chief Financial Officer oversee ESG strategy implementation and cyber security strategic projects.

As of 27 June 2023, the RemNomESGCo headed up by its Chairman is also responsible for supervising all issues related to ESG and sustainability strategy, in particular approving new strategic directions, revising strategy, and preparing a list of flagship KPIs. All of the Committee's activities are supervised by its Chairman, who is also a member of the Board of Directors and who is responsible for ESG in Allegro. The Committee meets at least four times a year when the ESG strategy implementation progress is presented, and key strategic recommendations are made. The RemNomESGCo consists of no less than three (3) independent non-executive directors. In 2023, the RemNomESGCo held 6 meetings. The main areas of interest and discussion on ESG issues pertained to reviewing the refreshed ESG strategic framework, double materiality analysis and the ESG operational plan for 2024.

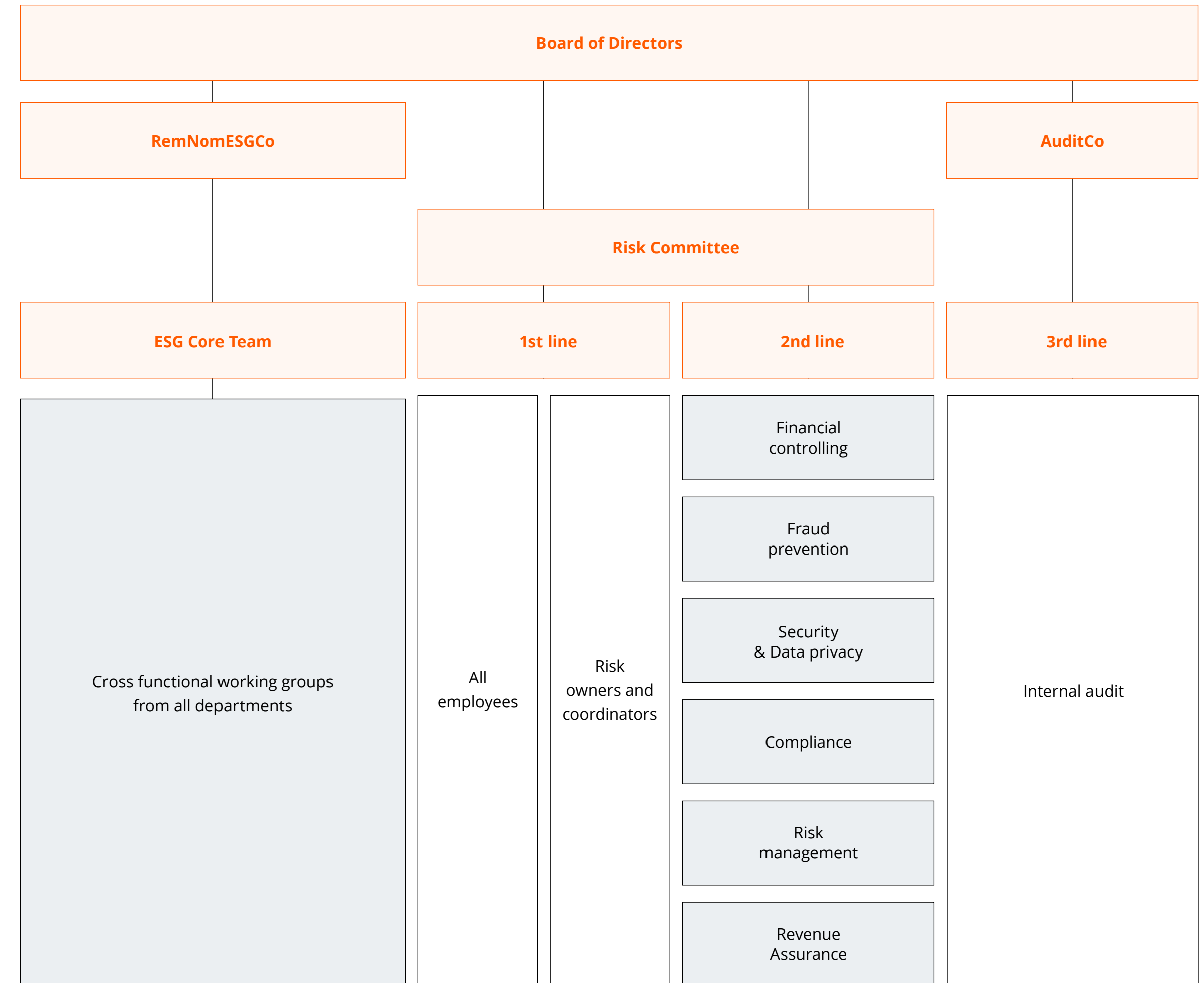
As of 27 November 2023 the Audit Committee is also formally responsible for Security and Privacy matters, which from the beginning were, and will be, regularly discussed in Audit Committee meetings to ensure that relevant security and privacy matters are incorporated into the Company's purpose, governance, strategy, decision-making, risk management, and accountability reporting. In accordance with the Audit Committee's Charter, Audit Committee meetings are held at least four (4) times a year at appropriate times in the financial reporting and audit cycle and otherwise as required. The Audit Committee includes no fewer than three (3) members among whom two (2) are independent. In 2023, the Audit Committee held 7 meetings. The main areas of its interest and discussion topics in ESG pertained to cybersecurity, data privacy, Risk Management, compliance and Corporate Sustainability Reporting Directive readiness.

The ESG Core team is an intermediate unit between the operational and implementation teams, Board of Directors and the

RemNomESGCo and AuditCo. The ESG Core team monitors operational ESG management. The team consists of ESG and sustainable development experts, including the Director of Group Public Affairs & ESG and Group Sustainability & ESG Manager. The crucial task performed by the ESG Core Team is pursuing ESG strategy and coordinating its implementation by cooperating with all of the required business units taking actions and monitoring performance. This team also monitors progress in achieving ESG goals, key performance indicators (KPIs) and ESG goals and it reports the outcomes of activities and strategy implementation. The ESG Core Team reviews all CAPEX/OPEX expenses on Allegro.pl above PLN 100,000 in terms of compliance with ESG commitments. Moreover, the ESG Core Team produces quarterly status reports for the Board of Directors while cooperating with the Chief Security Officer (CSO) and the Risk and Compliance Manager by monitoring possible climate impact, risks and opportunities related in particular to business and operational risk.



The operational structure of Allegro's ESG governance is presented below:



3.2 Ethics and compliance

Compliance and preventing corruption and irregularities are very important to Allegro. This extends to operations as well as all employees and entities with which the company works on a daily basis. A governance, risk and compliance management system was introduced. It includes standards of conduct, corruption prevention, competition law compliance, prevention of conflicts of interest, information and data protection, prevention of unlawful discrimination (grounds for discrimination are covered in policy and include gender, age, disability, race, religion, nationality, political beliefs, trade union membership, ethnic origin, religion, sexual orientation, employment for a fixed or indefinite period, full-time or part-time employment) and protection of company property and will span all entities.

Guidelines covering procurement policy, tender procedure, controlling procedure and legal procedure have also been introduced to minimise all unauthorised practices, violations of the law, corruption and fraud, especially with regard to purchasing practices or other



adverse consequences of non-compliance within Allegro.

Allegro operates transparently in keeping with the highest ethical standards and due diligence as detailed in its policies and [regulations](#):

- Allegro's Code of Ethics consists of the following areas:
 - » Business Continuity Management
 - » Charity, social and sponsoring activities policy
 - » Climate and environment policy
 - » Competition and Consumer Protection Compliance Policy
 - » Data policy
 - » Dealing Code
 - » Dealing Procedures Manual
 - » Disclosure Procedures Policy
 - » Diversity policy
 - » Human Rights Policy
 - » Insider dealing and market abuse policy
 - » Personal Data policies and procedures (including several privacy policies for employees, customers, partners, etc.)

- » Policy of counteracting undesirable phenomena such as discrimination, harassment, bullying and violence
- » Policy on counteracting money laundering and terrorist financing, and instruction on export controls and sanctions
- » Policy on preparation and maintenance of insider lists
- » Risk Management Policy
- » Security Policy*
- » Transparency and Anti-Corruption Policy (including gifts and benefit regulations, conflict of interest regulations, etc.)
- » Whistleblowing procedure

The Ethics Committee oversees compliance with the Code of Ethics and examines and adjudicates reported breaches. The composition of the Ethics Committee varies depending on the topic under discussion:

- HR Director, HR Business Partner or Employee Relationship Manager designated by the HR Director
- Head of Legal or a designated lawyer nominated by the Head of Legal
- Manager of the division the reported violation concerns
- External experts, if required or appropriate
- Risk and Compliance Manager
- Chief Security Officer.



The Code of Ethics is reviewed at least once a year and [is available](#) to all employees and the general public. All Allegro employees operate within the law and stay abreast of all relevant changes and industry regulations. Services, policies and processes are updated accordingly.

In 2023, Allegro commissioned an external audit of the Code of Ethics to ascertain whether the adopted policies, principles and guidelines are consistent with the currently applicable law, best practices and actually procure ethical standards. Review and evaluation did not reveal any significant deficiencies or inconsistencies with generally applicable laws and market practices. In addition to verification of the submitted documents, the assessment included interviews with Allegro employees responsible for the individual policies and their implementation. Based on these interviews, the audit firm stated that Allegro's culture is based on the highly ethical attitudes espoused by

its employees and associates and that the organisation pays a lot of attention to actively promoting its values and operating principles based on the highest ethical standards, and the development of management and employees and associates in this regard. This led to a positive evaluation. Minor issues that may enhance the maturity of the Code of Ethics in Allegro, e.g. the lack of one separate overarching code of ethics covering all policies, were addressed and will be implemented in 2024.

An ethics and compliance training and communication plan has also been developed and is being implemented. Every year, obligatory training on the policies is provided to every employee, including contractors. Training is held through a number of channels, including e-learning, email, a dedicated internal platform (Intranet), meetings, posters, competitions and other forms of communication. New employees get to know the code during a session of the mandatory OnBoarding Stay Safe / Stay Fair training. Once a year, Allegro employees participate in training on policies covered by the Code

of Ethics (Transparency Policy, Policy of counteracting undesirable phenomena such as discrimination, harassment, bullying and violence, Whistleblowing Procedure, Competition and Consumer Protection Compliance Policy, Policy on counteracting money laundering and terrorist financing, and instruction on export controls and sanctions, Security Policy) and personal data protection in order to improve their knowledge, build competence and raise awareness. Furthermore, Allegro terms and conditions include rules on maintaining animal welfare and information on permitted products and services for sale. As Allegro recognizes the importance of clear and precise communication about environmental initiatives, it also created a document called "Good Practices in Marketing and Communication for Green, Sustainable, ESG, and CSR initiatives at Allegro." The document outlines the rules and guidelines for communicating the company's environmental impact and initiatives with an emphasis on transparent, reliable, and data based information.

A very serious approach is taken to the risk management system, and a compliance framework has been established as shown below to ensure that all necessary measures are implemented:

Risk Management and Compliance		
Protect	Detect	Response
<ul style="list-style-type: none"> • Regulatory / Public Affairs • Risk Management • Policies • Training, communication, awareness sessions • Process integration • Lessons learned • Compliance implementation • Established responsibilities 	<ul style="list-style-type: none"> • Reporting: <ul style="list-style-type: none"> » anonymously or personally via system to Chief Security Officer ("CSO") » personally to HR, Legal, CSO or line manager » personally or via system to the Chair • Controls • Monitoring and compliance approvals • Review controls and compliance audits • Internal audits • Compliance investigations 	<ul style="list-style-type: none"> • Crisis management • Business Continuity Management • Disciplinary sanctions • Remediation • Cooperation with regulatory bodies

* Covering roles and responsibilities, Rules of personal data processing, Clear screen policy, Clear desk policy, IT systems rules (Authentication management, Backup copies, Protection against malware and unauthorised access to data, Installation, inspection and maintenance of systems, Logging events, Vulnerability management, Information classification, Data erasure), Company IT asset management, Working outside of the employer's offices, Cooperation with third parties, Protection and privacy of personal data of the employees in the Company, Employees' obligations, Reporting security incidents, Security risk management, Business continuity management, Compliance management.

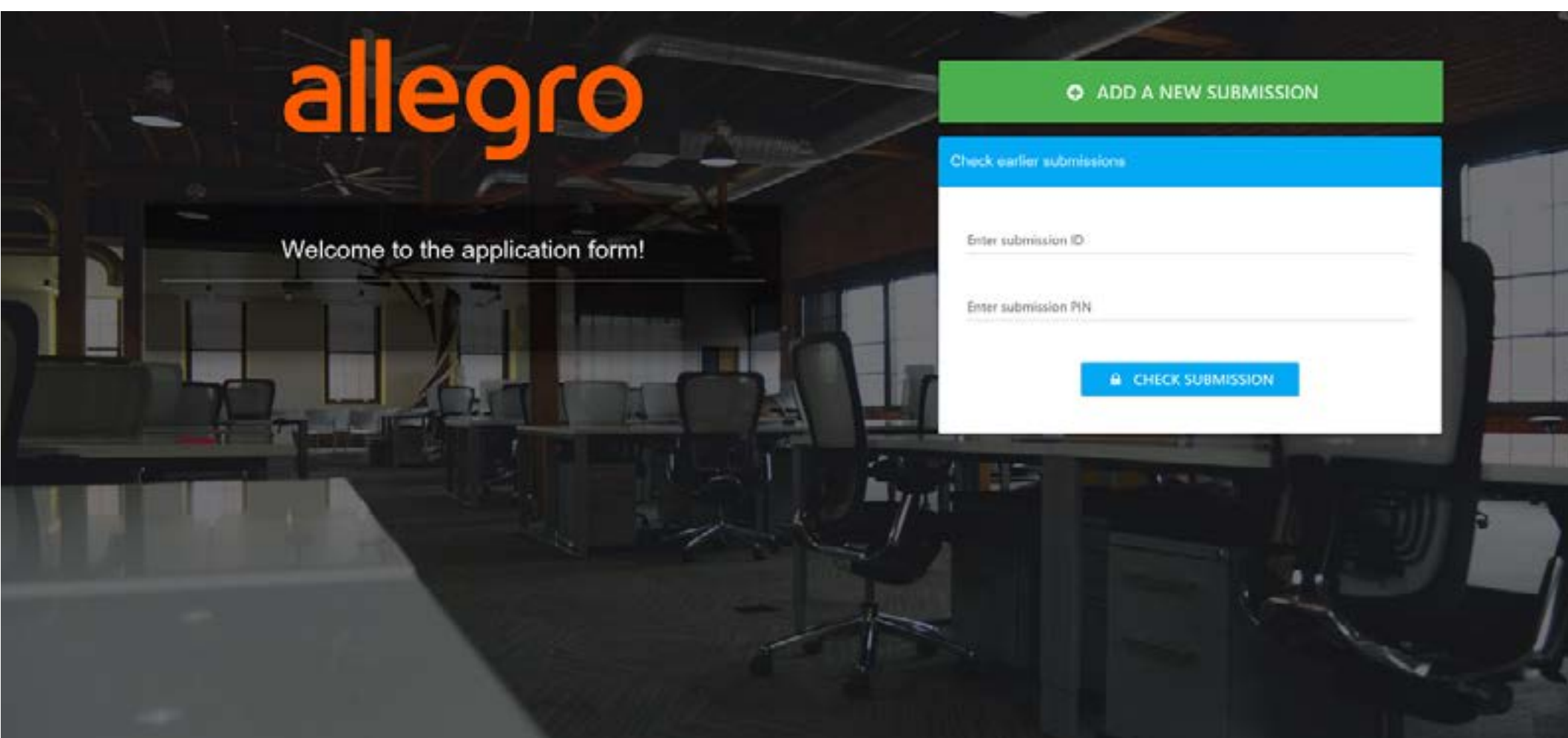
GRI ▶ [2-15] [2-25] [2-26] [3-3] [205-3] [406-1] ESRS ▶ [S1-2] [S1-3] [S1-4]

3.3 Whistleblowing system

Allegro has a whistleblowing system to report irregularities. It guarantees confidentiality and safety of the whistleblowers, including protection from retaliation. [The system](#) is open and accessible to everyone (notifications can also be submitted anonymously via a special form available online which also facilitates anonymous discussion with whistleblowers). In addition to this, the organisation has established multiple channels, both internally and externally, to address the concerns and needs of our employees, which include direct contact with the CSO, Employees Relationship Manager, Risk and Compliance Manager or CEO, and a dedicated anonymous reporting form for any irregularities. This system follows the guidelines for reviewing complaints and grievances regarding violations of the Code of Ethics. Allegro has developed a comprehensive whistleblowing system



designed to manage employee complaints efficiently, providing two main avenues for reports: internally and externally. The internal channel is recommended for issues believed to be resolvable within the company without fear of retaliation, guaranteeing the confidentiality and anonymity of reporting persons. For issues requiring escalation or involving legal breaches, reports can also be directed externally to public authorities or EU institutions. Allegro has implemented technical and organisational measures to protect the identity and personal data of reporting persons against unauthorised access, ensuring confidentiality. Moreover, a precise procedure for tracking and monitoring reports has been established, where each report is meticulously logged on the platform and annotated in detail if it originates from a face-to-face meeting. Reporting persons receive a unique code to track their report's progress and outcomes, promoting transparency and accountability.



To ensure the effectiveness of these channels, Allegro encourages user involvement by allowing individuals to access, review, and amend their report records. Allegro treats all incoming reports very seriously.



They are verified by [the Ethics Committee](#) (Policy of counteracting undesirable phenomena such as discrimination, harassment, bullying and violence) or are investigated by proper teams (Transparency Anti-Corruption Policy). In cases justified by the circumstances, a member of the Ethics Committee may also be a person not employed by Allegro to whom the report does not apply. There were no legal cases regarding corruption brought against the organization or its employees during the reporting period. The appointed composition of the Ethics Committee should ensure the competence, independence, objectivity and professionalism

appropriate to the particular report. Upon receiving the report, an initial verification shall be carried out immediately, but no later than 7 days from the date of receipt of the Report.

The effort and approach Allegro has taken towards whistleblowing and protecting whistleblowers is a significant stride forward in alignment with the forthcoming regulations of the European Union about whistleblower protection. It demonstrates a commitment to creating an open, secure and ethical platform where employees can voice their concerns without fear. Even before these regulations become fully implemented in Polish law, Allegro is already taking proactive steps to establish processes aligned with the EU's best practices. This not only shows leadership but also increases trust amongst employees and stakeholders, affirming that Allegro is an organization that values transparency, accountability and fairness.

	Reported incidents						
	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Policy of counteracting undesirable phenomena such as discrimination, harassment, bullying and violence	6*	5	1	5	4	1	2
Policy on counteracting money laundering and terrorist financing, and instructions on export controls and sanctions	0	0	0	0	0	0	0
Transparency (Anti-Corruption) Policy	2*	2	0	2	2	0	0

*In 2023, the allegations were confirmed in three cases (2 transparency and 1 discrimination) and the investigations ended with the termination of contracts with employees. In the other cases the allegations were not confirmed. All areas of improvement discovered during the proceedings were addressed. In accordance with applicable law, in justified cases, Allegro allows for the possibility of taking compensation actions.

GRI ▶ [3-3] [308-1] [414-1] ESRS ▶ [G1-2] [G1-6] [GOV-4]

3.4 Suppliers' Code of Conduct

Allegro wants its suppliers to respect principles that are similar to its own. In connection with the acquisition of the Mall Group, work was started on changes to unify purchasing procedures for all subsidiaries. Starting in April 2022 all Polish Operations suppliers with a contract value exceeding PLN 15,000 are provided with information regarding the Suppliers' Code of Conduct. It is distributed jointly with the statement on the legality of goods and services. In November 2023, Allegro rolled out a digital form to archive information on when partners review these documents and accept them.

If the total annual contract value with a supplier exceeds PLN 500,000, the supplier in Polish Operations is covered by additional ethical screening process. Suppliers are asked to sign the Code of Conduct and the Questionnaire for Suppliers and Business Partners. In 2023, the total number of 2,234 new suppliers was contracted. 2.01% of them exceeded the PLN 500,000 yearly, so were screened



using social and environmental criteria. All of them accepted and sign the [Code of Conduct](#) and completed the Questionnaire. Presented documents are verified by dedicated person who check if documents are properly signed and accept it as a part of the process of acceptance of new suppliers.

Additionally, the Code of Conduct was attached to agreements with courier companies and event organisers cooperating with e-bilet. These procedures meant that another 325 suppliers signed the Code of Conduct, whereby 14% of all of Allegro's new suppliers signed the Code of Conduct. In November 2023 provisions were added to the Code of Conduct for Suppliers and Business Partners regarding the minimum wage for employees, ensuring appropriate working conditions and actions to protect the natural environment among other things. The procedure for reporting irregularities was expanded

with gross violations of the code of conduct forming grounds for termination. From 1 January 2024, the supply chain control process covers companies in all entities.

In accordance with the recommendations formulated by the Polish Ministry of Finance, Polish Operations have established a comprehensive verification process for suppliers. Financial documents, company registration documents and bank accounts are reviewed to reject unreliable service providers. A procurement policy, tendering procedures, controlling procedures and legal procedures to mitigate any unlawful practices, violations of law, corruption and fraud as well as other adverse consequences of non-compliance within Allegro were also introduced. In addition, all procurement processes at Allegro are administered through integrated IT systems to ensure full compliance with the procedures in a transparent manner. Social and environmental issues are subject of verification of suppliers during the procurement process. The process of verification of business partners in the Mall Segment included fulfilling obligations towards customers, employees, shareholders, vendors. It also reviewed whether companies were compliant with their legal obligations. This process was also designed so as to prevent the Mall Segment's accidental or involuntary

involvement in tax fraud initiated by dishonest vendors. Allegro also implemented a corporate governance, risk management and compliance system covering all of its operations. It spans operational standards, corruption prevention, compliance with competition law, preventing conflicts of interest, information and data protection, prevention of unlawful discrimination and protection of company property and know-how.

Responsibilities of suppliers and business partners according to the Principles of the UN Global Compact cover:

- Compliance
- Respecting human rights
- Ensuring the highest standards and work conditions for employees
- Protecting the natural environment.

Last but not least Allegro makes efforts to avoid payment backlogs in accordance with internal procedures. At the end of 2023 there were no legal proceedings for late payments against Allegro. However, there is no one standard payment terms by category of suppliers, there is also no policy to prevent late payments to SMEs or any other groups of suppliers as all are treated equally. The payment date is agreed individually with the supplier in the agreement.

CASE STUDY

Code of Conduct for Suppliers and Business Partners

Allegro is known for its commitment to ethical business practices and sustainability. As part of its efforts to uphold these values, Allegro has created a detailed Code of Conduct for its Suppliers and Business Partners (those who provide Allegro with products and services and not sell on the platform). The guidelines set out the company's expectations for corporate social responsibility and encourage all partners to act in line with the principles of law, conventions, and other regulations.

Allegro's Code of Conduct is a set of guidelines that define the basic ethical standards and conduct expected of its Suppliers and Business Partners (those who provide Allegro with products and services and not sell on the platform). The principles cover a range of areas, including human rights, labour standards, environmental

protection, and compliance with legal regulations. The company requires partners to always respect these standards and comply with any requests for audits or surveys.

If a breach of the Code of Conduct is identified, Allegro will work with the partner to establish a plan of mitigation and remediation actions. Allegro reserves the right to suspend business operations or halt cooperation entirely if a partner is unwilling or unable to comply with the Code. Partners are expected to communicate these principles to their own employees and suppliers, actively promoting responsible business practices throughout their own networks.

Allegro's Code of Conduct for Suppliers and Business Partners reflects the company's commitment to sustainable development and ethical business practices. By prioritising corporate social responsibility and encouraging partners to do the same, Allegro is setting a positive example for others to follow in the Polish e-commerce segment and beyond.

Supplier assessment Polish Operations

	2023	2022*
% of all new suppliers assessed above PLN 500 000 was screened using social criteria	100%	100%
% of all new suppliers assessed above PLN 500 000 was screened using environmental criteria	100%	100%

* the data for 2022 do not include eBilet.pl

3.5 ESG and climate risk management

The assessment of ESG related risks (including climate risk) is conducted in accordance with the double materiality approach



within Allegro. Allegro's [Climate Policy](#) and Risk Management Policy clearly outlines Allegro's strategy for managing both ESG and climate-related risks. The ESG and climate risk management process has been adopted by Allegro and in its overall management. The Board of Directors has a special role in the risk prioritisation phase in which they establish the risk appetite level. Furthermore, they are responsible for general supervision of the risk management framework and process, as well as determining the scope and directions for development and effectiveness of risk management.

Risk monitoring aims to confirm the effectiveness of control activities, assess key risk indicators (KRI) and the organisation's environmental impact by applying risk assessment criteria. The Legal and Corporate Affairs Department to which the ESG Team belongs monitors the measures taken to address ESG risks (including mitigation plans to handle individual vulnerabilities) with the participation of permanent risk owners and risk coordinators, inspectors and the Risk & Compliance Manager. All of them are involved in monitoring the risk management process. The risk mitigation stage is aimed at preparing and incorporating mitigation plans for unacceptable levels of vulnerabilities. The responsibility for preparing these plans lies with the owner and the coordinator within the units directly involved.

Risk owners and coordinators prepare summary reports, including risk analysis reports and mitigation proposals, which are submitted to the Company's Risk Committee and Board of Directors to obtain adequate and timely information on the risk management process, its adequacy and efficiency. Allegro various Risk Committees conduct initial discussions on how to mitigate major risks and design action measures, which are subject to further review by dedicated steering committees and the Executive Team.

Read more on the risk management process in Allegro's Consolidated

ESG risks		
Principal risk	Risk description	Risk Mitigation factors
Environmental & Climate Risk	Allegro is cognizant that its operations exert an adverse environmental impact (e.g. CO2 emission, packaging waste). Business growth, without implementing carbon emission and energy reduction programmes, as well as sustainability initiatives, may lead to an adverse environmental impact. The new regulatory framework related to the EU Green Deal and environmental transition may imply further obligations on retailers and possibly on other entities. Ongoing climate changes have the potential to generate substantive changes in operations, revenue and expenditure. Carbon-neutral initiatives and sustainable technology solutions, e.g. sustainable packaging, may increase the company's operating expenses.	More in Climate Change and Sustainable Logistics chapter.
Social Risk	Allegro brand may be adversely affected if its public image or reputation is tarnished by negative publicity. Product recalls, product liability claims, breaches of corporate social responsibility, the presence of counterfeit goods that violate Allegro terms and conditions or other fraudulent activity in Allegro e-commerce marketplace that is not detected by its anti-fraud technology could significantly harm Allegro reputation and business. User complaints or negative publicity about Allegro websites, products, delivery times, returns processes, the working conditions of its employees (or those of the employees of any of its subcontractors or suppliers), user data handling and security practices or customer support, including internet-based platforms such as blogs, online ratings, review services and social media websites, could have a significant negative impact on Allegro reputation and on the popularity of Allegro websites.	Best practices in sustainability marketing and communication at Allegro More in Ethics and compliance and Value chain chapter
Human Rights risk	The control and prevention mechanisms of the Allegro compliance structure may not suffice to provide Allegro with suitable protection from all human rights violations such as not ensuring equal opportunity (hiring, remuneration, training and promotion, etc.) or other violations involving third-party partners and suppliers.	Human Rights Policy Suppliers code of conduct Code of Ethics More on Ethics and compliance chapter
Labour Practices	The loss of qualified personnel, high employee turnover or persistent difficulties in filling job vacancies with suitable applicants could have a material adverse effect on Allegro ability to compete effectively in its business and considerable expertise could be lost by Allegro or its competitors could gain access to them. In addition, to attract or retain qualified personnel, Allegro might have to offer higher compensation packages and other benefits which could lead to higher staffing costs. Any failure to attract, train, motivate or retain skilled personnel at reasonable costs could result in a material adverse effect on Allegro business. Employees working remotely may not have ergonomic and suitable workspaces at home.	More on Working conditions and Equal opportunities chapter
Risk of Corruption and Other Violations	Allegro may be exposed to incidents of corruption or bribery (kickbacks, facilitation payments, payment extortion, cyber extortion), conflicts of interests or other inappropriate behaviour, as well as failures to protect customers' personal data adequately	More on Ethics and compliance chapter
Risk of cybersecurity and private data breaches	Allegro runs platforms and services available on the internet that could suffer as a result of a cyberattack. Cybersecurity, private data management and ensuring a sufficient level of security for our infrastructure are important parts of our operations	Security policy, GDPR More on Cybersecurity, privacy data and data protection

GRI ▶ [3-3] ESRS ▶ [GOV-5] [SBM-1] [SBM-3] [IRO-1] [E1-2] [E1-3] [E1-4] [E1-9]

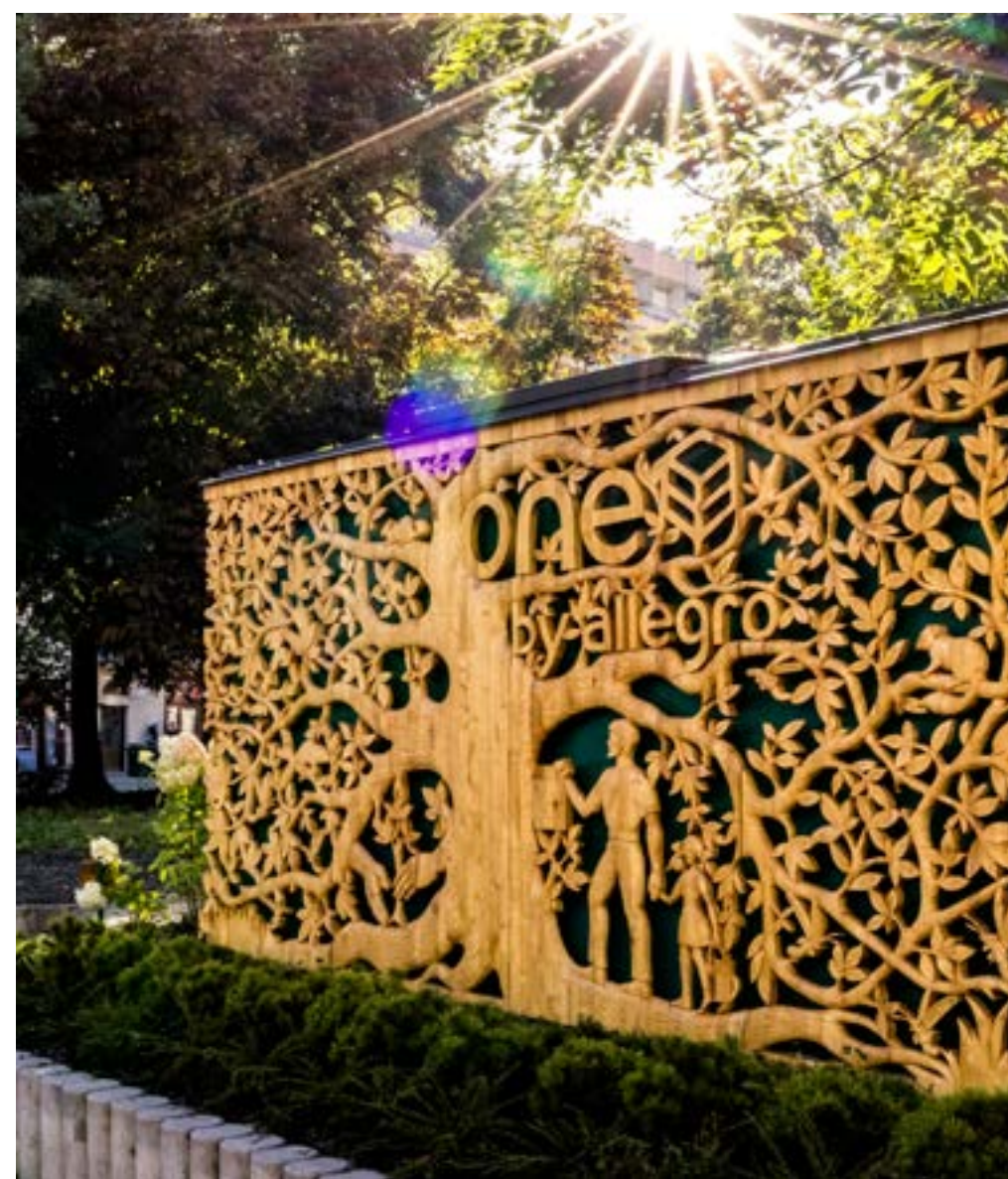
Annual Report for 2023 in the section entitled “Risk Management System, Risk Factors and Regulatory Matters”.

The ESG risk assessment includes the findings of risk analysis carried out in the previous reporting year. The following ESG risks were flagged as the primary focus of ESG activities. The non-financial risk identification and assessment process is an integral part of the risk management system.

Allegro identified climate risks and opportunities within its double materiality analysis (more on this topic in the chapter “About the Report”). The only significant difference in climate methodology versus the assessment of other ESG related risks was the longer term of evaluation, which is inspired from the recommendations formulated by the Task Force on Climate-related Financial Disclosures (TCFD). The analysis identified three-time horizons: short-term (till 2025), medium-term (2025-2030) and long-term (2030-2050). Moreover, according to IPCC studies on the impact of climate change, in the short term the differences in temperature increase by 2035 for both RCP scenarios are negligible. For this reason, in the short and medium term it was determined that the physical impact of climate change on the company will remain unchanged. These findings were confirmed in the Polish context using a World Bank modelling tool based on IPCC scenarios. For both scenarios, the following parameters were analysed in the context of the possibility of physical risks: increase in average monthly temperatures and precipitation and the number of hot days per year (>35°C). In terms of transitional risks, it was assumed that the effects of climate change will not have a negative impact on the most important economic indicators for Poland from the perspective of Allegro - GDP, unemployment rate, inflation, and average disposable income. Additionally, a trend analysis (increasing, decreasing or unchanged) was performed.

In the process of analysis of climate risks, Allegro used climate scenarios developed by the Intergovernmental Panel on Climate Change (IPCC). Two climate change emission paths were identified (RCP - Representative Concentration Pathways), which are key from Allegro business point of view: RCP 2.6 - a path assuming a temperature increase of approximately 1.5°C by the end of the century and RCP 8.5 - a path assuming a temperature increase of approximately 4°C by the end of the century.

The selected climate scenarios were calibrated for local conditions and potential impacts on the sector. There are presented the key



megatrends identified in Europe and Poland that are relevant for each scenario forming the basis for analysis of climate-related risks and opportunities in Allegro.

The comprehensive list of all material climate risks is presented on the following page. Risk analysis covered a wide list of transition and physical risks, of which only the most material to Allegro (scored as high) have been considered. There are also included physical risk as its impact on Allegro will increase over time. In accordance with ESRS standards, each risk presents the level of its anticipated financial impact on Allegro's business and how it will change over various time horizons. Moreover, there is specified how these risks are addressed in mitigation actions.

Allegro appreciates that climate change involves not only risks, but also opportunities that can be effectively used to grow enterprise value, reduce the cost of doing business and reduce the cost of financing. Based on the TCFD classification and ESRS standards. There were identified ESG opportunities including climate change for Allegro.

Climate <2°C scenario consistent with the Paris Agreement (RCP 2.6)

Climate 4°C scenario (RCP 8.5)

Higher probability and scale of transformational risks (in the medium and long term):

- Meeting EU emission reduction targets for 2030 and 2050.
- Poland accepts and achieves the goal of climate neutrality or reaches it with a slight delay.
- Entry into force of all regulations promulgated by the EU and implementation of subsequent ones (e.g. expansion of the EU ETS).
- Significant increase in emissions costs.
- Significant increase in consumer environmental awareness, greater demand for low-carbon products.
- Significant increase in energy prices.
- No negative impact on Poland's economic growth.
- Faster-than-ever increase in efficiency of RES technologies.

Lower probability and scale of transformational risks (in the medium and long term):

- Failure to meet EU emissions reduction targets for 2030 and 2050.
- Poland does not meet the climate neutrality target; it deviates significantly from it.
- Entry into force of all regulations announced by the EU, but derogations are possible regarding the deadlines for achieving decarbonization targets for the economy and particular industries.
- Moderate increase in emission costs.
- Significant increase in consumer environmental awareness, greater demand for low-carbon products.
- Gradual and moderate increase in energy prices.
- Slower-than-expected efficiency gains in RES technologies.

Material climate opportunities and financial impacts

Opportunities (only with high score)	Influence in short term	Business impact	Change in medium-term <2°C	Change in medium-term 4°C	Change in long-term <2°C	Change in long-term 4°C
Greater merchant engagement and loyalty in climate issues and enabling merchants to meet their commitments (including regulatory requirements) arising from climate change	High	Direct financial (PLN 10-100 m)	▲	▲	▲	▲
A potential decrease in energy costs through energy efficiency improvements	High	Direct financial (PLN 10-100 m)	=	=	=	=
A potential increase in company value due to improvement in ESG ratings	High	Reputation. Indirect financial	▲	=	▲	▲

Trend: ▼ decrease, = no change, ▲ increase



GRI ▶ [3-3] ESRS ▶ [GOV-5] [SBM-1] [SBM-3] [IRO-1] [E1-2] [E1-3] [E1-4] [E1-9]

Material climate risks, financial impacts and mitigation plans

Risk (only with high score)	Influence in short term	Business impact	Mitigation plan	Change in medium-term <2°C	Change in medium-term 4°C	Change in long-term <2°C	Change in long-term 4°C
Climate regulatory risks							
Risk of higher liabilities and greater accuracy of non-financial reporting on climate issues.	High	Direct financial (PLN 1-10 m) Higher operational costs related to preparing of ESG reporting and implementing of data management systems.	Internal and external cooperation to comply with the newest ESG regulatory environment. Implementation of robust internal controls and governance mechanisms to oversee the reporting process and provide continuous reviews and improvement of reporting practices. Providing training to our employees engaged in the reporting process.	▲	=	=	=
Risk of limiting the ability of combustion vehicles to make deliveries in city centres. Risk of the need to make dynamic changes in own fleet and subcontractors' fleet (demand greater than supply of low/zero emission fleet).	High	Direct financial (PLN 10-100 m) Limited ability to provide delivery services to city centres, need to rework the business model, higher (unplanned) operating costs related to the purchase of low and zero emission vehicles.	Testing low-emission transport. Supporting drivers through building infrastructure for low-emission vehicles in Allegro Depot and Fulfilment locations. More on these initiatives in the Sustainable Logistics section.	▲	=	▲	▲
Climate reputational risks							
Risk of failure to fulfil climate promises, e.g., insufficient supply of renewable energy.	High	Reputation. Indirect financial. Decreased trust of customers and suppliers. Greater regulatory pressure or potential financial penalties in the future. Potential sudden need to purchase offset certificates at higher prices to achieve strategic goals. Greater debt costs.	BoD oversight on ESG strategy and implementation plan. More in the Good Governance chapter. Undertaking several initiatives to fulfill climate promises and achieve decarbonization targets.	▲	=	▼	=
Climate market risks							
Risk of reducing the availability of renewable energy for strategic purposes.	High	Direct financial (PLN 10-100 m) Higher operating costs, deterioration of financial results.	Establishing a VPPA agreement, purchasing guarantees of origin and installing PV panels. More on these initiatives in the Climate Change and Sustainable Logistics sections.	▲	=	▼	=
Risk of increasing financial burdens related to the purchase of electricity.	High	Direct financial (PLN 10-100 m) Higher operating costs, lack of new investments, stagnation in development, lower competitiveness.	Establishing a VPPA agreement, purchasing guarantees of origin and installing PV panels. More on these initiatives in the Climate Change and Sustainable Logistics sections.	▲	=	▲	▲
Climate physical risks							
Physical: Risk of lack of continuity of electricity supply caused by sudden weather phenomena	Low	Business continuity. Indirect financial. Limited ability to provide services and financial losses in the event of lack of energy for the functioning of system elements - central or regional (logistics infrastructure).		=	▲	▲	▲

Trend: ▼ decrease, = no change, ▲ increase

GRI ▶ [3-3] [207-1]

3.6 Tax strategy

Our contribution to the economy: according to annual financial statements corporate income tax amounted approx. PLN 365 million in the fiscal year 2023.

Allegro's tax reporting promotes the credibility of its entities among investors and other stakeholders and builds confidence in Allegro companies. Allegro's tax operations are consistent with business strategy, and its image as a responsible taxpayer fits into the broader context of the organisation's sustainability.

The tax policy of Allegro is based on adherence to all obligations arising from tax regulations. Allegro pays taxes when due, in the required amount and submits due tax statements and information. In particular, the amount of tax due is defined according to actual economic events. Allegro's applied tax strategy is based particularly on a number of internal procedures in individual companies. Internal procedures concerning tax issues are being developed by the Allegro tax team led by Group Tax Director, reporting directly to Group CFO. These procedures are respectively implemented across the entities (subject to local requirements). Reports on tax strategy implementation required by tax regulations are publicly available on relevant websites run by these companies.

The strategy itself however has not been published publicly.

In order to meet its tax objectives, Allegro developed several internal processes performed in particular to:

- correctly recognise economic events from tax perspective (e.g. recognizing tax obligations, use of correct tax rates, correct recognition of the tax point),
- collect proper documentation related to the tax recognition of economic events,
- properly verify contractors, i.e. within the framework of the so-called tax due diligence,
- determine the market level of remuneration in transactions with related parties,
- properly fulfil formal obligations, in particular with respect to timely submission of declarations, tax returns, tax information, notifications and other required documents,

- timely pay the tax established in the correct amount.

Allegro also introduced a number of procedures regarding Allegro's fulfilment of its tax obligations. These include, in particular, procedures concerning:

- preparation of tax settlements,
- purchasing and verification of suppliers,
- bookkeeping,
- issuance of invoices,
- marketing activities,
- accounting for business trips,
- accounting for fixed assets,
- accounting for withholding tax,
- countering money laundering and terrorism financing,
- countering non-compliance with the obligation to provide information on tax schemes.

The procedures are updated on an ongoing basis for compliance with regulations, prevailing practice of the tax authorities and the business needs of the company.

Allegro's tax team is appropriately highly qualified to perform their duties. They also have access to up-to-date tax knowledge in the form of access to tax and legal systems and, to the business and tax press, and regularly attend training courses and workshops. Employees of the tax and finance teams stay up to date with changes in regulations, tax-related interpretations and court rulings, as well as clarifications from the tax authorities.

Given the scale and scope of Allegro operations, it is impossible to avoid all tax risks, e.g. due to frequent changes in tax regulations and the level of their complexity. The companies strive to minimise tax risk by following the letter and the spirit of tax law and working with reputable tax consultancies and law firms. If there are any doubts about how to apply tax regulations, Allegro consults professional third-party tax and legal advisers and/or files for individual tax rulings. Allegro is also obliged to undergo an annual audit of accounts

conducted by an external and independent authorised entity, upon which the tax settlements are also verified.

As members of trade associations and on their own behalf, Allegro participates in the Polish and EU legislative process and issues opinions and remarks on draft amendments to tax regulations during public consultations.

All employees can report their concerns regarding the organisation's unethical or illegal tax behaviour using the whistleblowing system. The system guarantees the confidentiality and safety of whistleblowers, including protection from retaliation. It is open and accessible for everyone in the company (reports can also be submitted anonymously via a special form available online).

The companies provide tax authorities with complete information regarding tax settlements and provide additional information at the request of tax authorities in a timely manner.

Allegro submits information on its taxes due in periodical financial reports. Allegro does not operate in countries considered to be tax havens.



3.7 Cybersecurity, privacy and data protection

Allegro builds a platform resilient to various external threats including DDoS and hacker attacks, and to prevent any data leaks. This involves continuous development and enhancement of security procedures and technical infrastructure to remain effective in a dynamic environment. Additionally, Allegro focuses on educating employees, customers, and merchants about cybersecurity threats. A key aspect of this journey includes educating personnel on security policies, enhancing overall awareness among employees, customers, and merchants about safe technology usage. This approach is essential for maintaining effectiveness in a dynamic and ever-evolving cyber environment.

Allegro security strategy was based on Risk Assessment, postmortems from recent incidents, result of internal and external audits and control and various types of standards like: ISO 2700x family and other, The National Institute of Standards and Technology (NIST), The Center for Internet Security (CIS), The Control Objectives for Information and Related Technology (COBIT) but also there were used good practices from the guidelines like The Open Worldwide Application Security Project (OWASP). Allegro sp z o.o. has the PCI DSS v4 (Payment Card Industry Data Security Standard) certification - Level 1 Service Provider and Level 1 Merchant.

Every two years a Cyber Security Maturity audit is conducted, to verify the maturity, and to compare it to current market standards and good practices. The results of the review are mapped by an external auditor to controls: The National Institute of Standards and Technology (NIST) to have a reference to a specific standard over the years. The level of maturity increases from audit to audit. Currently, on a scale of 1-5, Allegro average is 4.42. The ambition of Allegro is to continually improve its maturity.

Allegro's strategy includes not only ensuring uninterrupted service and data security but also elevating awareness about these issues. Part of this approach involves conducting thorough tests to assess and strengthen their digital environment. This dual focus on awareness-raising and rigorous testing forms a comprehensive approach to

digital safety, aiming to enhance the overall security and reliability of the platform for clients and merchants. Integral to this strategy is the goal of prevention and prompt response, focusing on averting issues before they arise and quickly addressing any that do.

At Allegro, a comprehensive security approach involves not just technical defences but also a strong focus on raising awareness among employees, partners, and clients. This starts with thorough onboarding training for new staff and continues with mandatory annual refresher courses, ensuring everyone is up-to-date on the latest security practices.

Allegro's employees also actively engage in conferences, training sessions, and school meetings as speakers, spreading knowledge on living safely in the digital world. They participate in notable events such as OhMyHack2023, Open Eyes Economy Summit 2023, EMSPower 2023, local meetings of ISSA (the Information Systems Security Association), DC4822 - the Warsaw DEF CON Group, and the CSO Council community meetings. Company representatives' involvement in various industry and security forums and conferences highlight our dedication to sharing expertise and promoting digital safety awareness.

Moreover, there is an interdisciplinary security team included in security activities. CERT Allegro (Computer Emergency Response Team Allegro) was formed to elevate security at Allegro and raise security awareness among employees and users. It is made up of members of the following teams: Information Security Team, Computer Security Incident Response Team, Cyber Defence & Offense Team, Anti-fraud Operations Team and Cooperation with Law Enforcement Authorities Team.

CERT has the following goals:

- monitor and analyse for security at Allegro,
- respond to cybersecurity threats,
- exchange cybersecurity information, knowledge and experience with external CERT teams,
- raise security awareness among employees and users.

As part of its activity, CERT coordinates and handles incidents and other events involving cybersecurity threats to Allegro; actively reacts in the event of immediate cybersecurity threats to users; works with other CERT teams in Poland and worldwide, in particular as part of Trusted Introducer - <https://www.trusted-introducer.org/directory/teams/cert-allegro.html>; supports the Crisis Management Team in crisis situations involving cybersecurity, and develops tools to detect, analyse and correlate threats.

It is a member of Trusted Introducer, an initiative of the biggest European organisation of cybersecurity threat response teams. Its representatives are also active members of various working groups, including the IAB Polska Group for Cybersecurity (chaired by one of our employees), CSO Council (our employee is in council), etc. There is a dedicated page for users and partners about actual threads and information on how to be secure in the digital world - <https://cert.allegro.com/>.

For the participants of the 2023 Pol'and'Rock festival, Allegro CERT team organised together with the Polish cabaret Paraniennialni a

humorous Web security contest. In Allegro Zone, the team's canine member Azorro invited big and small to solve his crossword puzzle about security on the Web.

On top of multiple proactive security measures Allegro has reactive measures in place because incidents are an unfortunate reality - it's not a question of 'if' but rather 'when' they will happen. That's why safeguarding a company's security is of paramount importance, and part of that involves having robust contingency plans ready for such situations. To ensure that these plans are effective when needed, they are regularly tested and enhanced based on the insights gained during testing.

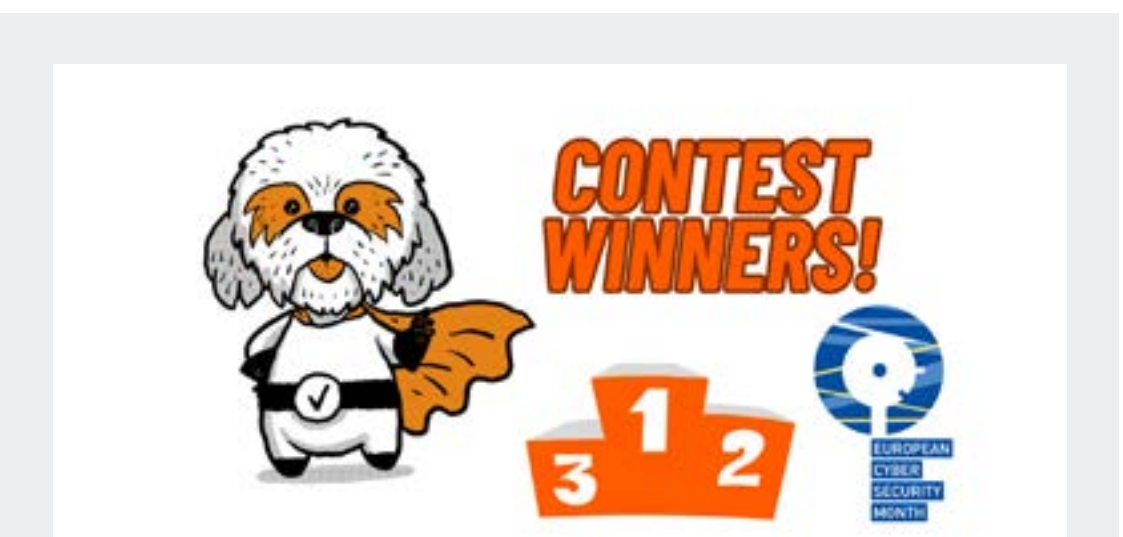
The resilience of Allegro platforms is continuously assessed, response to security incidents is evaluated, and various scenarios drawn from historical events in similar companies to Allegro are simulated. The team also delves into hypothetical situations that could potentially affect the company, such as data breaches or malware infiltrating workstations. Tests are not only internal; external professional entities are engaged to conduct thorough assessments, and even public and

CASE STUDY

Azorro 2.0

Operation: Azorro 2.0 was a thrilling and challenging field game held across three office locations whose aim was to promote cybersecurity knowledge. The game was designed to test the participants' analytical and problem-solving skills under immense pressure, with limited time to complete the task of rescuing Azorro, a plush toy who is Allegro's symbol of cybersecurity.

During the competition, participants were faced with five challenging tasks. The first task involved testing the strength of passwords, followed by searching for key information in files left by 'criminals' to find the next challenge, which was a crossword puzzle. After successfully solving the puzzle, participants were tasked with decoding the morse code alphabet, which led to the final challenge of trying to locate a pirate radio station that broadcast the cure's location. All tasks had to be completed within a limit of 60 minutes, providing an exciting and time-bound atmosphere. While not all teams managed to successfully rescue Azorro, the adrenaline and excitement was endless. The competition proved to be a unique opportunity for employees to practise their problem-solving skills,



handle high-pressure situations, and showcase their competitive abilities.

Apart from the fun and games, the Operation: Azorro 2.0 field game also contributed to team-building and providing employees with an extra dose of motivation. By participating in this activity, employees were given the chance to bond and interact with their colleagues, leading to stronger relationships and increased productivity in the workplace. 33 employees divided into seven teams took part in the game and all details of the event were widely promoted among workers through internal communication.

GRI ▶ [2-27] [3-3] [418-1] ESRS ▶ [S1-2] [S4-1] [S4-2] [S4-4] [S4-5] [S4-6]

private Bug Bounty programs are run, where ethical hackers are invited to test the platform so Allegro is constantly tested. Beside testing our infrastructure we also conduct phishing tests verifying our employees' resilience.

Moreover, after any incident occurs (not just security-related and not limited to technology), post-mortems are conducted to dissect the 'why' behind the incident and develop a corrective plan with the ultimate aim of eradicating future occurrences. Security is an integral part of Allegro's strategy, and the team is dedicated to continuous improvement as it strives for excellence.

An essential aspect is fostering trust within the security team, ensuring that people are not afraid to report incidents. When they do, they receive support and assistance in resolving them. When someone reports vulnerabilities or incidents to the security team, their efforts are rewarded to encourage employees to contribute to the company's digital security. The earlier the team knows about vulnerabilities and incidents, the quicker it can respond and de-escalate any and every possible threat. There are many ways users

can report incidents. There are formalised paths through ticketing systems, e-mails, internal chat channels and there are informal ones, such as phone calls or internal communication messages to security. Regardless of the channel, the important thing is that the information gets into the right hands. Although so far many security teams have been on duty 24/7, in 2023 a new role was established in the organisation - Security Incident Commander. The person who plays this role is on duty 24/7 and is responsible for coordinating the resolution of security incidents and appropriate escalation and communication of progress in the organisation.

Given the nature of operations, Allegro has access to the personal data of merchants and customers. Given the scale of company operations, a great amount of data is managed. This is why special emphasis is placed on carefully protecting personal data. The company is fully compliant with GDPR. The decisions and guidelines issued by the Personal Data Protection Office (PDPO) and the EDPB (European Data Protection Board) are carefully monitored and, if necessary, policies and processes are adjusted accordingly. We are also constantly

monitoring judicial activity of GDPR authorities in the EU member states and global trends resulting from decisions or guidelines published by such authorities. All rights of employees, customers and partners in relation to their personal data are fulfilled, including amongst others: the right to delete (right to be forgotten), rectify, download a personal data copy, as well as withdraw and consent to their processing. For each type of data Allegro have established a retention policy and we keep only the necessary data that minimise their collection, and we delete data for which we no longer have legal grounds to store it, and in accordance with the adopted retention principles. Allegro doesn't sell, rent or lend any personal data to third parties and use them only when they have legal grounds for processing like agreement or properly collected consent. All Allegro employees undergo training in security policy and GDPR. There were also internal audits to verify compliance with GDPR provisions in chosen areas (e.g. profiling, incident reporting awareness, cookies). Allegro representatives are also active members of various working groups, including the IAB Polska Group for Privacy, The Association of Data Protection Practitioners, and others. Allegro's employees also actively engage in conferences, training sessions on privacy topics. We held a set of lectures within the Dentons Privacy Academy 2023 presenting Allegro's approach to GDPR issues, we were guest lectures for the Responsible Business Forum held in Poznań on practical problems with personal data in e-commerce and cybersecurity from the ESG perspective, etc.

One of Allegro's services was audited in 2023. It was of a sectoral character, which means it was previously planned for 2023 by the Personal Data Protection Office. The office said that no violations of personal data protection law were identified. Not even a single warning, reprimand or request to bring processing into compliance was issued.

While maintaining the highest standards in Allegro, we have implemented the necessary policies and processes, such as: [privacy policies](#) for clients, partners, employees, job candidates, participants of various types of programs. Before starting cooperation with any entity to which we want to entrust personal data, we verify its compliance with GDPR, sign appropriate DPA - Data Processing Agreement - agreements and also conduct audits to verify whether the data entrusted to Allegro is properly secured and processed in accordance with the concluded



agreements. In the case of projects involving the processing of personal data, we conduct a DPIA - Data Privacy Impact Assessment. In all entities, we have an appointed DPO - Data Protection Officer who ensures that personal data is processed in accordance with the law and the highest standards. We also started to harmonise the GDPR approach within Allegro, including foreign companies.

One of the most important aspects of security is the human factor and building awareness among employees. All Allegro employees receive training in security policy and GDPR (including general information, as well as internal policies and procedures), which take place during onboarding sessions and are repeated every year. During onboarding training, there are also security awareness workshops conducted with case studies to help recognise phishing campaigns. During this training, we place great emphasis on providing information about the Incident Response Plan: where and what incidents to report, so as to eliminate them as quickly as possible and, if necessary, maintain the appropriate regime for reporting Data Breach to the authorities.

WHAT IS AHEAD OF US?

Allegro aims to have more than 90% of employees trained in cybersecurity by 2025.

The stated objective responds to the results of the double materiality analysis, which identified cybersecurity as one of the key components of Allegro's impacts. However, consumers were not directly involved in tracking performance against targets and identifying conclusions or improvements based on company performance.

Special events like Cybersecurity Month, Safe Internet Day, and Password Day, 17th Data Protection Day, 5 years with GDPR serve as platforms for educational campaigns and contests. Dedicated training sessions for developers on secure coding and other role-specific security enhancements are also conducted. Allegro emphasises that security is a shared responsibility, with each team member playing a crucial role, from developers to product owners. The Security Team plays a key role in supporting and guiding these efforts, ensuring a unified approach to cybersecurity. Additionally, to broaden awareness, Allegro has launched a dedicated website to share best practices in internet and platform usage safety with its customers and partners, reinforcing its commitment to a secure

CASE STUDY

The Cybersecurity maturity audit

As a leading e-commerce platform in Poland, Allegro recognizes the significance of protecting their information assets from potential threats. To ensure readiness in preventing, detecting, containing and responding to potential attacks, the company conducts a comprehensive risk assessment, known as the Cyber Maturity Assessment (CMA), every two years. The CMA evaluates the organisation's technical and non-technical preparedness, including its people, process, and technology to provide insights into vulnerabilities, identify and prioritise areas of remediation, and ensure corporate and operational compliance. The CMA helps to focus the Board's attention on cyber capabilities, turning information risk into business advantage.

The assessment is mapped to The National Institute of Standards and Technology (NIST) so that, regardless of which auditor will perform this audit, there will be a comparison over the years to verify whether the actions taken translate positively into increasing the level of safety. And so in 2021, Allegro passed the test receiving a score of 4.17 out of 5, indicating its readiness to handle cyber risks.



The assessment was repeated two years later in 2023, and Allegro demonstrated further improvement, achieving a score of 4.42 out of 5. With these results, Allegro is performing above average in its industry, reflecting its strong cyber risk management capabilities. By undergoing the comprehensive risk assessment process, Allegro maintains its readiness to ensure the security of its information assets. Additionally, the company raises customer confidence in its ability to protect their sensitive information to build trust – an essential factor in maintaining client loyalty.

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digital environment.

In 2023 Allegro was party to 10 new proceedings in connection with customer complaints to the President of the Office of Personal Data Protection. In 2023 three proceedings ended for Allegro with a decision ordering action in single cases but without imposing fines or other punitive measures including obligation to amend or stop cross-company processes. In 2023, no penalties were imposed on Allegro for violations of data protection regulations. At every stage of data collection and processing, the company takes care to fulfil its obligation to inform customers about the purpose and scope of the processing of their data and their right to access and correct it. Due to the management's commitment to Security and Privacy topics in Allegro, the Allegro.eu Board of Directors made a decision on 27 November 2023 that Security and Privacy matters will be a part of

the Audit Committee's remit (where two or three members including chair are independent directors). Additionally, Jonathan Eastick (CFO) was appointed board member responsible for Security and Privacy in Allegro. Oversight of cybersecurity is entrusted to the Chief Security Officer who together with the Security and Privacy team ensure a a focused and expert approach to safeguarding the company's digital assets and protecting the privacy of its users. As a result of these efforts, a Cybersecurity Maturity Assessment was conducted. These audits are carried out every two years, and each time, the maturity of the processes has been rated higher by the external auditor, reflecting continuous improvement and strengthening of our cybersecurity posture.

Cybersecurity and data privacy indicators							
	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Security incidents resulting in penalties imposed by regulators	0	0	0	0	0	0	0
Number of employees trained in information security policy	58%	N/A	N/A	58%	47%	+11pp	86%

Cybersecurity and data privacy infringements							
	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Cybersecurity infringements (the total number of identified leaks, thefts or customer data loss)	0	0	0	0	0	0	0
Data privacy infringements (reported to relevant authorities)	3*	1	2	3	1	2	1

Cybersecurity and data privacy regulatory complaints							
	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Substantiated complaints submitted to the regulating authority requiring corrective measures**	3	6	0	3	4	0	5

* There were three minor incidents involving Allegro employees with no impact on big or sensitive personal data processing
 ** The complaints received in 2023 regarding 2023 and past years.

4. All 4 People

Engage & empower people for doing good through promoting responsibility, accessibility and inclusiveness.

4.1 Equal opportunities	30
4.2 Working conditions and well-being	38
4.3 Charity and community initiatives	42
4.4 Accessibility of services and products	44

Sustainable Development Goals [SDGs]



4.1 Equal opportunities



According to Allegro double materiality matrix, which takes into account the scale of impact materiality and financial materiality, equal opportunities and fairness were ranked among the top priorities in the responses from our stakeholders.

In today's interconnected and dynamic world, embracing diversity isn't just about meeting quotas; it's about fostering innovation, enhancing problem-solving capabilities, and ensuring organisational resilience. By valuing and celebrating differences in backgrounds, experiences, perspectives, and talents, Allegro creates a vibrant tapestry of ideas and insights that drive creativity and advance business growth.

Allegro's strategic goal is to be a place where diverse talent can grow and develop their full potential. Allegro is committed to being an employer of choice and fostering an environment where every individual feels valued. Allegro understands and appreciates what diversity and inclusion bring to an innovation-driven business; they enhance decision-making, foster a sense of belonging, and contribute to a positive working atmosphere. The Company's commitment to equality is reflected in the actions it takes to ensure transparency and fairness across the board. Research from the World Economic Forum shows that companies with above-average diversity scores generate on average 45% of their revenue from innovation, while companies with below-average scores generate only 26%.

Allegro believes in the power of diversity to help maintain and develop a creative workplace. An inclusive and diverse working environment is one where everyone is valued, respected and supported to fulfil their potential. The company nurtures an environment in which everyone can develop without limitation and embody the best ideas in collaboration with others. One of the goals is to maintain our adjusted gender pay gap below 5%.

Allegro's strategic approach to DEI focuses on four key dimensions:

- Gender with support for underrepresented groups. This is achieved by promoting inclusivity, breaking down stereotypes, and fostering an environment in which everyone can be themselves. The company adheres to the principles of equal treatment in various HR processes, including but not limited to recruitment, promotion, access to training and opportunities for advancement,

Below 3%

adjusted gender pay gap in Polish Operations

5,514

employees with employee contracts

53%

employees participated in at least one training course (except the obligatory one)

2,094

employee development activities in Polish operations

47

average hours of training per employee per year in Polish operations

76.2%

employees receiving regular performance and career development reviews

CASE STUDY

eBusiness Women & Women in Tech

Allegro values women's contributions in the tech and e-commerce industry and partners various projects to support and recognize women's achievements. The primary objective is to promote technology and innovation in the e-commerce field while providing opportunities for women who want to enter this industry.

In 2022 and 2023 Allegro was a partner with the Foundation of Women in E-Business in two programs, namely TOP WOMEN in e-business educational and development program is designed to support women who want to start their own business based on digital tools and e-commerce. The program provides training sessions that cover the latest trends in e-commerce, benefits of selling on Allegro and how to make sales efficient and profitable. Each edition is attended by more than 200 people. During the editions carried out so far, over 640 women completed the program and received a certificate. The Kobieta e-Commerce competition is an annual event that awards small and medium-sized business owners, employed women, and mothers who have contributed to the development of e-commerce. In 2023 Allegro was a partner with this project in the "Best Online Store" category.

Allegro also supports the Perspektywy Women in Tech Summit. This



event aims to connect women from the fields of science, business, and technology. Participants can attend sessions focused on AI, workshops on service accessibility, and mentoring sessions. In 2023, 7 Allegro employees were panellists or mentors during the conference. Through these initiatives, Allegro demonstrates its commitment to supporting and promoting women's involvement in the e-commerce industry. The company acknowledges the significance of creating an inclusive and diverse work culture, which recognizes different perspectives, experiences, and contributions. It also highlights the importance of technology and innovation in developing the digital economy. Allegro's partnerships and initiatives support these values, and the company will continue to create and support programs that encourage women's participation in this field.

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the setting of remuneration, reconciliation of professional and family responsibilities, or protection against bullying, harassment, discrimination and unfair dismissal. The Company's processes are based on a selection method that guarantees an objective assessment of job skills and competencies.

- National and cultural diversity, which involves recognizing and valuing individuals of different nationalities, ethnicities, races and cultural backgrounds. Embracing this dimension of diversity enhances cross-cultural understanding, promotes global perspectives, and contributes to a richer and more dynamic work environment.
- Age, which emphasises the inclusion of individuals from various age groups and generations. Acknowledging and appreciating the unique perspectives and experiences that different age groups

have fosters a multi-generational workforce and supports the promotion of a learning culture, collaboration, and innovation.

- Disability, which recognising the unique strengths and contributions of each individual involves identifying and removing barriers, providing reasonable adjustments, and ensuring equal opportunities for everyone.

Understanding and actively addressing these four dimensions of diversity are crucial when it comes to creating a workplace that is not only inclusive but also celebrates the richness of perspectives, experiences and thoughts that diversity brings to organisational culture and success.

Key policies that address the influences, risks, and opportunities related to our workforce include the Diversity Policy, Human Rights Policy, Code of Conduct for Suppliers and Business Partners, Risk

CASE STUDY

DEI Trainings

Allegro demonstrates its commitment to building an inclusive workplace for all through investing in employee's professional development. Through a delivery of DEI programs, workshops, and training sessions Allegro grows organisational understanding of the benefits of diversity and a need for fairness and equal opportunities for all employed at Allegro, from the point of entering the organisation and throughout the entire employee's lifecycle.

One of the examples is "Leadership by Design Women Development Program," which aims to accelerate the career progression of women at Allegro and increase female representation in leadership positions. The program allows for experimentation to support women leaders in identifying their individual goals and vision for their leadership approach.

Allegro listens to its employees' voices to be able to better understand the diverse needs of their workforce. "Neurodiversity" is an example of an initiative where Allegro took proactive steps in increasing organisational awareness and understanding of neurodiversity and explored employees' needs and expectations through semi-structured interviews and focus groups. There are also organised trainings on non-violence or counteracting mobbing.

DEI development and initiatives are communicated to all employees through internal communication channels and are open to employees



across all Allegro locations.

Allegro has made remarkable progress towards promoting diversity, equity, and inclusion through initiatives aimed at enhancing employee awareness, fostering diverse teams, and promoting inclusion in all its operations. The company has formed a pilot community group on Slack comprising individuals with ADHD, providing a space to share experiences and support each other. The "Diversity in Recruitment" project has set good foundations for Allegro to implement key diversity principles into recruitment and selection process as well as employer branding activities.

The tables below presents, in accordance with the ESRS, regions where the company employs more than 10% of the total number of employees. The data is reported in head count, at the end of the reporting period (31.12.23).

Contract types														
Own workforce structure	2023 Allegro		2022 Allegro*		2023 Polish Operations		2022 Polish Operations		2021 Polish Operations		2023 Czech Operations		2023 Other Operations	
Employees	5,514	83.2%	5,920	75.6%	4,148	86.5%	4,054	81.3%	3,613	74.5%	1,051	80.5%	315	60%
Women	2,492	45.2%	2,572	43.4%	1,848	44.6%	1,798	44.4%	1,545	42.8%	486	46.2%	158	50.2%
Men	3,022	54.8%	3,348	56.6%	2,300	55.4%	2,256	55.6%	2,068	57.2%	565	53.8%	157	49.8%
Contractors (B2B)**	583	8.8%	684	8.7%	456	9.5%	543	10.9%	535	11.0%	48	3.7%	79	15%
Employment agencies & outsourced services (incl. persons providing work on the basis of civil law contracts)**	527	8.0%	1,226	15.6%	190	4.0%	389	7.8%	700	14.4%	206	15.8%	131	25%
TOTAL	6,624	100%	7,830	100%	4,794	100%	4,986	100%	4,848	100%	1,305	100%	525	100%

Form of employment														
Employees	2023 Allegro		2022 Allegro		2023 Polish Operations		2022 Polish Operations		2021 Polish Operations		2023 Czech Operations		2023 Other Operations	
Permanent employment contracts	4,881	88.5%	5,191	87.7%	3,647	87.9%	3,462	85.4%	2,868	79.4%	921	87.6%	313	99.4%
Women	2,169	44.4%	2,191	42.2%	1,603	44.0%	1,489	43%	1,200	41.8%	409	44.4%	157	50.2%
Men	2,712	55.6%	3,000	57.8%	2,044	56.0%	1,973	57%	1,669	58.2%	512	55.6%	156	49.8%
Fixed-term employment contracts	633	11.5%	729	12.3%	501	12.1%	592	14.6%	745	20.6%	130	12.4%	2	0.6%
Women	323	51.0%	381	52.3%	245	48.9%	309	52.2%	343	46%	77	59.2%	1	50%
Men	310	49.0%	348	47.7%	256	51.1%	283	47.8%	401	53.8%	53	40.8%	1	50%
TOTAL	5,514	100%	5,920	100%	4,148	100%	4,054	100%	3,613	100%	1,051	100%	315	100%

* Number of employees for 2022 restated due to correction in the Mail

**People employed under B2B contracts and civil contracts perform mainly office and administrative work. People employed by employment agencies work in logistics centers and warehouses and perform manual labor

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Management Policy, Transparency Policy, Competition and Consumer Protection Compliance Policy and Whistleblowing Procedure. These policies encompass the whole Allegro workforce. The policies of Allegro align with international standards as they are based on universally recognized human rights, including those outlined in the International Bill of Human Rights and in the International Labour Organization Declaration on Fundamental Principles and Rights



at Work. Allegro respects human rights in its relationships with employees, contractors, and business partners, expecting the same respect from its business partners. Furthermore, Allegro is a member of UN Global Compact so adheres to the UN Global Compact's Ten Principles and implements Sustainable Development Goals (SDGs). Allegro encourages its suppliers and business partners to follow these principles, along with guidelines from the UN Guiding Principles on Business and Human Rights, ILO, and OECD regarding human rights, labour rights, and responsible supply chain management, including due diligence in conflict-affected and high-risk areas. The policies

regarding explicitly address issues related to human trafficking, forced or compulsory labour, and child labour. Allegro does not identify significant risks of forced, compulsory or child labour in its own operations in the countries in which it operates. In 2023, Allegro did not identify any severe incidents regarding respect for human rights and did not receive related fines or penalties.

Allegro's work environment supports the professional and personal development of its employees and ensures equal opportunities for all. The information provided relates to the organisation's workforce in Allegro, in particular the number of employees as at 31 December 2023 reported in head count. At the end of 2023, Allegro team consisted of 6624 people. The Polish operations consisted of 4794 people. Allegro hires its own workforce and non-employee workers under employment contracts, civil law contracts, as B2B contractors and through an employment agency.

The data indicated in the table presenting workforce structure cross-referenced to the information in the 2023 financial statement. Following the Mall Group Acquisition that took place on April 1st 2022, the process of merging and building common structures

The table presents, in accordance with the ESRS, regions where the company employs more than 10% of the total number of employees. The data in the table below is reported in head count, at the end of the reporting period (31.12.23).

Employees	Form of employment							
	2023 Allegro		2023 Polish Operations		2023 Czech Operations		2023 Other Operations	
Full-time employees	5,394	97.8%	4,070	98.1%	1,015	96.6%	309	98.1%
Women	2,433	45.1%	1,820	44.7%	460	45.3%	153	49.5%
Men	2,961	54.9%	2,250	55.3%	555	54.7%	156	50.5%
Part-time employees	120	2.2%	78	1.9%	36	3.4%	6	1.9%
Women	59	49.2%	28	35.9%	26	72.2%	5	83.3%
Men	61	50.8%	50	64.1%	10	27.8%	1	16.7%
TOTAL	5,514	100%	4,148	100%	1,051	100%	315	100%



The data in tables below is reported in head count at the end of the reporting period (31.12.23).

Employees	New joiners									
	2023 Allegro		2022 Allegro		2023 Polish Operations		2022 Polish Operations		2021 Polish Operations	
Women	494	48.9%	690	46.2%	268	42.9%	456	45.2%	506	42.4%
Men	516	51.1%	802	53.8%	356	57.1%	553	54.8%	687	57.6%
Aged <30	517	51.2%	724	48.5%	328	52.6%	468	46.4%	652	54.7%
Aged 31-50	457	45.2%	741	49.7%	283	45.4%	530	52.5%	530	44.4%
Aged >50	36	3.6%	27	1.8%	13	2.1%	11	1.1%	11	0.9%
TOTAL	1,010	100%	1,492	100%	624	100%	1,009	100%	1,193	100%

Employees	Total number and turnover rate							
	2023 Allegro		2023 Polish Operations		2022 Polish Operations		2021 Polish Operations	
Women	582	23.4%	241	13.0%	13.42%		13.5%	
Men	729	24.1%	327	14.2%	18.58%		14.7%	
TOTAL	1,311	23.8%	568	13.7%	16.33%		14.2%	

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was implemented in 2023, which resulted in a reduction in the number of positions. In Q4 2022 Allegro started to implement an efficiency project named “Fit to Grow”. One of Allegro seven priorities announced during Q3 2022, “Fit to Grow” comprised three pillars. Firstly, the organisational efficiency stream targeted creation of a comprehensive organisation chart covering all resources, strengthening cost control and people management processes as well as driving productivity improvements. This has resulted in reduction in the headcount by 4.8% YoY in Q4, mostly in the Mall Segment.

Differences in pay between men and women

One of the main ambitions for Allegro is to introduce equal pay for women and men. In the context of our commitment to ESG principles, our organisation is setting a target to achieve pay equality. This aim reflects our strategic intent to eliminate wage discrepancies, promoting a culture of equity and inclusivity within our workforce. The unadjusted gender wage gap in Polish Operations is 30.2%. The adjusted gender pay gap for Polish Operations is 3%



Gender pay gap rate				
Employees	2023 Polish Operations		2022 Polish Operations	2021 Polish Operations
	Gender pay gap*	Adjusted gender pay gap**	Adjusted gender pay gap**	Adjusted gender pay gap**
Total	30.2%	2.8%	4.9%	5.7%

Board of Directors						
Structure broken down by gender and age	2023 Allegro		2022 Allegro		2021 Allegro	
Women	3	27.3%	2	22.2%	2	25%
Men	8	72.7%	7	77.8%	6	75%
Aged <30	0	0%	0	0%	0	0%
Aged 31-50	2	18.2%	2	22.2%	3	37.5%
Aged >50	9	81.8%	7	77.8%	5	62.5%
TOTAL	11	100%	9	100%	8	100%

The data in the table below is reported in head count at the end of the reporting period (31.12.23).

Structure broken down by gender and age										
Employees	2023 Allegro		2022 Allegro		2023 Polish Operations		2022 Polish Operations		2021 Polish Operations	
Women	2,492	45.2%	2,687	45.4%	1,848	44.6%	1,798	44.6%	1,545	42.8%
Men	3,022	54.8%	3,233	54.6%	2,300	55.4%	2,256	55.4%	2,068	57.2%
Aged <30	1,622	29.4%	1,951	33.0%	1,188	28.6%	1,292	31.9%	N/A	N/A
Aged 30-50	3,727	67.6%	3,813	64.4%	2,883	69.5%	2,709	66.8%	N/A	N/A
Aged >50	165	3.0%	156	2.6%	77	1.9%	53	1.3%	N/A	N/A
TOTAL	5,514		5,920		4,148		4,054		3,613	

* The gender pay gap is the difference in average pay levels between men and women, expressed as a percentage of the average pay of male employees by the difference in average hourly earnings between men and women. The gender pay gap is computed using the formula:
 ** The adjusted gender pay gap is calculated through a method that accounts for variables such as job family and career level, aimed at offering a more nuanced understanding of pay disparities between genders. This calculation is conducted in two primary stages. Initially, the analysis focuses on specific job families and their respective career levels, where an average weighted score is determined for each job family by comparing the base salaries of women to those of men within the same career level. This involves calculating the average base salary for women and men at each career level within a job family and then weighting these results based on the number of employees at each level. The process is repeated, this time considering only the aggregated scores for each job family and the total number of employees within those families. The outcome of this methodology is a singular figure that represents the adjusted gender pay gap, thereby providing a measure that reflects pay differences with adjustments for position and level within the organisation.
 *** Not applicable as according to EU Directive gender pay gap is provided for all employees

$$\frac{\text{Average gross hourly pay of male employees} - \text{Average gross hourly pay of female employees}}{\text{Average gross hourly pay level of male employees}} \times 100$$

GRI ▶ [2-7] [2-8] [2-27] [3-3] [404-1] [404-3] [405-1] ESRS ▶ [S1-1] [S1-2] [S1-6] [S1-7] [S1-9] [S1-12] [S1-13] [S1-15] [S1-16] [S1-17]



WHAT IS AHEAD OF US?

Allegro aims to maintain an adjusted gender pay gap of less than 5% each year.

Allegro used the adjusted gender pay gap prepared by calculating weighted averages per career level inside each job family. Then a weighted average was calculated at the overall Company level. This method is more precise when assessing salaries by position held. The gender pay gap, according to the EU Directive on pay transparency is the difference in average pay levels between men and women, expressed as a percentage of the average pay of male employees by the difference in average hourly earnings between men and women. All wages are equal to or higher than the adequate minimum wage in all of the countries where Allegro operates. In 2023 Allegro implemented a Diversity Policy that solidifies its commitment to integrate DEI principles into our organisational

culture. Throughout the year, the following initiatives were launched and delivered:

- Draft of DEI Strategy - underpinned by a thorough assessment of DEI at Allegro, data analysis, and evaluation of existing practices.
- Neurodiversity project aiming to raise awareness of neurodiversity, exploring organisational needs with regards to neurodiversity at individual and people leaders' level and providing recommendations for actions in addressing the topic further. A pilot group on Slack for individuals with Attention-deficit/hyperactivity disorder (ADHD) was established in 2023, providing a supportive space for sharing experiences (channel: #adhd-community).
- Diversity in recruitment project involved review of existing recruitment practices, identifying potential barriers to attraction and selection of candidates, concluded with a set of recommendations.
- Revamp of AllWomen Network, an informal community of Allegro female leaders who share ideas, best practices and inspire each

The data in the table below is reported in head count at the end of the reporting period (31.12.23).

Structure within career level group						
Employees	2023 Allegro		2023 Polish Operations		2022 Polish Operations	2021 Polish Operations
Women						
Senior management*	17	20.2%	17	21.5%	31.4%	28.6%
Middle management**	203	30.7%	191	31.4%		
Experts and specialists***	2,272	47.7%	1,640	47.4%		
Men						
Senior management*	67	79.8%	62	78.5%	68.6%	71.4%
Middle management**	459	69.3%	417	68.6%		
Experts and specialists***	2,496	52.3%	1,821	52.6%		
Age <30						
Senior management*	0	0%	0	0%	7.2%	11.8%
Middle management**	24	3.6%	20	3.3%		
Experts and specialists***	1,598	33.5%	1,168	33.7%		
Age 30-50						
Senior management*	71	84.5%	67	84.8%	90.3%	86.4%
Middle management**	618	93.4%	573	94.2%		
Experts and specialists***	3,038	63.7%	2,243	64.8%		
Age >50						
Senior management*	13	15.5%	12	15.2%	2.5%	1.8%
Middle management**	20	3.0%	15	2.5%		
Experts and specialists***	132	2.8%	50	1.4%		
TOTAL	5,514	100%	4,148	100%	100%	100%

The percentages in the table refer to the subgroup (defined by career level and gender or age) share in the total group (senior management, middle management, experts and specialists). Till 2022 inclusive senior and middle management were reported as one category. Therefore, for the 2021 and 2022 data, the percentages correspond to the share of the entire managers without division into senior and middle managers.

* career level 8 and above
 ** career level 6-7
 *** career level 1-5

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other through their own experiences and stories.

- DEI awareness and knowledge building sessions
 - » dedicated DEI workshops and webinars (How to understand diversity, Inclusive language, Managing diverse teams) .
 - » Leadership development programme for women 'Leadership by Design' (second edition).
 - » Articles on Allegro Home to mark national and international campaigns such as Diversity Month (May) or International Day of Disabled People (December).

Allegro complies with the local labour regulations that mandate social insurance protection for employees against significant life incidents such as illness, unemployment initiating while employed, work-related accidents, acquired disabilities, parental leave, and retirement. All employees are also entitled to family-related leave. Protection is provided by public programs in line with local labour law which enforces comprehensive statutory social protection for all workers. Allegro, as a responsible employer, meets these legal requirements for all its employees.

The data in the tables below is reported in head count at the end of the reporting period (31.12.23).

Employees with declared disabilities									
Broken down by gender	2023 Allegro		2022 Allegro		2023 Polish Operations		2022 Polish Operations		2021 Polish Operations
Women*	23	0.9%	32	1.2%	N/A	N/A	22	1.2%	0.4%
Men**	33	1.1%	27	0.8%	N/A	N/A	19	0.8%	0.3%
TOTAL	56	1%	59	1%	42	1%	41	1.0%	0.7%
Foreign employees									
Number of foreign employees *** Broken down by gender	2023 Allegro		2022 Allegro		2023 Polish Operations		2022 Polish Operations		2021 Polish Operations
Women	117	4.7%	32	1.2%	35	1.9%	18	1%	0.3%
Men	124	4.1%	27	0.8%	48	2.1%	38	1.7%	0.6%
TOTAL	241	4.4%	59	1%	83	2.0%	56	1.4%	0.9%

Parental leave and return-to-work indicators

Broken down by gender	2023 Allegro	2022 Allegro	2023 Polish Operations	2022 Polish Operations	2021 Polish Operations
Employees who took parental leave	273	132	89	103	84
Women	265	121	82	100	77
Men	8	11	7	3	7
Employees who returned to work after parental leave	120	99	103	87	99
Women	116	88	99	84	90
Men	4	11	4	3	9

* Percentage of women out of all women own workforce of Allegro
 ** Percentage of men out of all men own workforce of Allegro
 *** Foreign employees are those of different nationality than the nationality of the country they operate in

GRI ▶ [2-7] [2-8] [2-27] [3-3] [404-1] [404-3] [405-1] ESRS ▶ [S1-1] [S1-2] [S1-6] [S1-7] [S1-9] [S1-12] [S1-13] [S1-15] [S1-16] [S1-17]

Learning and development

The professional development of employees is crucial for Allegro development. Allegro has prepared a large selection of programmes, workshops, webinars, conferences, etc., for them, in cooperation with internal and external trainers, available through dedicated development platforms such as MindUp.

In 2023, 2094 development activities were conducted in Polish operations (e. g. internal and external workshops, webinars, e-learnings, conferences, coaching sessions etc.) with a total of 13,821 participants (2,884 unique participants in Poland). On average employees received 48,8 hours of training in Poland, compared to the 36 hours reported in 2022.

Allegro’s approach to development is based on a 70/20/10 learning model, promoting a holistic development culture through: participating in formal programs, gaining knowledge from others, applying skills in real-world contexts like projects, new

assignments.

Allegro has an established classification system for all positions by level. Its aim is to ensure transparency and order in internal structures and provide employees with a clear picture of their career path within the company.

Career levels are determined by evaluating positions. Positions have been classified by People Leaders (including Executive Team members, directors and/or senior managers) and with the support of:

- Mercer’s external consultants,
- Total Rewards team,
- relevant HRBPs.

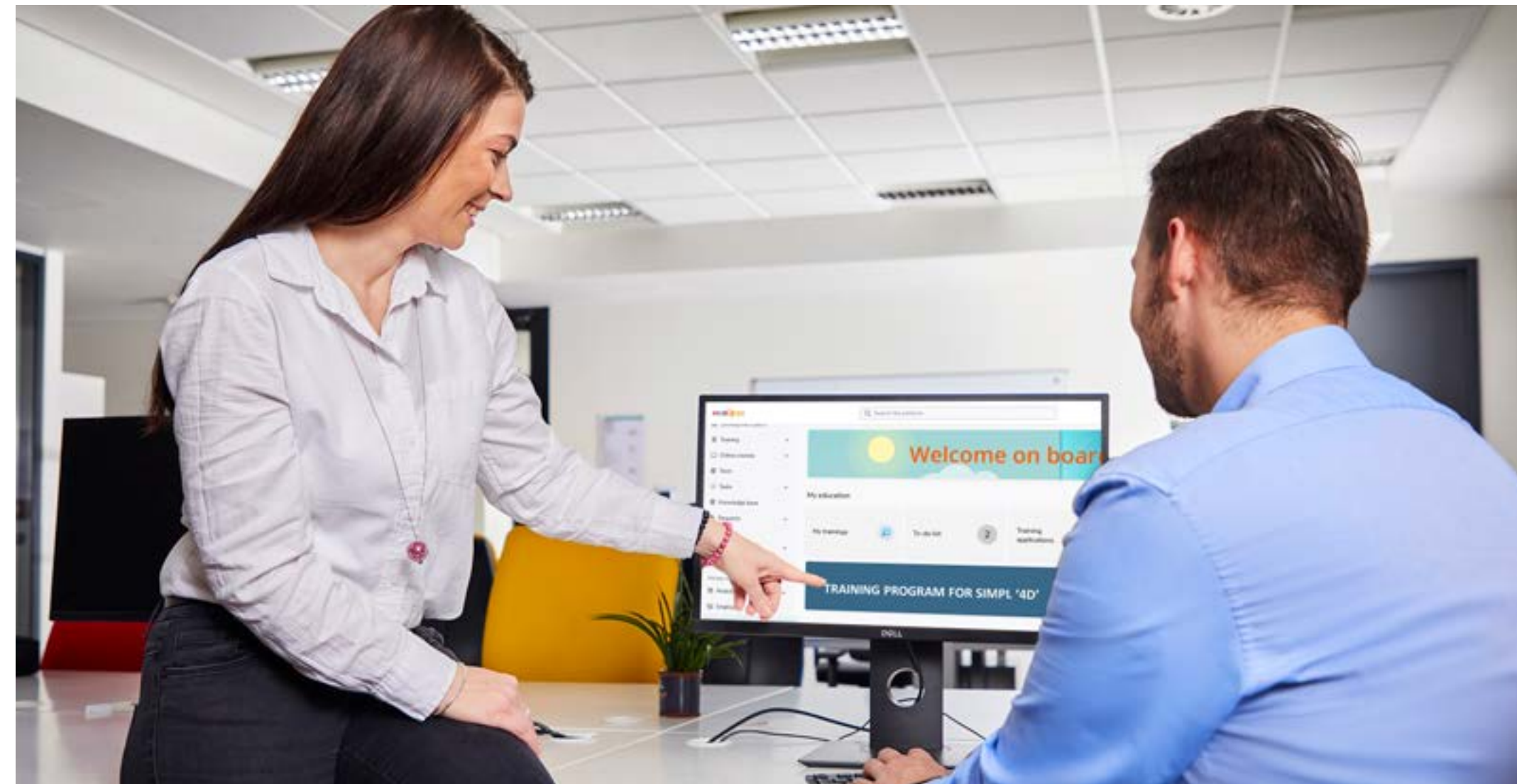
Career levels were revealed in 2023 and this information is shared with all employees. This ensures objectivity and fairness, as well as consistency and alignment of each assigned Career Level. The disclosure of Career Levels is an important step towards creating an even more transparent and inclusive working environment. It also provides a broader context for identifying development opportunities

Performance and talent management

Allegro endeavours to be a place offering many challenges and opportunities to employees. Support in professional development is provided to everyone, equal opportunities are guaranteed in all aspects of employment, and competitive salaries and benefits are offered. In return, the company expects professional ambition and willingness to develop, the ability to cope with a rapidly changing and complex environment, and the awareness that work, innovations and solutions affect the daily purchases of millions of consumers. By investing in the growth and development of employees, a talented and engaged workforce capable of driving innovation is cultivated.

For better organisational performance management, a Talent & Performance Management programme was developed. It consists of setting targets, calibrating and evaluating individual performance against corporate strategy and individual employee goals. Each employee participates in defining his or her goals. These goals ought to be achieved through four main pillars of action:

- Performance appraisal, which focuses on what is being achieved and how. This is conducive to improvement and redirection for the immediate future, such as taking the opportunity represented by a bad decision to install a check for the next year.



Training indicators broken down by gender*

Employees	2023 Polish Operations		2022 Polish Operations		2021 Polish Operations	
Number of unique participants	2,884	69.5%	3,714	92%	1,726	47.8%
Women**	1,274	68.9%	1,608	89.4%	726	47.0%
Men***	1,610	70.0%	2,106	93.4%	1,000	48.4%
Average number of training hours (1 hour = 60 minutes) per employee	47		36		6	
Women	49		39		6	
Men	45		33		6.0	
Senior managers	22		N/A		N/A	
Middle managers	49		N/A		N/A	
Experts and specialists	47		N/A		N/A	

* Disclosure do not include Ceneo
 ** Percentage of women out of all women own workforce of Allegro
 *** Percentage of men out of all men own workforce of Allegro

GRI ▶ [2-7] [2-8] [2-27] [3-3] [404-1] [404-3] [405-1] ESRS ▶ [S1-1] [S1-2] [S1-6] [S1-7] [S1-9] [S1-12] [S1-13] [S1-15] [S1-16] [S1-17]

or career paths at Allegro. or career paths at Allegro.

- Calibrate promotions and performance to ensure the company's expectations are consistent, especially for staff at the same level, across promotions and content areas.
- Talent calibration and support activities to identify the best employees in a workforce that will help achieve success, identify retention gaps and how to close them, thereby progressing from effective success management and successor development.
- Performance Management is a process where the individual performance of each employee can be assessed consistently based on evidence-based feedback against business goals and demonstrated behaviours. Employees are assessed at least once a year.

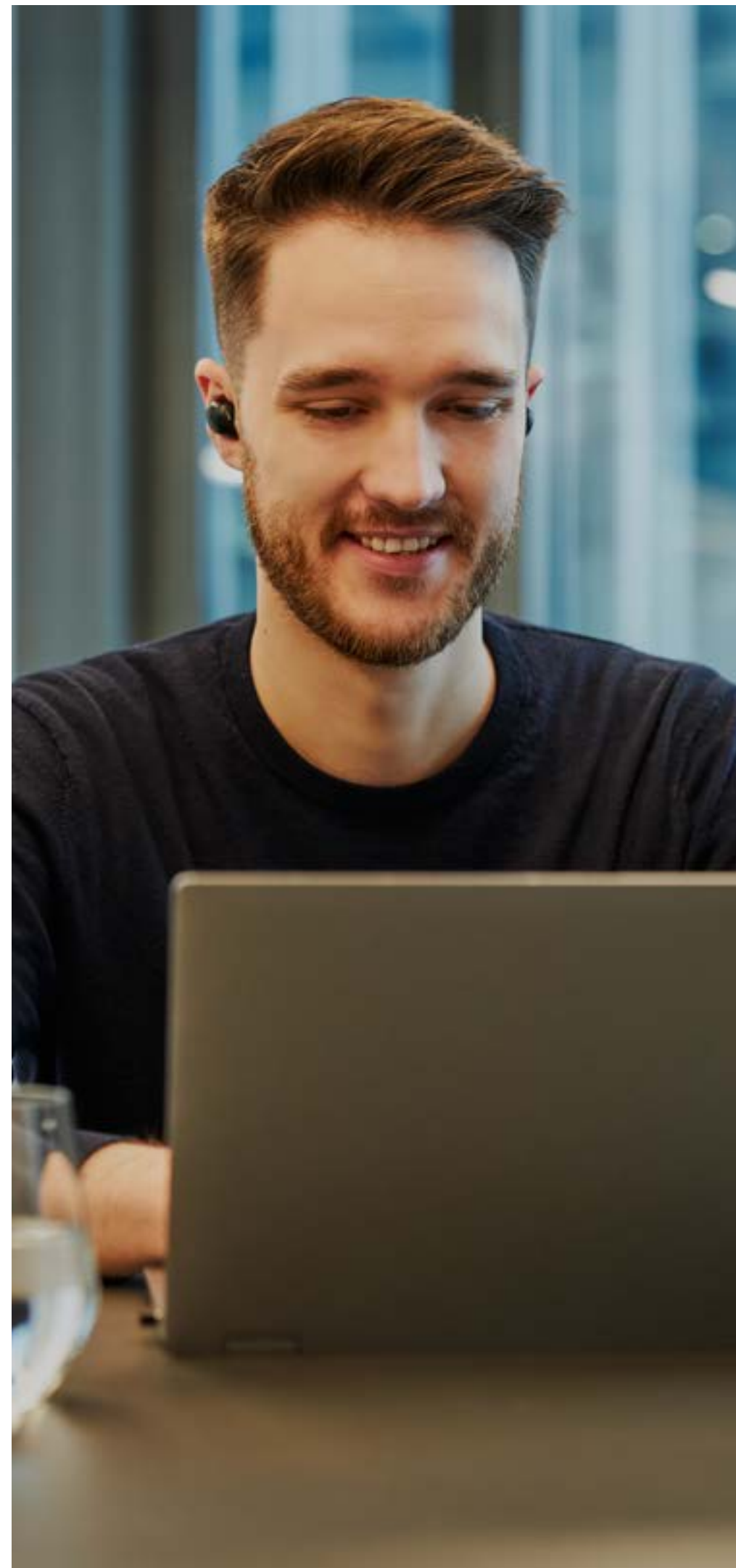
The promotion path is closely related to employee evaluation and is based on an objective assessment of the level of competencies and skills, based on a set of criteria that are especially relevant to Allegro and reflected in The Allegro Way.

The Individual Development Plan (IDP) has also been implemented as a tool to support the process of planning development activities. It helps to define development goals, identify activities that will facilitate the acquisition or improvement of the key competences necessary to achieve these objectives and to identify strengths that can be used in daily work to achieve success.

Another Allegro initiative targeting employee development is MindUp 2.0, a programme representing a holistic approach to personal and professional development. It enables individuals to take control of their development and plan their career with a long-term perspective. Beyond conventional training sessions, MindUp 2.0 helps individuals explore a variety of developmental activities. It focuses on developing the skills needed for current roles, while supporting the development of key capabilities for future challenges, projects and positions.

MindUp 2.0 is designed for everyone, regardless of their role in the organisation or current career level. It serves as a support solution for those who want to advance their careers. In addition, MindUp 2.0 also supports managers, helping them to develop and grow their teams. In 2023 a total of 2,094 development activities were held in Polish companies.

There is also a group of talent experts called the Talent Acquisition Team. It sources and informs candidates about what Allegro does and the projects it undertakes to find the best experts in the job market and encourage them to come to work for Allegro.



% Employee receiving regular performance and career development reviews*

Employees	2023 Polish Operations	2022 Polish Operations	2021 Polish Operations
Total employees	82.3%	95.7%	94.7%
Women	80.6%	95.5%	91.3%
Men	83.6%	95.9%	97.0%
Senior and Middle Managers**	90.6%	96.1%	96.0%
Women	90.4%	97.2%	92.0%
Men	90.6%	95.6%	97.7%
Experts and specialists	80.6%	95.9%	95.3%
Women	79.4%	94.6%	92.2%
Men	81.7%	96.9%	97.1%

* The statistics do not include employees on long-term sick leave, maternity or parental leave and employees whose time of service is under 3 months. career level 6-7
 ** Senior and Middle Managers- career level 6-10 Experts and specialists- career level 1-5

GRI ▶ [2-30] [3-3] [403-6] [Own disclosure 1] ESRS ▶ [S1-4] [S1-5] [S1-7] [S1-8] [S1-10] [S1-11] [S1-14]

4.2 Working conditions and well-being

Allegro deeply understands that both physical safety and mental well-being are crucial components of a company's work culture. Reflecting the priorities of our employees, mental health and physical health were ranked first and third respectively among the important themes, highlighting the importance of these aspects. Mental and physical comfort of workers are crucial aspects for Allegro, because employees are the most important element of company's operation. The company's slogan "It's good to be here" expresses how Allegro strives to be the top choice for the best experts, not only from Poland, the Czech Republic, Slovakia, Croatia, Hungary and Slovenia, but also from other countries.

To evaluate and monitor workers' needs on an ongoing basis, an Engagement survey is held every year (the main Engagement Survey is administered in May and a smaller one called the Engagement Survey Pulse Check is administered in November). This survey is

treated as the principal source of information about the company as a workplace. By analysing the survey results, the company can better understand what affects employee engagement, as well as identify the areas to work on. The company tracks performance over time and implements recommendations and conclusions. Within the organisation, the function of incorporating employee feedback into decision-making processes and actions aimed at managing impacts on our workforce is assigned to the Chief Human Resources Officer. In 2023 Allegro conducted a joint survey among all legal entities (Poland & Non-Poland) to address current engagement challenges better, focusing on executing action plans that are built on precise and comprehensive data gathered from all teams. This enabled Allegro to tackle any obstacles together and create a more engaging and fulfilling work environment for all.

In early 2023, Allegro had an engagement score of 47%. However, Allegro's group-wide engagement action plan delivered results with progress of +11p (58%) till now (February 2024). This visible progress is the outcome of a comprehensive set of initiatives focused on four critical topics for the company, such as:

- Compensation - ensure everyone at Allegro comprehends its pay policy
- Communication - improve communication within the company and ensure communication is transparent and delivered on time
- Development - improve the promotion process, retain talented people and offer exciting career and development opportunities
- Executive Team - develop a set of twelve behaviours to build a common culture - across all countries and legal entities.

Well-being

Well-being is multifaceted and extends beyond individual actions to encompass an overarching leadership model —The Allegro Way. This model is integral to its organisational culture, fostering a leadership approach. It outlines "12 behaviours" categorised into how we grow, show commitment, work, and work with others, forming a framework to support employees professionally and personally alike.



2023 Performance:

3,085

3,085 employees in Polish Operations who completed Occupational safety and health training

1,669

employees registered in MindGram

47%

employee engagement score

603

employees who used volunteering day-off

4,824

hours spent on volunteer work

0.13

was the Recordable Incident Rate for Polish Operations in 2023

CASE STUDY

Pink October and Movember

October and November have for several years been known as the months for raising awareness about cancer prevention. Pink October focuses on women's health, while Movember is dedicated to men's health. This year, Allegro decided to take a step further and combine both initiatives to create a joint action promoting health awareness and cancer prevention. The company conducted blood cancer marker tests at five different locations, including Poznań, Warsaw, Krakow, Wrocław, and Adamów. For employees in other locations, vouchers were provided to enable participation in the tests.

During Pink October and Movember, women underwent several tests, including CA15-3, CA125, CEA, CA19-9, complete blood count, and CRP. Men's tests included total PSA, AFP, CEA, CA19-9, complete blood count, and CRP. Participants were encouraged to take photos with dedicated frames, moustaches, and ribbons and share them on social media and on Slack.

To promote more health awareness, Allegro collaborated with the RAKIETY Foundation and arranged for an oncology webinar and preventive examination calendars. The initiative was a huge success, with over 650 people participating in the tests, and 150 research vouchers distributed. Employees found the initiative informative



and empowering, and the feedback was positive. Allegro hopes that this initiative will instil preventive examinations as a habit among employees and enhance health awareness. The company plans to continue initiating similar health awareness campaigns to promote a healthy lifestyle.

GRI ▶ [2-30] [3-3] [403-6] [Own disclosure 1] ESRS ▶ [S1-4] [S1-5] [S1-7] [S1-8] [S1-10] [S1-11] [S1-14]

Allegro also offers a series of programmes to augment employee engagement and development.

From 2022, Allegro employees are entitled to an additional day off specifically for employee volunteer work, showcasing the company's commitment to social responsibility. The scope of what constitutes volunteer work includes participating in community service for a non-profit organisation, engaging in volunteer activities organised by the company, or implementing personal volunteer project ideas funded through employer-sponsored grants. This approach not only encourages employees to contribute to the community but also fosters a culture of "giving back" and personal initiative within the organisation. In 2023, 603 people took advantage of the additional day to do volunteer work, thus working 4,824 hours for social organisations and supporting 140 organisations. They prepared charity parcels as part of the nationwide Szlachetna Paczka (Noble Package) campaign,

cleaned green areas in Poznań, performed renovation works at the Poznań ZOO and took care of animals in shelters, and much more. Additionally, the Allegro Foundation awarded 24 grants (with a total value of PLN 347,400) to implement long-term projects run by Allegro employees carried out jointly with local organisations responding to the needs of local communities and their core values. It also gives Allegro employees an opportunity to engage in competence volunteering supporting local communities, youngsters or children with their knowledge about new technologies or cybersecurity. Allegro employees also have access to Mindgram, an innovative platform that is part of Allegro's comprehensive benefits package, specifically focused on mental well-being. Mindgram is designed to assist employees in maintaining their mental health and overall well-being by offering a variety of tools and resources. These include personalised content like articles, exercises, and webinars tailored

to mental health improvement, addressing a broad spectrum of topics such as managing work-related stress and developing positive coping strategies for personal challenges. In 2023 1669 users were registered and active on the Mindgram platform. 1,630 different types of consultations with specialists were carried out monthly via chat and video.

Part of the cooperation with Mindgram is the "Well-being Vibe" - a new functionality designed with employees' well-being in mind. It makes it possible to diagnose an employee's well-being and mental health, detect burnout levels, identify areas for improvement and change and get instant results and recommendations on the next step. This process is completely anonymous. Workers can also participate (in person or remotely) in Yoga Nidra and Mindfulness sessions (in polish only for now). Additionally, a new service was launched on 25 October 2023 - 30-minute meetings teaching relaxation techniques. Allegro provides significant support to its international employees, aiding in the acquisition of work permits, legalising their stay, and assisting with the process of obtaining a residence card. Additionally, Allegro has implemented a policy across all its group companies allowing remote work from abroad, specifically within the European Economic Area (EEA) and Switzerland. This flexibility permits employees to work remotely for up to 7 business days in each quarter of the calendar year, further accommodating the diverse needs and circumstances of the global workforce.

Allegro actively collaborates with universities and academic communities, fostering a vibrant exchange of knowledge and expertise. Employees frequently engage in guest lectures, deliver



CASE STUDY

Mam swoje Alle

Volunteering at Allegro comes in many forms. Our employees can participate in various initiatives that we organise internally, such as group forest cleaning or work on projects run by Allegro Foundation. We offer our employees one additional paid day off per year to participate in these activities.

They may also participate in Allegro's "Mam swoje Alle program" - a successful mentoring initiative where Allegro's employees support social projects carried out by young people. The programme is run in partnership with the Zwolnieni z Teorii Foundation as part of the initiative Zwolnieni z Teorii Olimpiad. The mentors work in pairs, which allows for the exchange of skills and knowledge.

In 2023, Mam swoje Alle program involved 30 mentors who supported 15 social projects of young people. The initiative Zwolnieni z Teorii Olimpiad was carried out by a total of 4,000 young people and achieved very high results, such as reaching over 160,000 beneficiaries, raising over 40,000 PLN for project implementation, and reaching over 1.5 million people through communication.

This program is not only an extremely valuable experience for young people, who gained the opportunity to receive expert support from mentors in areas such as project management, marketing, working



with partners, budget management, and crisis management, but also for the employees of Allegro, who get to know the younger generation, test themselves in a different field as mentors, and draw inspiration to better support social projects.

What sets this program apart from other mentoring initiatives is its unique approach to promoting positive change in the local community. Participants work collaboratively to identify social issues, create an action plan to tackle them, and actively engage themselves in this mission.

Level of employee engagement	2024 Allegro (Engagement Survey Pulse Check, 02.2024)	2023 Allegro (Engagement Survey)	2024 Polish Operations (Engagement Survey Pulse Check, 02.2024)	2023 Polish Operations (Engagement Survey)	2022 Polish Operations (Engagement Survey)	2021 Polish Operations (Engagement Survey)
Engagement score	58%	47%	60%	50%	67%	74%
Survey participation	86%	78%	87%	85%	92%	93%

GRI ▶ [2-30] [3-3] [403-6] [Own disclosure 1] ESRS ▶ [S1-4] [S1-5] [S1-7] [S1-8] [S1-10] [S1-11] [S1-14]



presentations tailored for Student Science Clubs, and serve as mentors and speakers at various student events and conferences. This involvement is deeply rooted in imparting substantive knowledge, with a focus on supporting events that offer meaningful educational opportunities. The aim is to build Allegro's reputation as a top employer and attract the finest student talent for employment. This includes actively promoting the e-Xperience programme on campuses. Collaborations span prestigious institutions such as the Poznan University of Technology, Adam Mickiewicz University in Poznań, Poznań University of Economics and Business, University of Warsaw, Warsaw University of Technology, SGH Warsaw School of Economics, AGH University of Science and Technology in Krakow, Wrocław University of Science and Technology, Gdańsk University of Technology, WSB Universities, SWPS University, Kozminski University, as well as various student societies like AIESEC, IAESTE, FUE, and other student associations in Poland and abroad. Through these

partnerships, Allegro not only contributes to the academic community but also connects with the next generation of professionals, fostering a culture of learning and innovation.

Benefits

Allegro also offers a set of practical benefits to complement Allegro's activity as a good employer. The set of benefits is very wide and may vary depending on country and entities. Employees can use cafeteria benefits, additional life insurance for themselves and their families or transport allowance (free for warehouse workers).

Employees working in Poland have the opportunity to benefit from medical consultations conducted in specialised medical centres (Medicover or LuxMed). As part of medical packages, every willing employee can take advantage of flu vaccinations. Workers in the Adamów warehouse (Poland) can also benefit from meals. Additionally, employees working in the office in Poznan (Poland) can bring their children to a private nursery & kindergarten. Offices in Czech and Slovenia are pet-friendly.

Allegro offers a unique and flexible benefits system, allowing employees to personalise their benefit choices. Each month, employees receive a set of points on the MyBenefit platform, which they can allocate according to their preferences. The selection process occurs monthly, giving them the flexibility to adapt their benefits package to their changing needs.

Recently a new benefit has been introduced offering Czech employees a sabbatical leave. After one year of employment, employees are eligible for a one-month sabbatical, during which their insurance contributions are fully covered in the Czech market.

Allegro has also introduced Allegro Incentive Plan (AIP) - a long-term incentive program, based on Allegro.eu shares, which aims to make employees, who drive the company performance, owners of the company and share the results. The objective of the AIP is to align the Directors' interests of Allegro and to contribute to the actual long-term financial standing and stability of the Company's and long-term shareholder value creation. Employees, depending on the eligibility, may be offered Allegro.eu shares in the form of the Restricted Stock Unit (RSU) through this program every year as part of the end year compensation review. The recommendation, as in case of annual bonus, is made by the immediate supervisor and is based on the employee's development potential and performance assessment from the grant's year. Grants of RSUs to employees are ultimately

Engagement and development programmes

Coaching

One of the methods of supporting internal development is through coaching - a development process that aims to master interpersonal and managerial competences in collaboration with a dedicated coach. The coach will support in finding the optimal solution for employees' challenges based on his/her own findings and resources. Another option is mentoring - a process in which a Mentor, or a person with extensive experience and knowledge, shares that with a Mentee, or a person wishing to expand his/her competences, develop in a given area and achieve more. A partner relationship between a Mentor and a Mentee is oriented towards uncovering and developing the Mentee's potential. The relationship is based on mutual trust, inspiring and learning from one another. In 2023 employees attended this programme.

#AllegroLife

#AllegroLife is a dynamic internal community program, specifically designed for active social media ambassadors. It revolves around a sophisticated tool known as the Content Hub, which enables ambassadors to utilise drafts for posts regarding Allegro, track their engagement, and access analytics for their social media activities. This platform also encourages ambassadors to contribute original content. Furthermore, #AllegroLife offers a comprehensive training package aimed at individuals eager to develop their personal brand and advocate for Allegro as an employer on social media.

Internal mobility

Internal mobility at Allegro is a key strategy enabling employees to move between diverse roles and projects within the organisation. This initiative is aimed at expanding and enhancing the skills and knowledge of employees from different areas of the company. As employees take on varied roles, they acquire a thorough understanding of the organisation's structure, its functions, and processes. This experience leads to an increase in their competencies and deepens their insights into the company. The outcome of this programme is a workforce that is adaptable and knowledgeable about various aspects of the organisation, which benefits not only the individual's career progression but also strengthens the company's overall flexibility. This commitment to flexibility and adaptability is further encapsulated in the Allegro Way, which fosters a culture of growth, accountability, and continuous improvement through its set of core behaviours.

e-Xperience

Intended for interns, Allegro e-Xperience programme is tailored for individuals at the start of their career paths as well as those seeking to make a career shift. Since its inception in 2015, the programme initially focused on full-time students looking for valuable professional experiences during their summer break. As it grew in popularity, the e-Xperience programme began to attract participants who often continued their journey with Allegro as employees. Originally named "Summer e-Xperience," it significantly contributed to enhancing Allegro's image as a desirable employer in academic and university communities. Over time, e-Xperience has expanded, incorporating a specialised track for the Technology sector, aptly named "Spring Tech e-Xperience," thereby broadening its scope and influence in talent development and technology skill enhancement.

GRI ▶ [2-30] [3-3] [403-6] [Own disclosure 1] ESRS ▶ [S1-4] [S1-5] [S1-7] [S1-8] [S1-10] [S1-11] [S1-14]

decided upon by the Remuneration, Nomination and ESG Committee of the Board of Directors of Allegro.eu.

Allegro's Social Company Fund (Zakładowy Fundusz Świadczeń Socjalnych) in 2023 provided a range of financial aid and subsidies aimed at supporting the material needs of employees and their families.. Employees under work contracts can benefit from various types of funding, including subsidies for personal vacation and organised leisure activities for children. Support for childcare expenses and a school starter kit for children up to 16 years old are also available. Additionally, Allegro offers one-time grants and housing loans, demonstrating its comprehensive approach to employee welfare that goes beyond the workplace, extending tangible support

Occupational Health and Safety

to enhance the quality of life for its employees and their families. Allegro places the utmost importance on employee health and safety, upholding these values without exception. It complies with national and European Occupational Health and Safety (OHS) standards on an unwavering basis. This commitment plays a critical role in preventing accidents and occupational illnesses. Allegro diligently monitors and assesses the working environment across every level of the organisation, ensuring continuous updates to its occupational



risk assessments. Furthermore, it actively engages its employees in OHS initiatives, fostering a culture of safety and awareness. This approach aligns closely with what is traditionally known as Health & Safety Policy, offering a familiar reference point for those acquainted with the term.

Allegro's management recognises that the employer is responsible for ensuring occupational safety and health within the company; to organise work in a manner that is healthy and safe, and ensure that all OHS regulations are followed. Our OHS Team plays a crucial role in supporting this process, overseeing compliance and management as well as improving workplace health and safety.

The company has updated its Health and Safety Instructions, Training Procedure, and Accident Procedure to address commuting-related incidents and incidents that occur in the workplace. The advent of hybrid work triggered the need to adapt the occupational risk assessment to the current situation. Accordingly, this document has been revised to include additional considerations regarding the home office environment.

Our occupational risk assessment involves the detailed identification and analysis of potential hazards that employees might face, depending on their job role. This process helps ensure that adequate measures are in place to mitigate or eradicate these risks and identify any areas that may need further attention. All employees were familiarised with these new regulations in early 2023.

There is a special alias and a dedicated channel on the company messenger for communication with the OHS department. The Company's offices and warehouses have been designed to be comfortable and safe, and safety procedures make it possible to eliminate situations that may pose a threat to employee health.

Allegro is working hard to make its Health & Safety rules better in all the companies it owns in Poland and elsewhere. The Health & Safety team does regular checks to make sure everything is safe and healthy at work. A big step forward was taken when the Mall Group was added to the company. Allegro always tries to improve safety rules in all venues. Allegro does this while making sure it follows local safety standards.

Allegro has implemented a comprehensive system for classifying work-related incidents and calculating incident rates. This system includes the Recordable Incident Rate (RIR), a key metric indicating the number of recordable injuries or illnesses per 100 full-time employees. This strategic framework not only ensures precise

reporting and evaluation of workplace safety but also facilitates the comparison of Allegro safety performance with national and global standards. This approach is specifically tailored to address the unique requirements of various business sectors and industries, enhancing the Group's ability to monitor effectively and augment workplace safety protocols. The Recordable Incident Rate for 2023 stands at 0.13, signifying exceptionally favourable safety performance.

Occupational Health and Safety training is a crucial component of employee onboarding and continuous education. Training begins on the first day of work with an introductory instruction session, ensuring that new employees are immediately familiar with essential safety protocols. For ongoing learning, Allegro provides periodic training through e-learning for managers and administrative or office employees accessible via a dedicated training platform. For warehouse employees, this training is delivered through regular instructional sessions, emphasising the practical aspects of workplace safety. In 2023 3,085 employees in Polish Operations completed OHS training. Allegro places great emphasis on employee safety. Consequently, 2023 was free of serious or fatal workplace accidents, thanks to proactive monitoring and prevention efforts. The report presents data on accidents across Allegro, showcasing the impact exerted by safety efforts.

Worker representation

In Allegro sp z o.o., Allegro Pay, Allegro Finance, Opennet, eBilet, and Ceneo, employee representation plays a vital role. Comprising 3-5 members, these representations are democratically elected by all staff members in direct elections. These independent consulting bodies are an important voice of employees. Their task is to consult on matters impacting work environment in Allegro, such as HR processes and policies, compensation, changes in work organisation, issues related to the Employee Benefits Fund (Zakładowy Fundusz Świadczeń Socjalnych) and other topics relevant for broad groups of employees raised by employee representatives or suggested by the employer. Allegro entertains an open dialogue with employee representatives through monthly meetings and by answering their questions raised in-between the meetings. The tenure for each representation lasts four years, except for Ceneo, where it is two years. Eligibility to stand in these elections is granted to employees with at least 12 months of service. This system ensures that employees have a significant say in key aspects of the work environment and company policy. Allegro employees are not covered by collective bargaining agreements. There is one trade union in Allegro sp z o.o.. The company follows its statutory obligations around the rules of cooperation with trade unions.

Number of work-related accidents							
	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Minor accidents	15**	18*	-3	5	4	1	2
Serious accidents	0	0	0	0	0	0	0
Fatal accidents	0	0	0	0	0	0	0

* including 14 from Mall Segment
 ** including 10 from Internet Mall and Mimovrste

4.3 Charity and community initiatives

Allegro has been active in charity for many years and participating in the foremost charity events has become a permanent part of the organisation's life. According to a study conducted by Maison & Partners for Allegro in December 2023, 75% of respondents feel positive about a company that engages in social or environmental actions. Importantly, Allegro is the brand most frequently associated with social and environmental activities in comparison with other brands active in Poland.

Any support is most effective if it is created in the core-business area of the company. As a technology company Allegro supports its stakeholders with technological solutions. That is why Allegro Charytatywni was created. This tool ensures a stable source of financing for NGOs, which is a key element to continue their development. What is more, supporting prosperity, which applies also to non-governmental organisations, is also a part of Allegro's ESG strategy.

Allegro Charytatywni, established in 2014, is a dedicated space within Allegro that allows NGOs to raise funds for their social causes by selling products or presenting collections. Any customer can sell a product to support the collection. Other customers can buy these products and the total income from all charity offers is transferred to the account of the organisation running the collection, Allegro does not charge any fees or commissions. In 2023, 351 non-governmental organisations were active on Allegro Charytatywni presenting 762 charity collections, for which 928,642 charity offers were added. Thanks to these activities non-governmental organisations in 2023 were able to collect PLN 47 million.

Another innovative feature is the 'charity bricks' mechanism, prominently displayed during the purchase process. This feature allows customers to add a 'brick' to their basket, providing direct support to an NGO and a specific fundraising goal. Allegro Charytatywni therefore creates an opportunity to react quickly in emergencies such as natural disasters. Following the earthquakes in Turkey and Syria in February 2023, Allegro customers contributed over PLN 545,000 to the Polish Medical Mission in less than a month.



The programme of adding donations to the purchasing process has been active for several years, from November to February, and serves to support the Wiosna Association as part of the "The Noble Gift" campaign and the Great Orchestra of Christmas Charity. But in response to Russia's attack on Ukraine in 2022 this tool was used for the first time in an emergency situation. The 'Brick for Ukraine' campaign raised over PLN 7.5 million for humanitarian aid and relief efforts.

What is extremely important, all organisations that want to operate on the platform must undergo Allegro verification and receive a special Charitable Organization status. All this to ensure the credibility and security of the transaction. Charity offers on the platform are marked with a heart icon and can be found at charytatywni.allegro.pl or use the "Allegro Charytatywni" filter when shopping on the platform.

This year marks a significant milestone as Allegro Charytatywni

2023 Performance:

PLN 47 m

collected by the Allegro Charytatywni platform

351

NGOs registered in 2023 on Allegro Charytatywni

928,642

charitable offers listed on Allegro Charytatywni

celebrates its 10th anniversary. Till the end of 2023, the platform has raised over PLN 213M for charity with more than 1,900 NGOs using it to organise over 6,700 fundraising campaigns for a wide range of causes. Allegro aims to expand the reach of its impact by increasing the number of NGOs utilising Allegro Charytatywni, thereby amplifying the positive effects of their initiatives and contributing to a more robust and responsive philanthropic ecosystem.

The company strives to simplify processes for NGOs, providing them with the necessary tools and support to operate efficiently by preparing training and co-organising the 15th International Fundraising Conference.

Allegro doesn't stop at facilitating charitable contributions. The company actively engages in its own educational and aid programmes through the Allegro Foundation. The Allegro Foundation is a charity

CASE STUDY

Noble Gift (Szlachetna Paczka)

One of the biggest campaigns on Allegro Charytatywni is a "Noble Cart" which supports the Wiosna Association campaign called the "Noble Gift". This year was the fourth edition of this initiative. Customers were encouraged to add the "charity donations" to their cart in November and December 2023, further supporting the Noble Gift initiative.

The level of enthusiasm shown by Allegro shoppers was outstanding. This year, the Noble Cart engaged 65,231 Allegro customers who bought 83,784 "Noble Bricks" what resulted in 1,237,545 PLN of donations.

What is more, the staff of Allegro also engaged. Over 520 individuals, including 28 volunteer leaders, donors, and their families, friends, and neighbours, prepared packages filled with presents and warmth for 30 families in need during the 2023 Noble Gift drive. The recipients included disabled or elderly individuals, single mothers, and refugees. Through the participants' determination and sensitivity, packages worth PLN 150,000 were donated, bringing hope and smiles to those in need.



ESRS ► [Own disclosure 2] [G1-5]

initiative, established in October 2008 as Allegro all for Planet, with an aim to raise environmental awareness and promote eco-friendly behaviour. The Foundation changed its name in November 2022 to the Allegro Foundation and rebranded its activity. The Foundation's activities are available to all employees working in Allegro's Polish companies. Currently, its actions are based on three pillars: entrepreneurship education, pro-environmental activities and social solidarity. One of the main tools for implementing these directions is employee volunteerism and the initiative "#Pomagamy_bo_umiemy" allowing employees to receive grants to engage in their voluntary activities (see more in 4.2 Case Study Mam swoje Alle). Allegro and Allegro Foundation were one of the partners of the Smart Kids Planet, first edutainment centre for kids aged 0-10 in Poland. The attractions were designed to develop the competences of the future and good habits in children, based on education through entertainment. In the zone developed in partnership with the Allegro Foundation, children learn through play how to send and receive parcels and find out why parcel vending machine deliveries

have a lower environmental impact than other delivery methods. In addition, educational videos on upcycling are presented in the zone. 250 thousand kids visited Smart Kids Planet in 2023. The Allegro Foundation also supported The Saint Nicholas Foundation in organising summer camps for children with refugee experience from Ukraine and is a partner of the Mobile Lungs project (a mobile system showing the state of air quality, which will visit 63 locations in 9 voivodeships in the current heating season) of the Krakow Smog Alert. Allegro is committed to supporting local community initiatives. In September 2023, the company's employees joined forces with 18 other companies to participate in the 'Wspólnie POZmieniajmy' campaign. The volunteers actively contributed to revitalising the area next to the Youth Cultural Centre No. 1 in Wilda (Poznań, Poland). They took part in planting diverse plants and building educational gardens, making a positive impact on the local environment. Allegro also provides direct support to people in need in the area where Allegro operates. In August of 2023 the company supported local communities in Slovenia affected by dramatic floods.

In addition to their physical involvement, the volunteers also organised a workshop on Internet safety, during which they shared practical tips, advice, and insights on safe online shopping with young people and seniors. Their contribution to this educational activity helped promote a culture of responsible online behaviour and raise awareness about the importance of digital security, particularly among young people and seniors. At Allegro, we believe in supporting local communities and empowering individuals to make positive changes in the world. Allegro has been involved in supporting refugees from Ukraine from the very beginning of the war and these activities continue in 2024 by supporting non-governmental organisations, organising events for Ukrainian children in Poland and many other long-term activities. A dedicated Corporate Social Responsibility (CSR) team at Allegro plays a pivotal role in managing the company's social and charity endeavours. Supported by the technology team and significantly bolstered by grassroots involvement from employees who create and actively participate in initiatives, this team exemplifies Allegro's commitment to social responsibility.

In December 2021, Allegro implemented the Charity, Social and Sponsoring Activities Policy. The Policy confirms that the profile of social, charity and sponsoring activities is determined by Allegro strategy and the decisions of the Board, subject to benefit analysis and dialogue with stakeholders. These activities are in line with the standards and best practices of corporate social responsibility, industry codes, Allegro code of conduct as well as internal policies and regulations.

The policy ensures the transparency of expenses on charity, social and sponsoring initiatives undertaken by Allegro. The policy organises and identifies Allegro overarching goals of charitable, social and sponsorship activities. It prohibits any kind of political involvement on the part of the company. The policy also prohibits sponsoring of, and donations to, political parties, their political organisations or institutions of a similar nature, as well as persons holding public office



and politicians. Charitable activities in the form of donations may not involve making donations to trade unions, employer organisations, professional self-governing bodies, or sports clubs established as commercial companies. This ban also includes military organisations or persons, as well as the arms industry. Learn more about what Allegro does, scan the QR code to read its [Charity, Social and Sponsoring Activities Policy](#).

CASE STUDY

WOŚP

Allegro once again participated in the 32nd Finale of the Great Orchestra of Christmas Charity, one of the largest annual charity initiatives in Poland. The company supported the event through its "Allegro Charytatywni" initiative, with the "Allegro Collection Centre for GOCC" providing valuable assistance in the preparation and handling of auctions.

During the charity initiative, a total of PLN 36,452,341 was collected through the "Allegro Charytatywni" platform, which is part of the GOCC auctions powered by Allegro. Over 183,000 people participated in auctions and bid on various items. The platform also provided an opportunity for users to list auctions and make donations through the purchase of digital "charity bricks."

In addition to the auctions, Allegro organised internal auctions for the first time, in which numerous offers were listed, raising over PLN 20,000. Further, Allegro employees created an app for the GOCC Foundation during the two-day hackathon. The app is intended to facilitate fast information exchange and direct communication during larger events, such as the Grand Finale or Pol'and'Rock Festival.



Employees from various teams introduced several improvements and innovations in the GOCC auctions powered by Allegro, including making improvements to the visibility of the form used to list auctions on the platform, improving the way of bidding, and introducing a dedicated cardboard box for sending auction items. Allegro has been a partner of the initiative for over 24 years and intends to continue its support in the coming years.

	2023 Polish Operations	2022 Polish Operations	2021 Polish Operations
Funds collected (PLN m)	47	56	39.3
NGOs on the platform (number)	351	338	247

ESRS > [Own disclosure 3]

4.4 Accessibility of services and products

Allegro is committed to achieving a significant goal: making its platform and services more accessible to everyone. This ambition is about ensuring that all people, regardless of their circumstances, find our website and services straightforward and user-friendly.

The primary focus is on extending reach, which involves designing the website to be intuitive, easily navigable, and comprehensible to all users. The goal is to optimise site performance for fast loading times, catering to users with varying internet speeds and those using older devices. This effort, led by user experience (UX) teams, aims to enrich the overall user interaction with the platform. To further this inclusivity, language options have been expanded, including translating the sites into Ukrainian, thus embracing a more diverse user base.



At the same time, tailored accessibility was emphasised, particularly for individuals with specific requirements. This aspect of Allegro strategy includes designing the services to be universally usable, encompassing not only those with disabilities but also individuals who might temporarily benefit from enhanced accessibility. For instance, a barrier-free access to One Box parcel lockers aids

wheelchair users, but also parents with strollers, individuals with heavy luggage, or those with temporary mobility impairments. The company's approach is to create an environment in which nobody feels excluded or disadvantaged.

In addition to upgrading physical infrastructure, Allegro is dedicated to complying with the European Accessibility Act (EAA) by adhering to the Web Content Accessibility Guidelines (WCAG). This commitment is a testament to its dedication to digital inclusivity. A central aspect of this commitment is the continuous optimization of Allegro's website and mobile applications, ensuring they are accessible and user-friendly for all, including people with disabilities. This involves regular audits and updates to dismantle barriers and improve overall functionality.

At Allegro, education and awareness of accessibility among employees, especially for web developers and designers, are crucial. These professionals play a pivotal role in creating easily accessible websites and providing every customer with the best user experience. Furthermore, Allegro employees are heavily involved in organising numerous events such as the Accessibility Festival (that replaced Accessibility Hackathons) to share knowledge and spotlight the crucial aspect of accessibility in the tech industry. In 2023 the first edition of Accessibility MeetUp was also organised. The event turned into a series of activities concerning accessibility topics that was attended by more than 150 people. The success of these activities is multiplied through cooperation with many external organisations specialising in accessibility issues, such as NGOs, companies and administration bodies (Snow Dog, Kinaole, Fundacja Widzialni, Migam, Centre for Information Technology).

There is also a team of nearly 200 experts from various fields (UX, CX, ESG, engineers, product managers) dedicated to fostering an inclusive digital environment, who exchange their knowledge using internal communication tools. The accessibility issue and plan were discussed with the member of the Exec Team Responsible for technology, emphasising the strategic importance of accessibility in company operations. Moreover, reviews of the platform and applications are regularly conducted to identify areas for improvement. Emerging

2023 Performance:

95%

of One Boxes accessible according to Allegro accessibility standards

27

issues solved during the hackathon part of Accessibility Festival 2023

351

Core Web Vitals performance metrics (for mobile):

1.5s

Largest Contentful Paint (LCP) (maximum recommended result is 2.2s)

22ms

First Input Delay (FID) (maximum recommended result is 100 ms)

0

Cumulative Layout Shift (CLS) (maximum recommended result is 0.1)



CASE STUDY

Accessibility Festival and Hackathon

On September 28th 2023 Allegro hosted the two-day Allegro Accessibility Festival, focused on accessibility for individuals with disabilities. 40 participants, joined by 40 online attendees, gathered in Poznań's Nowy Rynek conference centre to learn about accessible solutions and best practices. The event presented 12 thematic paths in a hybrid format, featuring Allegro employees and invited guests from the Central Information Technology Center and the Society of Translators and Lecturers of Sign Language GEST. Participants also had the opportunity to experience firsthand the challenges faced by people with disabilities through the "Barrier Breaker" activity prepared by the Accessibility Development Center.

During the Allegro Accessibility Festival, participants were also treated to a 15-minute lesson in Polish Sign Language, which illuminated the intricacies of sign language and addressed commonly asked questions such as whether all deaf people use the same sign language.

After a day filled with expanding knowledge and absorbing new experiences, interested Allegro employees were invited to participate in the Allegro Accessibility Hackathon on October 5th 2023. Participants worked on over 27 web-development and UX tasks, including adding analytics to collect data on accessibility features in mobile applications, creating checklists for testing the accessibility of mobile applications, and fixing bugs in web and mobile applications. The Allegro Accessibility Festival and Hackathon provided a comprehensive set of information for Allegro employees to broaden their knowledge of accessibility solutions and answer many questions. The event also presented an opportunity for attendees to experience firsthand the challenges faced by individuals with disabilities. The Accessibility Festival was a successor of the Accessibility Hackathon that was organised in previous years. It allowed to foster increased awareness and tech solutions for individuals with disabilities.

ESRS ▶ [Own disclosure 3]

accessibility problems are successively solved.

Moreover, in 2022 Allegro, together with Microsoft, Orange, and Santander was a founder of the Business Accessibility Forum. The aim of this organisation led by Fundacja Widzialni is to build awareness of digital accessibility among companies operating in Poland. This initiative directly aligns with Sustainable Development Goal (SDG) 17 - Partnership for the Goals, showcasing a commitment to leverage synergistic collaboration for achieving more inclusive and accessible digital environments. The organisation took part in public consultations concerning implementation of the European Accessibility Act in close cooperation with the Ministry of Development Funds and Regional Policy and its representatives attended conferences and meetings with representatives of the European Commission.

As part of this collaboration, Allegro has contributed to the creation of the report entitled "Digital Accessibility in Polish Business¹." The report emphasises that low accessibility levels in e-commerce can significantly contribute to lost revenue. For example, it considers how vision impairments, affecting a large portion of Poland's adult

population, can lead to a higher rate of abandoned shopping carts and incomplete transactions. The report's insights underline the essential link between accessibility, user experience, and economic performance in the digital marketplace. It is also a comprehensive compilation of valuable knowledge, best practices, and insights, and is instrumental for Polish businesses in implementing digital accessibility.

In preparation for the European Accessibility Act (EAA), Allegro has also initiated a compliance process that includes conducting accessibility audits of its website and applications. These audits are part of an internal effort to understand and address the organisation's specific needs in terms of accessibility.

Allegro's One Box parcel lockers are physically being made more accessible. This includes high-contrast screens, the option to choose locker height and clear indications in the delivery process about the accessibility of each parcel machine. Additionally, lighting features were rolled out, such as LED strips and light points in compartments, to further aid in locating packages, ensuring customers can easily

find their parcels.

Allegro has established dedicated helplines for seniors and deaf individuals, providing tailored assistance and support. The helpline for deaf customers, developed in collaboration with Migam, offers specialised assistance catering to their specific communication needs. Additionally, Allegro has partnered with the National Institute of Senior Economy to provide a dedicated and tailored helpline for seniors. These helplines demonstrate Allegro's commitment to creating an inclusive and socially responsible environment for all customers.

According to Allegro's approach, accessibility is combined with usability. Products are designed to be easy and intuitive to use. This is handled by the Customer Experience team. It serves as a customer advocate (buyer, seller, parcel sender, parcel recipient, courier, borrower, etc.), reducing their effort and improving customer experience by eliminating existing and potential barriers on Allegro platform, providing quick and automated solutions supporting self-service, and, if necessary, the best service provided by specialised advisors in the contact channels preferred by customers (telephone, call back, chat, Messenger, WhatsApp, e-mail, social media, Allegro Gadane).

Another important aspect is the website's efficiency and speed. Allegro's goal is to keep Core Web Vital metrics at a high level. Web performance is crucial for ensuring a smooth and engaging user experience. Slow loading times or an unstable layout can frustrate users and discourage them from interacting with the site, potentially impacting a business's relationship with them. With a significant number of users not using high-end devices or fast internet connections, it's important that the site is efficiently optimised for quick loading times, stable layout, and efficient interactivity. A well-

performing website means satisfied users who are more likely to return, so Allegro employees continuously monitor web performance metrics, swiftly detecting and addressing any anomalies that might affect user experience.



CASE STUDY

Accessible OneBox

Allegro's commitment to accessibility extends to all areas, including the One Box parcel collection system. The One Box offers an unobstructed ramp and wide pavement to allow convenient parcel collection by people with disabilities, parents with prams, and cyclists. Customers also have access to a helpline in Polish Sign Language, and the helpline number is provided in Braille. Other accessibility features include the ability to choose the locker's height and a high contrast mode within the interface of the APM.

During the product design phase Allegro had organised workshops and consultations with sustainability experts and people with disabilities to identify how to make the One Box accessible to everyone. This approach was crucial in ensuring that accessibility was considered at every stage of the construction and software design phase. Each One Box parcel locker location undergoes an internal accessibility check to guarantee that it is fully accessible to people with specific needs. In addition, the One Box project was audited by Fundacja Avalon, an NGO that strives to improve accessibility in all aspects of life. As a result of the audit Allegro and Avalon co-published a first-ever guide



on how to design more accessible automated parcel machines and their locations. Moving forward, Allegro is committed to raising the number of One Boxes that conform to Allegro's accessibility standards from the current 95% to a target of 97%.

Allegro's careful planning paid off, as the One Box parcel collection system is now straightforward as One Box provides an effortless and convenient way for everyone to access their parcels. This easy access really shows Allegro's dedication to serving all of its customers well.

Accessibility indicators standards compliance and hackathon outcome

	2023 Polish Operations	2022 Polish Operations	2021 Polish Operations
One Boxes accessible according to Allegro accessible standards (%)	94.8	95.8	98.6
Number of issues solved during accessibility hackathon	27	25	26

¹<https://baforum.pl/2023/>

5. All 4 Planet

Positively impact consumers by providing simple & sustainable choices while minimizing environmental footprint in own operations and value chain.

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Sustainable Development Goals [SDGs]



5.1 Packaging

Reducing the environmental footprint through sustainable packaging is one of Allegro's top priorities. It is not only a matter of corporate responsibility but also a strategic imperative to maintain customer loyalty and market position. Current and future legal regulations such as Extended Producer Responsibility (EPR), Packaging and Packaging Waste Regulation (PPWR) and the Single-Use Plastics Directive (SUP) will also act as drivers. Allegro aims to be future-proof and assist merchants in being compliant with these evolving regulatory frameworks, ensuring that the company and its partners are prepared for the future landscape of environmental standards. As the largest marketplace in Central and Eastern Europe, Allegro takes great pride in its position and is equally committed to conducting its operations in a more sustainable manner. Allegro aims to lead the way in sustainable business practices, understanding the importance of balancing commercial success with environmental responsibility. The company's goal is to set a standard for sustainably conscious operations, demonstrating that business growth and ecologically sustainable development can go hand in hand. In line with its commitment to sustainable practices, Allegro embraces eco design principles and the 3R principle - Reduce, Reuse, and Recycle - as the fundamental approach in its operations. Allegro aims to shift entirely to sustainable packaging emphasising its commitment to environmental sustainability and reducing its ecological footprint.



'Reduce' involves avoiding unnecessary packaging and cutting down on the materials in use, especially in packaging, to lessen the environmental footprint. The company's aim is to use fewer resources and generate less waste, for example by sending products without extra packaging (Ship in Own Packaging). By doing that, Allegro not only optimised the amount of packaging materials, but also reduced its operating costs. Next, 'Reuse' is about finding ways to repurpose materials. The use of packaging that can be used multiple times is promoted, either in Allegro operations or by consumers. The possibilities to extend the life cycle of materials and reduce the need for new resources is sought, for example by making filling materials out of reused cardboard. Finally, 'Recycle' is a key part of



2023 Performance:

7.4 m

million carton boxes used

399 k

thousand packages sold by Allegro Pack (offer of sustainable packaging for merchants)

2.4 m

packages sold by Allegro Pack from Apr 2021

49%

sustainable* packaging

810

merchants participated or listened to Allegro's podcasts on packaging, environment and carbon footprint

Approximately 500

tons less waste in own operations in Poland than in 2022

CASE STUDY

Strategic partnership with Mondi and Stora Enso

Allegro is committed to sustainability, targeting a smaller ecological footprint by setting science-based goals for reducing carbon emissions and waste, and promoting "reduce, reuse, recycle" practices. Through its 2020-2023 sustainability strategy, Allegro focuses on addressing ecological issues such as resource scarcity and the preservation of natural environments, supporting customers and vendors in adopting eco-friendly shopping and selling habits with necessary knowledge and tools to incorporate circular economy practices.

In April 2021, Allegro debuted the "Naturally Good Packaging" initiative, presenting packaging solutions crafted entirely from recycled materials. These eco-friendly packaging options are offered to retailers via the Allegro Pack store, sold at cost to support small and medium enterprises in accessing sustainable packaging solutions without financial burden.

All Allegro packaging is FSC certified, ensuring the materials are recycled and sustainably managed from start to finish, and designed for further recycling. In collaboration with Mondi and Stora



Enso, Allegro is rolling out adjustable-height packaging to reduce unnecessary space and padding, enhancing security and minimising the need for adhesive tapes. The packaging features environmentally friendly water-based ink prints.

Allegro engages sellers in sustainability through various programs, boosting their eco-consciousness with practical advice on green practices. This includes the Allegro Academy, a free online platform offering webinars and courses on sustainable packaging and eco-friendly selling techniques.

*Sustainable packaging means either shipment without packaging or reused packaging or material with a minimum of 70% recycled content or compostable packaging confirmed with certificates or 100% recyclable packaging. Each part of sustainable packaging (box, tape, fillers or stretch foil) must meet at least one out of the criteria described above.

GRI ▶ [3-3] [301-1] [306-2] ESRS ▶ [E5-2] [E5-3] [E5-4] [E5-5] [S4-5]

Allegro's environmental strategy. The use of recyclable materials in Allegro packaging is prioritised and proper recycling practices among sellers and customers is advocated for. By doing so, the company ensures that materials are cycled back into use, reducing the demand for virgin resources and minimising the impact on the planet. With 399 thousand packages sold by Allegro Pack, the company further reinforces its commitment to sustainable practices by facilitating eco-friendly packaging solutions.

The aim is to provide easier access to affordable sustainable packaging, as well as to promote environmentally friendly practices within e-commerce.

WHAT IS AHEAD OF US?

Allegro aims for 100% sustainable packaging* in its own operations by 2028

The company is also mindful of the greenwashing risk. EU directives such as "Empowering Consumers for the Green Transition" and "Green Claims" are constantly monitored. In line with this, guidelines to combat greenwashing have been formulated, which align our practices with stakeholder expectations. These guidelines, detailed in the policy, ensure that Allegro's environmental strategy and communications are in line with the current regulatory landscape and market best practice alike, and have been incorporated into mandatory training for all employees.

To motivate customers, Allegro rolled out an engaging upcycling campaign, showing them how to transform cardboard packaging and fillers into new, practical objects through a do-it-yourself approach. The campaign also educated shoppers on the essentials of proper waste segregation and spotlighted the proactive measures Allegro and its merchants are implementing to protect our planet. Let's embrace creativity and eco-consciousness together – every little

action contributes to a more sustainable Earth! Another integral part of these efforts is the Allegro Academy, a valuable resource offering free webinars and courses. These educational materials focus on minimising the environmental footprint of packaging and the essentials of becoming a sustainable merchant, providing actionable insights and tips. The company aims to give merchants the knowledge and tools to introduce the principles of the circular economy across their value chains. When it comes to Allegro's own

services, the company is doing its best to have all products sent by Allegro Operations to be packed using sustainable packaging materials such as recycled cardboard, paper tape and recyclable fillers. Allegro packaging products have internationally recognized FSC® certificates ensuring that materials used in production were grown and supplied in a sustainable manner.

Sustainable packaging indicators

Own operations	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Carton boxes in own operations (millions pieces)	7.4	7.7	-3.7%	3.2	2.5	27%	N/A
Share of sustainable packaging* in own operations	49%	N/A	N/A	48%	N/A	N/A	N/A

Packaging materials usage

Packaging used in a warehouses - mass [t]	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Non-renewable materials - total	245	228	7%	97	170	-43%	146
Original stretch film - unrecycled	210	132	59%	88	74	19%	54
Half-pallet wood - unrecycled	19	45	-58%	9	45	-80%	92
Cardboard packaging - unrecycled	15	51	-70%	0	51	-100%	555
Renewable materials - total	1,901	2,105	-10%	793	653	21%	555
Cardboard packaging - 100% of recycled paper	1,843	2,033	-9%	793	653	21%	555
100% recycled foil fillers, HDPE foil	57	72	-21%	0	N/A	N/A	N/A
Total	2,145	2,333	-8%	890	823	8%	701

CASE STUDY

Reuse of cardboard packaging

In July 2023, Damet's innovative cardboard cutter was inaugurated at the Adamow warehouse, taking a step towards being even more sustainable. This simple machine is engineered to repurpose post-consumer cardboard boxes into essential filling and cushioning materials used for protecting the parcels. The adoption of this technology highlights Allegro's non-stop effort to reduce the costs and at the same time minimise the waste. This initiative significantly contributed to a waste reduction of approximately 500 tons, resonating with Allegro's core philosophy of reduce and reuse.

Crafted from robust cardboard, the produced fillers offer protection for products, ensuring their integrity during transit. Remarkably, these materials boast a 100% recyclability rate, allowing consumers to effortlessly include them in the recycling process (via the blue waste bins). This not only simplifies waste management for customers but also aligns seamlessly with Allegro's environmental responsibility goals.

Allegro bringing in the Damet pressing machine to the Adamow warehouse is a big move towards being more eco-friendly. By turning



old cardboard into high-quality, recyclable fillers, Allegro has not only demonstrated its commitment to reducing waste and promoting recycling but also showcased its role as a proactive participant in the ecological preservation narrative. This initiative really shows how serious Allegro is about building a greener future and is setting a great example for other companies to follow.

*Sustainable packaging means either shipment without packaging or reused packaging or material with a minimum of 70% recycled content or compostable packaging confirmed with certificates or 100% recyclable packaging. Each part of sustainable packaging (box, tape, fillers or stretch foil) must meet at least one out of the criteria described above.



GRI ▶ [3-3] [301-1] [306-2] ESRS ▶ [E5-2] [E5-3] [E5-4] [E5-5] [S4-5]

Allegro intends to implement more processes to minimise the waste sent to landfill and lower the carbon footprint across the supply chain. Not only educate but also introduce simple solutions for all merchants. In the Allegro_Pack store, the merchant can directly purchase certified products made out of recycled materials or biodegradable fillers, which ensures their reduced environmental impact. The cardboard boxes offered by Allegro_Pack have been made entirely from recycled material and are 100% recyclable. It is worth sharing that Allegro does not add a margin to products prices to make them competitive.

Waste management in warehouses is designed to maximise recycling potential. The company does its best to segregate waste to improve recyclability. Waste evidence and reporting in BDO (National Waste Database) for each waste fraction is also performed, as well as yearly reporting for Local Authorities - in compliance with applicable waste law. In terms of packaging materials, the company also monitors and reports packaging delivered to the market, which is required by the Extended Producer Responsibility regulations.

Hazardous and non-hazardous waste

Hazardous Waste (t)	2023 Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Total Hazardous Waste	4.1	1.6	0.7	+140%	N/A
Radioactive Waste	0	0	0	0	N/A
Excluded from Disposal (Preparation for Reuse)	0	0	0	0	N/A
Excluded from Disposal (Recycling)	0	0	0	0	N/A
Excluded from Disposal (Other Recovery Processes)	0	0	0	0	N/A
Directed for Disposal	4.1	1.6	0.7	+140%	N/A
Directed for Disposal through Incineration	0	0	0	0	N/A
Directed for Disposal through Landfill	0	0	0	0	N/A
Directed for Disposal (Other Processes)	0	0	0	0	N/A

Non-hazardous Waste (t)	2023 Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Total Non-hazardous waste	1,028.5	234,8	735,6	-68%	N/A
Withdrawn from disposal for reuse preparation	0	0	0	0	N/A
Withdrawn from disposal due to recycling	1,007.4	218.7	562.3	-61%	N/A
Withdrawn from disposal due to other recovery processes	0	0.9	0		N/A
Directed for disposal by incineration	0	0	0	0	N/A
Directed for disposal by landfill	21.1	15.2	173.3	-91%	N/A
Directed for disposal by other methods	0	0	0	0	N/A

Total weight of waste from the warehouses

Waste from the warehouse (t)	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Total waste***	1,032.6**	1,648.8	-37%	236.3	736.3	-68%	N/A
Recycled waste	1,007.4	796.5	+26%	218.7	562.3	-61%	N/A
Non-recycled waste	25.2	852.3	-97%	17.7	174.0	-90%	N/A

** The decrease in waste production is primarily due to the transfer of activities to the warehouse in Adamów, where more effective waste management practices have been implemented, closing the loop and producing our own paper fillers from recycled materials.
 *** Allegro does not possess information on municipal waste production due to the fact that all offices are leased. The lessor does not collect data on municipal waste production by individual leaseholders.

5.2 Climate change

Allegro has set an ambitious goal of reducing greenhouse gas emissions by 38% by 2030 compared to the base year of 2021. Moreover, within Scope 3, the company has committed to ensuring that 73% of all its suppliers, measured by their spend on purchased goods & services, capital goods, and downstream transportation and distribution, establish science-based targets by 2027.

Allegro considers mitigating the impacts of climate change a strategic priority. Therefore, it views this commitment as both a strength and an opportunity for further development in the process of expanding operations into new countries.

WHAT IS AHEAD OF US?

Allegro aims to reduce 38% of CO2 emissions in its own operations by 2030 referring to the base year 2021.

Allegro obliged 73% of its suppliers and subcontractors to define their own climate goals consistent with SBTi until 2027.

The above reduction targets were established in accordance with the Science Based Targets initiative (SBTi), making Allegro the first e-commerce and technology company from Poland to join this initiative in 2021. These targets were formulated using the rigorous scientific methodology prescribed by SBTi, verified by the SBTi's Target Validation Team, and aligned with the pathway outlined to achieve the 1.5°C goal set forth by the Paris Agreement. As of 2022, Allegro has been recognized as one of the first companies in Poland with SBTi-approved climate targets.

In order to achieve climate targets, the company carries out continuous monitoring of Allegro GHG emissions, alongside the ongoing implementation of a decarbonization strategy. Allegro is committed to minimising its adverse environmental impact, with a primary focus on reducing carbon footprint emissions. To this end, the Board of Directors has adopted a climate policy which supports the company in mitigating significant climate-related risks and capitalising



on opportunities (further details on mitigation actions can be found in chapter 5.3.5). Moreover, on 27 June 2023 the Board of Directors made a decision that overall ESG & climate matters will be a part of the RemNomCo and the board member Nancy Cruickshank remit. In 2024, the name of the committee was changed to RemNomESGCo. The company aspires to become the preferred destination for sustainable e-shopping, while also providing support to merchants,

2023 Performance:

-5%

reduction in emissions in absolute terms vs LY (scope 1 and 2, market-based method)

-16%

reduction in emissions intensity per mPLN revenue vs LY (scope 1 and 2, market-based method)

18%

of electric energy from renewable sources

100%

renewable energy powered OneBox network based on guarantees of origin

-13%

reduction in scope 3 emissions intensity per mPLN revenue vs LY

-33%

reduction in scope 3 emissions intensity in Polish operations per mPLN revenue vs LY

CASE STUDY

Allegro accelerates decarbonization and secures green energy price for a decade

In December 2023 Allegro signed a deal with R.Power, one of Poland's largest independent power producers. This deal promises to give Allegro approximately 220 GWh of clean electricity from solar farms between 2025 and 2035. This is going to help Allegro cut down on its CO2 emissions by nearly 150,000 tons during that time.

This agreement is a big step for Allegro to meet its climate change goals. Allegro wants to reduce its own emissions by 38% by 2035 compared to what they were in 2021 as a part of the big plan to fight climate change that's been checked and approved by science-based groups.

The deal was done through a virtual Power Purchase Agreement (vPPA), which is a great way to keep energy prices stable and helps get bank loans for building more energy projects. It also means Allegro is guaranteed to get clean energy for the whole time the deal is in place. The power company executes end-to-end operations from planning to building solar power plants across several countries in Europe. R.Power cooperates with Nomad Electric to provide Allegro with



green energy. Allegro's collaboration emphasises the significance of establishing long-term partnerships for a better and safer future. Through the procurement of sustainable energy solutions, Allegro is effectively reducing costs and promoting environmental objectives within its industry. This underlines Allegro's commitment to increase the utilisation of green energy and their sincere efforts towards maintaining environmental standards.

GRI ▶ [3-3] [302-1] [305-1] [305-2] [305-3] [305-4] ESRS ▶ [E1-1] [E1-2] [E1-3] [E1-4] [E1-5] [E1-6] [E1-7] [E1-8]

particularly SMEs, in their sustainable development and growth efforts. Moreover, as part of climate policy, Allegro has committed to maximising the use of renewable energy, reducing the carbon footprint in its operations, and collaborating with business partners to reduce emissions throughout the value chain.

In its climate policy, Allegro has adopted a comprehensive and structured approach towards sustainability, meticulously implementing a three-tiered hierarchy to reduce carbon emissions. The first tier, termed, 'Emission Avoidance', emphasises preventing emissions through strategic innovation and increased energy efficiency. Following this, the 'Emission Reduction' tier focuses on reducing carbon output by optimising operational processes, adopting green energy solutions, and enhancing overall operational efficiency. The final tier, 'Compensation for Inevitable Emissions,' involves a proactive approach to offsetting residual emissions. It's imperative to emphasise that purchased carbon offsets will be of the highest quality, sourced from credible and verified projects, ensuring

their effectiveness in mitigating greenhouse gas emissions. This hierarchical structure enables the company to prioritise actions and effectively manage its carbon footprint.



Our decarbonization efforts focus on five pillars including logistics, low emission deliveries, renewable energy, the circular economy and education.

Allegro decarbonization strategy				
Green energy	Low emission deliveries	Low carbon logistics	Circular economy	Education in value chain
Reduce energy consumption and ensure renewable energy	Reduce emissions related to shipping orders	Develop low-carbon logistics centres	Introduce a circular economy model, including recycled and reusable packaging	Offer climate education to stakeholders, employees, merchants and suppliers

The comprehensive decarbonization strategy was meticulously crafted to align with the goals set by SBTi, and company activities aim to mitigate climate change, through involvement contributing to reducing emissions in its own operations (scope 1 and 2), those of company customers and business partners (scope 3). The emission reduction activities specified in the strategy directly relate to the way of dealing with selected risks and serve as a contribution to the financial planning process of Allegro. In this regard our decarbonization strategy exemplifies a symbiotic relationship with overall business strategy. From the outset, Allegro's decarbonization strategy prioritised focusing on the first 3-4 years to reduce emission intensity per million revenue and lay the groundwork for a transformative shift. This strategic phase was designed to identify quick wins for environmental impact reduction while planning for sustainable long-term actions. The initial outcomes of these efforts are already visible and encouraging. For Scope 1 and 2, which encompass direct and indirect emissions from owned or controlled sources and those from the generation of purchased energy, the efforts were twofold: 1) enhancing energy efficiency and 2) accelerating the shift to renewable energy sources through PPAs and guarantees of origin. Within the first approach, the Adamów logistic centre, main offices, and APMs (Automated Parcel Machines) were powered with renewable energy sources, significantly reducing their operational carbon footprint. As of the beginning of November 2021, Allegro started to roll out its network of APMs: One Box by Allegro. The PUDO Partner network (pick-up, drop-off) allows customers to collect their order the next day after shipping and provides merchants with a convenient shipping and order management method within a single platform. As the APM network grew, Allegro tested photovoltaic installations on APMs.

Additionally, Allegro's R&D department started to work on scaling the number of OneBox parcel machines outfitted with PV installations and plans to introduce a new version of off-grid parcel machines. Significant progress has also been made in implementing energy efficiency through savings on lighting in the form of LED lighting in warehouses in Adamów and Jirny locations and automated lighting fixtures in Allegro APMs. In APMs, the LED fixtures in the roof shine at 100% brightness when a parcel is being sent or picked up; otherwise, they shine at 10% power. This difference makes it possible to reduce the power usage from consumption of 36W at 100% brightness to 9W at 10% brightness.

By focusing on low-emission supplies to parcel lockers, Allegro also has managed to significantly reduce emissions linked to logistics. This step was crucial for decreasing the company's overall carbon footprint. This is because the carbon footprint of using APMs or pick-up points in the last mile is significantly lower than when using the courier option. With APMs, the courier leaves many packages in one location rather than visiting a number of homes, leading to fewer kilometres driven and less petrol or diesel consumed. According to Allegro's own calculations, as well as other research in the industry, Parcel Machines produce considerably fewer GHG emissions than direct delivery (i.e., courier services). On average, emissions are lower by around 30 percent.

Another pivotal move was the signing of a virtual Power Purchase Agreement (vPPA) for renewable energy, which will start yielding benefits from 2025. This agreement is a cornerstone of Allegro's long-term decarbonization strategy, as it will substantially reduce the company's carbon footprint by 15 thousands tons annually. This move is particularly vital in the context of global efforts to curb climate

CASE STUDY

Climate targets confirmed by SBTi

Allegro, aligning with the Paris Agreement, adopts a strategy to limit the global temperature rise to below 1.5°C by implementing Science-Based Targets initiative for climate action. This approach includes reducing greenhouse gas emissions in Scope 1 and 2— direct emissions from owned sources and indirect emissions from purchased energy. Additionally, the company focuses on managing Scope 3 emissions, encompassing all other indirect emissions in its value chain, by setting engagement targets motivating the biggest suppliers to follow the decarbonization pathway. Furthermore, in 2023 thanks to improvements in Allegro's energy efficiency, the company achieved its first reduction of GHG emissions in its own operations.

Central to Allegro's strategy is the transition to renewable energy, leveraging Power Purchase Agreements and guarantees of origin to diminish its carbon footprint. The company is engaged in projects to reduce its carbon footprint and energy, including optimising Allegro order deliveries, developing low-carbon logistics centres, and introducing certified 100% recycled and reusable packaging in its



own operations.

Allegro participates in global climate and environmental initiatives, like the UN Global Compact and the Science-Based Targets initiative, highlighting its dedication to international environmental stewardship. The company upholds transparency in its climate actions, conducting annual GHG emissions monitoring and sharing progress in the Allegro Report.

Allegro's strategic alignment with Science-Based Targets showcases its commitment to mitigating climate change through emission reductions, renewable energy, active global participation, and transparent reporting. This dedication highlights Allegro's ongoing efforts to adapt and achieve sustainability in its operations.

GRI ▶ [3-3] [302-1] [305-1] [305-2] [305-3] [305-4] ESRs ▶ [E1-1] [E1-2] [E1-3] [E1-4] [E1-5] [E1-6] [E1-7] [E1-8]

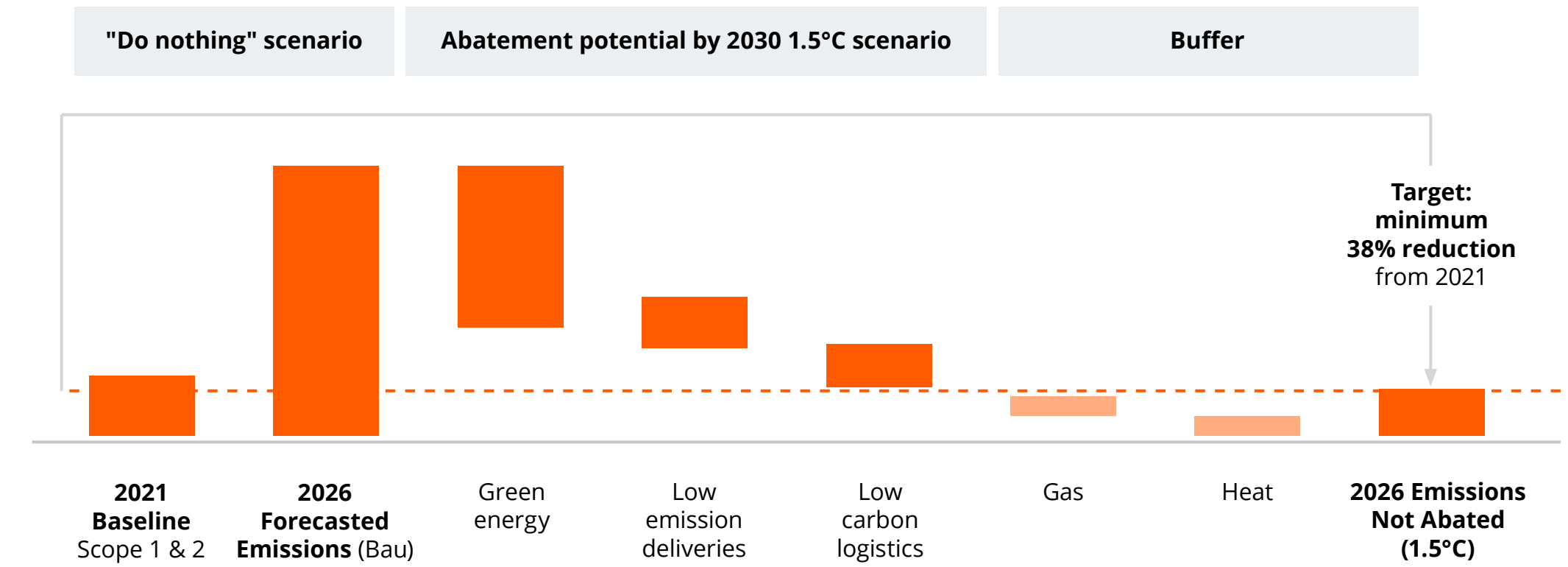
change and achieve our decarbonization goals. This case will also contribute to the development of similar initiatives in the country. In the pursuit of environmental accountability and sustainable practices, Allegro is also committed to meticulously assess and mitigate our locked-in emissions, which might delay or prevent us from transitioning towards our climate goals. For this reason, we plan to accurately quantify the carbon footprint associated with our products and assets in the upcoming years. Through this comprehensive analysis, we will implement targeted approaches to address possible risk associated with inability to decarbonize locked-in emissions.

In addressing Scope 3 emissions, supplier engagement is Allegro's core activity to decarbonize the supply chain. Throughout the process of setting decarbonization targets in accordance with SBTi, the company has declared to engage at least 73% of suppliers measured by their spend to determine their science-based targets for Scope 1 and 2 by 2027. Currently, bold actions are being taken to engage with suppliers actively, motivate them to adopt greener practices and incorporate sustainability in procurement policies. In the newest Code of Conduct for Suppliers and Business Partners, Allegro obliged its suppliers to minimise, if possible, the material impacts on the natural environment, for example, by reducing energy consumption and

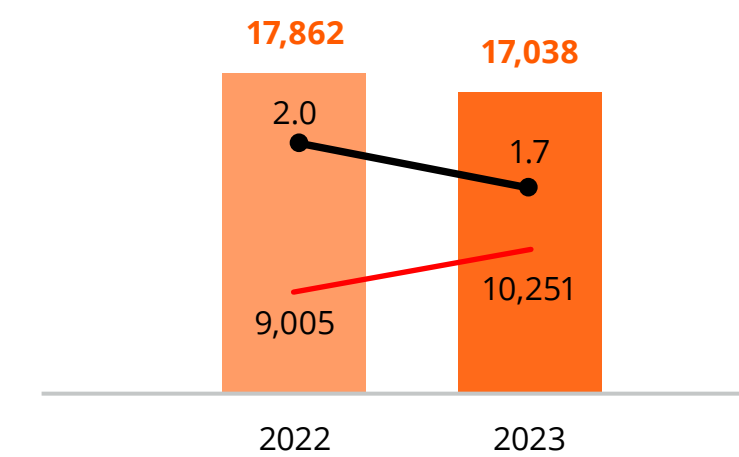
All of these activities highlight our commitment to realisation of our decarbonization strategy in relation to our Scope 1 & 2 carbon reduction targets through levers presented below.

Below we present the summary of our key Scope 1 & 2 decarbonization actions along with estimated emission reduction value.

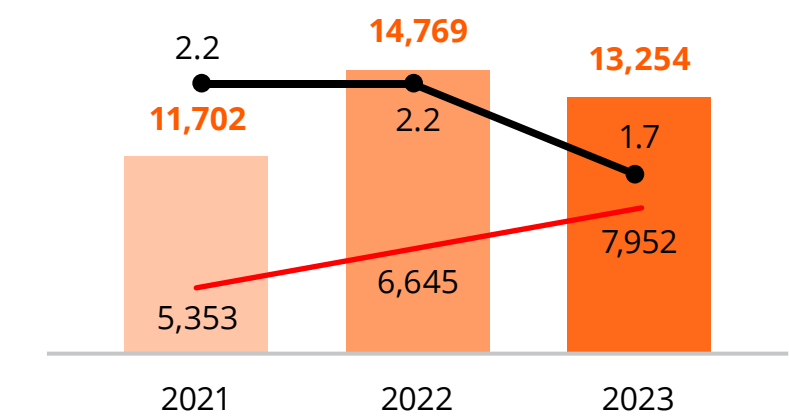
Climate-related initiatives summary		
Initiative	Detailed description	Impact on the environment and climate and our progress
Promoting low emission deliveries	Allegro undertook significant efforts to promote low emissions deliveries through expanding our network of OneBox parcel machines and through cooperation with Paczkomaty Inpost. These actions enabled us to optimise the transport network and reduce the carbon footprint in the last mile resulting in decreased emissions per unit of cargo.	The estimated value of maximum avoided emissions is 1,009 tons of CO ₂ e in 2023.
vPPA	In 2023 Allegro signed a vPPA agreement with renewable energy developer - R.Power Renewables. This contract will secure energy prices and guarantees of origin for 220 GWh between 2025-2035.	The estimated value of avoided emissions approx. 143,000 tons of CO ₂ e in 2025-2035.
Guarantees of origin	Allegro invests in guarantees of origin certificates for energy from renewable sources in an amount adequate to the amount of energy needed to power the entire network of parcel machines. Guarantees of origin certificates were also ensured for the location in Adamów and work offices. Guarantees of origin certificates are issued in accordance with legal regulations. In total 18% of the energy used in Allegro has certificates of origin.	The estimated value of avoided emissions is 3,601 tons of CO ₂ e in 2023.



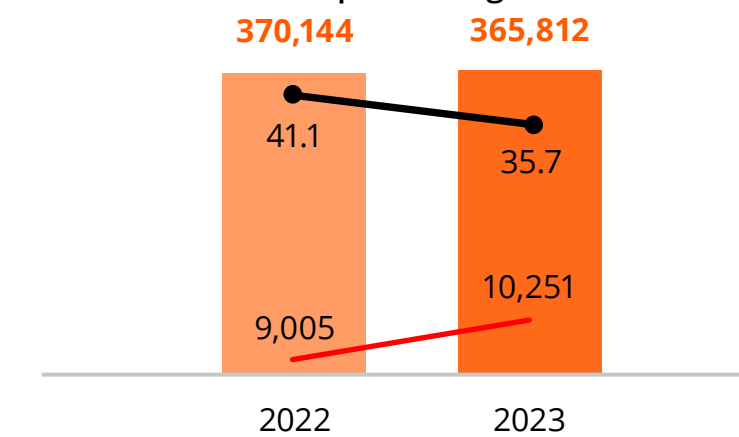
Scope 1 & 2 - Allegro, market-based



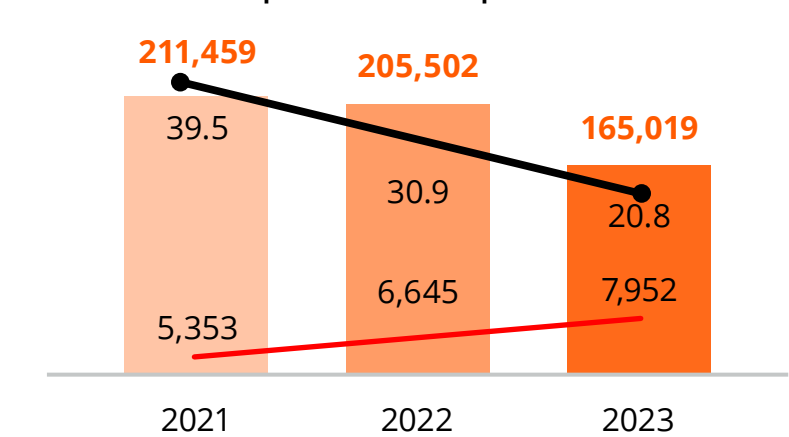
Scope 1 & 2 - Polish Operations, market-based



Scope 3 - Allegro



Scope 3 - Polish Operations



Legend: GHG emissions (t CO₂e), revenue (mPLN), GHG emissions intensity (t CO₂e/mPLN)

GRI ▶ [3-3] [302-1] [305-1] [305-2] [305-3] [305-4] ESRS ▶ [E1-1] [E1-2] [E1-3] [E1-4] [E1-5] [E1-6] [E1-7] [E1-8]

CO2e emissions. Moreover, suppliers are responsible for supporting preventive approaches to protecting the natural environment and taking actions aimed at promoting ecological responsibility.

Allegro is also firmly focused on raising awareness about sustainability, understanding its crucial role in sparking real change. Education and clear communication can make a difference. The company's approach involves sharing knowledge with employees, customers, and partners about the importance of taking care of the environment and the practical steps everyone can take to do better. To achieve this, several initiatives are being rolled out, including surveys, webinars and meetings, to showcase the progress and efforts in mitigating the impact on the planet. By committing to achieving Allegro climate goals in 2021, Allegro.pl joined the UN Global Compact, an initiative spearheaded by the UN Secretary General, which brings companies and institutions together that consider sustainable development to be important. By joining the UN Global Compact, Allegro committed to implementing UN policies and global initiatives focusing on environmental issues and counteracting the climate crisis. It is also a commitment to achieving the Sustainable Development Goals set out by the United Nations in the 2030 Agenda. Joining the UN Global Compact is a testament to Allegro's genuine commitment to the Sustainable Development strategy and its commitment to combating climate change. Allegro is committed to striking a balance between growth and sustainability. The company's financial growth is accompanied by a managed rise in emissions, underscored by a declining intensity ratio, thanks to targeted sustainability initiatives. This approach illustrates the company's commitment to expansion and environmental stewardship in 2023. In 2023, a decrease in Scope 1 and 2 emissions intensity per revenue was observed - as revenue continued to grow, absolute emissions both in Allegro and in Polish operations were reduced, resulting in 16% lower emission intensity in Allegro operations and 25% in Polish operations year-on-year. The reduction was achieved, in particular, through logistical optimisation (e.g. incorporation of the Błonie warehouse into the Adamów warehouse) and closing of inefficient sites). Scope 3 emissions intensity also recorded a year-on-year decrease by 13% for Allegro operations and by 33% for Polish Operations.

GHG emissions							
t CO ₂ e	2023 Allegro	2022 Allegro*	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Scope 1 emissions	1,378	1,422	-3%	542	802	-32%	580
Natural gas	719	869	-17%	251	629	-60%	437
Diesel	280	173	62%	30	21	48%	28
Petrol	378	380	0%	261	153	71%	104
Scope 2 emissions (market-based method)	15,660	16,440	-5%	12,712	13,967	-9%	11,122
Electricity	14,682	14,823	-1%	11,864	12,521	-5%	10,576
Heating	979	1,617	-39%	847	1,446	-41%	546
Scope 2 emissions (location-based method)**	18,951	21,414	-12%	15,986	18,930	-16%	11,383
Electricity	17,973	19,798	-9%	15,139	17,484	-13%	10,836
Heating	979	1,617	-39%	847	1,446	-41%	546
Scope 1 and 2 emissions (market-based method)	17,038	17,862	-5%	13,254	14,769	-10%	11,702
Scope 1 and 2 emissions (location-based method)	20,329	22,836	-11%	16,528	19,732	-16%	11,962
Scope 3 emissions	365,812	370,144 ***	-1%	165,019	205,502 ***	-20%	211,459 ***
Cat. 1 – purchased goods and services	227,208	206,559	10%	82,864	95,913	-14%	97,803
Cat. 2 – capital goods	1,664	17,309	-90% ****	1,472	16,460	-91% ****	47,582
Cat. 3 – fuel- and energy-related activities not included in scope 1 or scope 2	1,832	1,961	-7%	1,294	1,528	-15%	2,962
Cat. 4 – upstream Transportation and Distribution	18,462	8,649	113% *****	11,623	3,117	273% *****	-
Cat. 9 – downstream transportation and distribution	63,314	80,994	-22% *****	62,912	79,746	-21% *****	54,455
Cat. 11 – use of sold products	48,137*****	47,792*****	1%	2,408*****	5,243*****	-54%	6,360
Cat. 12 – end-of-life treatment of sold products	5,194	6,880	-25%	2,445	3,495	-30%	2,297
Scope 1, 2 and 3 emissions (market-based method)	382,850	388,006	-1%	178,273	220,271	-19%	223,161
Scope 1, 2 and 3 emissions (location-based method)	386,141	392,980	-2%	181,547	225,234	-19%	223,421

* Due to the acquisition by Allegro of Mall Group and WE|DO in April 2022, the carbon footprint from the Mall Segment in 2022 covered emissions for the post-acquisition period, ie. April-December 2022 - a portion of Allegro emissions can be attributed to capturing the full calendar year in 2023.
 ** For locations where market-specific emission factors were not available, location-specific emission factors were adopted, with the understanding that data will be improved in the following year.
 *** Emission categories assessed as material in 2023 were selected for comparison to the previous years (more in About the report section).
 **** Emissions reduction in category 2 is due to lower capital expenditure compared to the previous year.
 ***** The change in emission values in category 4 and 9 is largely due to the methodological adjustment in 2023.
 ***** The accuracy of calculating category 11 emissions has been enhanced, the results for 2022 have been recalculated according to this revised methodology

GRI ▶ [3-3] [302-1] [305-1] [305-2] [305-3] [305-4] ESRS ▶ [E1-1] [E1-2] [E1-3] [E1-4] [E1-5] [E1-6] [E1-7] [E1-8]

GHG emissions intensity per revenue							
(tCO ₂ e/mPLN)	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Scope 1 and 2 emissions intensity (market-based method)	1.7	2.0	-16%	1.7	2.2	-25%	2.2
Scope 1 and 2 emissions intensity (location-based method)	2.0	2.5	-22%	2.1	3.0	-30%	2.2
Scope 3 emissions intensity	35.7	41.1	-13%	20.8	30.9	-33%	39.5
Scope 1, 2 and 3 emissions intensity (market-based method)	37.3	43.1	-13%	22.4	33.1	-32%	41.7
Scope 1, 2 and 3 emissions intensity (location-based method)	37.7	43.6	-14%	22.8	33.9	-33%	41.7

GHG emissions intensity per revenue							
(tCO ₂ e/mEUR)*	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Scope 1 and 2 emissions intensity (market-based method)	7.6	9.3	-19%	7.6	10.4	-27%	10.0
Scope 1 and 2 emissions intensity (location-based method)	9.0	11.9	-24%	9.4	13.9	-32%	10.2
Scope 3 emissions intensity	162.1	192.5	-16%	94.3	144.8	-35%	180.8
Scope 1, 2 and 3 emissions intensity (market-based method)	169.7	201.8	-15%	101.9	155.3	-34%	190.8
Scope 1, 2 and 3 emissions intensity (location-based method)	171.1	204.4	-16%	103.7	158.8	-35%	191.1

The amount of consumed fuel (diesel and petrol) from crude oil and petroleum products is 2 481 MWh. Allegro does not produce renewable or non-renewable energy and does not consume coal and coal products. The percentage share of fossil sources (gas, diesel, petrol) in total energy consumption is 15%. Allegro independently purchased Guarantees of Origin for the electrical energy consumed by OneBox machines, regardless of energy suppliers and this is unbundled Energy Attribute Certificates (EACs). Because the method

of purchasing certificates by landlords for the rest energy with Guarantees of Origin is unknown, therefore it was assumed that all green energy is covered by unbundled EACs and accounts for 18% of total electricity consumption. Energy intensity from activities in high climate impact sectors is a total energy consumption (39,309 MWh) per net revenue (2 256 mEUR) and is 17,4 MWh/mEUR.

Energy and fuel consumed in own operations							
Unit	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Purchased energy							
Total Electricity (MWh)	30,586	30,272	1%	23,262	24,709	6%	16,619
Percentage of electricity covered by guarantees of origin	18%	19%	-4%	24%	23%	3%	15%
Heat (MWh)	2,676	4,292	-38%	1,937	3,291	-41% **	1,573
Total electricity + heat (MWh)	33,263	34,564	-4%	25,199	28,000	-11%	18,192
Stationary fuel combustion							
Gas (MWh)	3,566	4,358	-18%	1,243	3,151	-61% ***	2,193
Fuel in mobile sources							
Diesel (MWh)	980	642	53%	106	77	38%	46
Petrol (MWh)	1,500	1,074	40% ****	1,034	171	504% ****	104
LPG (MWh)	0	0	0	0	0	0	46
Energy consumption in own operations							
Unit	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Total energy consumption in MWh related to own operations	39,309	40,639	-3%	27,583	31,398	-12%	20,947
Total energy consumption from fossil sources	33,776	34,959	-3%	22,050	25,718	-14%	18,376
Total energy consumption from nuclear sources	0	0	0%	0	0	0%	0
Total energy consumption from renewable sources	5,533	5,680	-3%	5,533	5,680	-3%	2,571
Fuel consumption for renewable sources	0	0	0%	0	0	0%	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	5,533	5,680	-3%	5,533	5,680	-3%	2,571
Consumption of self-generated non-fuel renewable energy	0	0	0%	0	0	0%	0

* Average exchange rates (EUR/PLN 2023: 4.543; 2022: PLN 4.68; 2021: PLN 4.58).
 ** Decrease in heat consumption due to closure and merge of some Allegro offices in Poland.
 *** Decrease in gas consumption due to closure of Błonie warehouse.
 **** Fuel consumption in 2022 did not include hybrid vehicles.

GRI ► [Own disclosure 4]

5.3 Sustainable logistics

At Allegro, the future vision is anchored in a deep commitment to minimise the carbon footprint significantly, aligning it with global decarbonization efforts. The company's approach involves a dual strategy: firstly, leveraging renewable energy sources to power its operations, and secondly, advancing low-emission transportation methods for parcel delivery. This strategy is not only about reducing emissions but also about seamlessly integrating OneBox parcel lockers into environments without causing visual or noise pollution. Looking towards the future of parcel delivery, the strategy is focused on seamlessly integrating parcel lockers into urban and natural settings. This initiative goes beyond basic functionality, aiming to create lockers that are efficient but also enhance their surroundings. A critical element of the strategy is the deliberate choice to avoid advertising on One Box lockers. Instead, their aesthetic and environmental value was prioritised by incorporating greenery. By the end of 2023, this vision had become a reality with over 90% of our lockers surrounded by green spaces, demonstrating the company's dedication to this initiative. This design philosophy also addresses urban clutter, ensuring lockers blend smoothly into various settings. A notable innovation is Allegro's approach to reducing light pollution. OneBox lockers feature eco-friendly lighting, with motion-sensor technology that activates LED lights only when necessary, minimising excess light. Inclusivity and accessibility are fundamental to the design. The company strives to make 97% of OneBox lockers accessible to people with disabilities, showcasing its commitment to making parcel delivery inclusive and convenient for everyone.

In the journey towards sustainable logistics, Allegro prioritises major initiatives like building infrastructure for low emission transport and implementing low emission delivery methods in Depot and Fulfilment locations. One Fulfilment by Allegro is a comprehensive service for merchants that includes storing, packaging and delivering orders, as well as providing customer service throughout the delivery process. Distribution of products purchased on Allegro from a single logistics centre will further reduce delivery times, provide high-quality customer service, and reduce the environmental impact by consolidating orders to one package. In 2023 Allegro launched a pilot project which



2023 Performance:

1,050

new OneBox installations in 2023, expanding network reach

3,500

OneBox machines since program inception, enhancing service footprint

90%

of OneBox machines are surrounded by green spaces, supporting urban greening and community well-being

involved the installation of AC stations for electric vehicles. These installations were used for courier services. Allegro also looks for low-emission delivery methods and tests electric vehicles and cargo bikes. These are major steps for continuous experimentation with

innovative solutions to minimise the environmental impact. In a unique initiative combining technology and environmental stewardship, a tree-planting program #zasadzONE was integrated with OneBox and PUDO delivery services. In collaboration with the

CASE STUDY

Cooperation with the Polish Smog Alarm

Allegro Foundation, in partnership with the Polish Smog Alarm, The Better Future Foundation and Luxmed Group, and the Allegro Foundation, proudly announces the initiation of this year's "See what you breathe. Change it." campaign. This key initiative, in its fifth iteration, aims to cover more than 60 cities and towns across eight regions with distinctive mobile lung installations. These installations, designed to visually represent the impact of air pollution by changing colour in response to the pollutants they absorb, serve as a vivid reminder of the air quality challenges that Poland faces. As we embark on this campaign, lasting over four months, our goal is not only to raise public awareness about the detrimental effects of air pollution but also to catalyse a movement towards cleaner air.

This year, the campaign gained additional support and visibility through strategic partnerships with esteemed organisations such as the Better Future Foundation, Luxmed Group, and the Allegro Foundation. These collaborations underscore the collective resolve to combat air pollution and highlight the campaign's significance in driving societal and political momentum for change.

As the campaign progresses, particular attention is given to communities frequently ignored in conversations about air quality, situating the lung models in regions lacking air quality surveillance. This deliberate positioning seeks to raise awareness among residents



of air pollution's hidden risks and encourage advocacy for better air quality standards. Additionally, the campaign aligns with strong calls to the new government for prompt, firm measures against smog, pushing for faster air quality policy enhancement and clean energy adoption.

GRI ► [\[Own disclosure 4\]](#)

State Forest (Lasy Państwowe), an initiative was launched where for every tenth package handled, a tree will be planted. This program allows customers to be a part of the company's sustainability efforts. Participants will receive a virtual representation of a tree that has been allocated to them. They will be provided with detailed information about this tree, such as its type, the exact location where it is planted, and they will also have the chance to add a personal message or dedication to their tree. This way, we're not just talking about being eco-friendly; we're making it easy for our customers to see and be part of the actual impact.

As part of the #zasadZONE campaign, the company's partners have already planted over 1 million tree seedlings. In 2023, during spring and autumn plantings, 814,380 seedlings with Lasy Państwowe were planted in eleven forest districts: Oborniki, Kościerzyna, Lipusz, Wejherowo, Cewice, Lębork, Kraśnik, Dębica, Niepołomice, Chojnów. The agreement with Lasy Państwowe ensures that these trees will grow for a minimum of 50 years. Physical plantings are carried out

by forest districts twice a year - in spring and autumn. Works on a contract for spring 2024 plantings are underway, which will cover over 1 million trees. Additionally, the 2024 budget has set aside funds for project implementation of the project which will allow for the planting of over 2.5 million new tree seedlings.

Allegro's commitment to reducing carbon emissions extends to the transportation methods. Battery stations in OneBox machines are being tested, and the use of PV panels on their rooftops are being explored. In the Allegro courier sector, OneKurier, low-emission vehicles are being tested, including electric delivery vans and cargo bikes, to reduce the carbon footprint. In the realm of product fulfilment, the OneFulfillment service is designed with sustainability at its core. The warehouse, which is home to OneFulfillment and the Official Company Store, is not only powered by green energy but also equipped with charging stations for electric vehicles. These installations were used for courier services. Allegro supports the installation of charging infrastructure for cars and changing the fleet

to low-emission vehicles because of the expected rapid increase of demand for these installations and due to the expected ban on the sale of internal combustion vehicles in Europe. Within these actions to support infrastructure for low-emission vehicles, Allegro is working on the development of two-wheeler charging stations that will be located at OneBox parcel machines. Charging will be done by leaving the secured scooter or electric bike and launching the service in the web application.

Finally, Allegro, in cooperation with Hop.City, introduced a new service to its One Box parcel machines - Swap&Go, allowing for the instant replacement of batteries in electric two-wheelers. This service allows users to deposit a discharged battery in Allegro vending machines and retrieve a charged battery within 30 seconds. The modules have been designed in such a way that they can charge various types of batteries

- bicycle and scooter batteries alike. Our service gives electric bicycles and scooters much greater range and supports the development of sustainable means of transport to reduce CO2 emissions in comparison to traditional vehicles based on combustion engines. In 2023 the first 6 Swap&Go services were launched in Warsaw, Kraków and Poznań. The service was designed and manufactured in Poland as the first solution of its type in the world. Lastly, the approach to sustainable logistics includes collaborating with urban centres to promote low-emissions delivery logistics. Allegro is engaged in significant partnerships and developed solutions like the micro-hub in Wrocław and establishing best practices for parcel automaton in Poznań, showcasing Allegro's commitment to innovative and environmentally friendly logistics solutions.

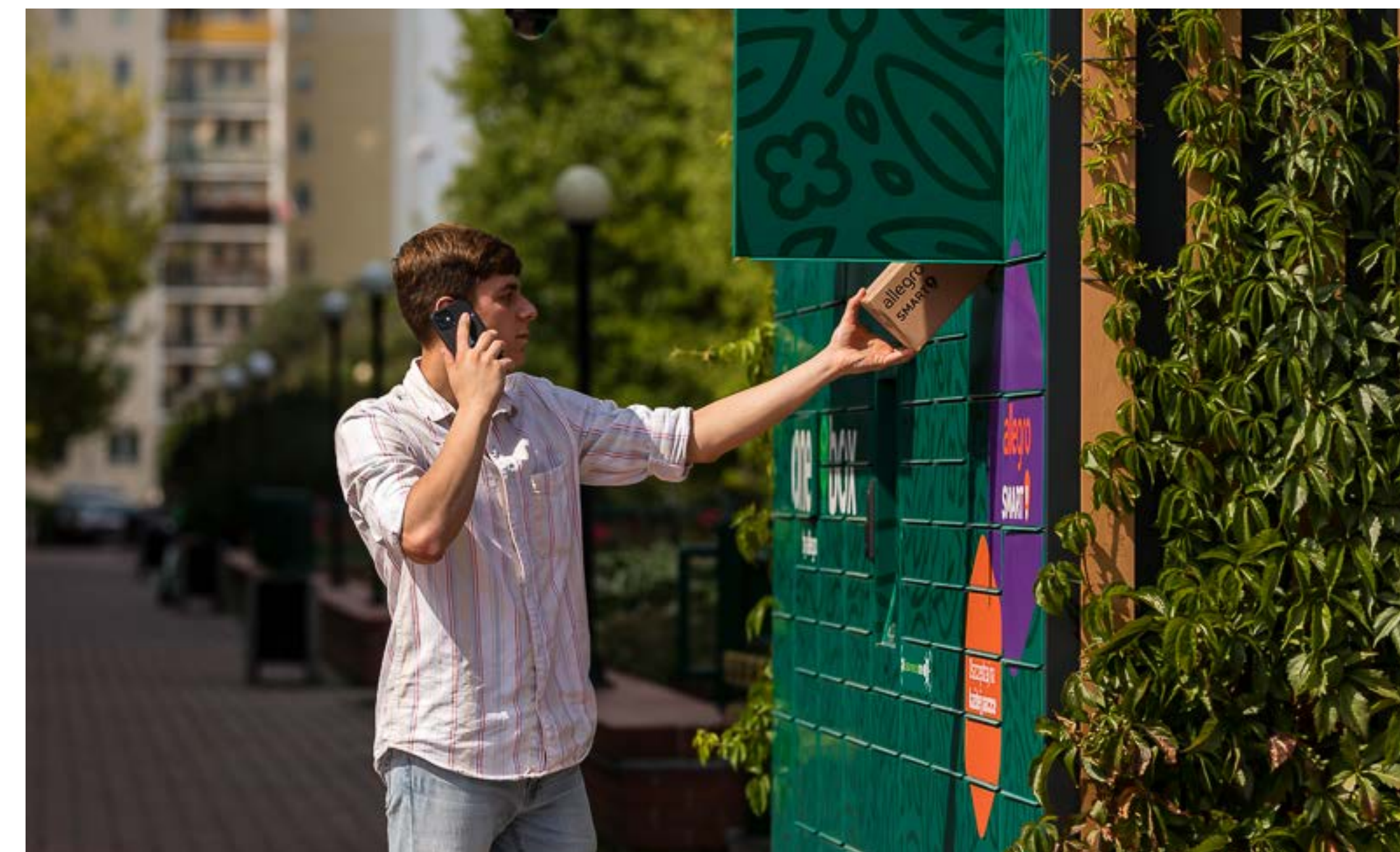
CASE STUDY

Low emission deliveries

Allegro has taken a bold step towards advancing sustainability and enhancing customer convenience. The company has built a network of self-service Allegro One Box points designed for local communities, including those with visual impairment. The initiative aims to provide customers with a wider range of delivery options while catering to the growing demand for quick and convenient parcel deliveries while minimising the emissions associated with deliveries.

First of all the machines are powered by electricity sourced entirely from renewable energy based on purchased guarantees of origin. Secondly the delivery to the parcel machines generate 32% lower emission than the home delivery. This is possible mainly due to the efficiency of the last mile delivery.

The project is cautiously handled to maintain delivery standards while minimising its environmental impact, with zero advertisements on the One Box machines and couriers adequately trained to deliver parcels. The initiative has yielded impressive results, and with a 1,050 increase in OneBox installations by 2023, Allegro aims to expand the network to new locations across Poland and other regions.



5.4 Sustainable and safe products

In Allegro particular attention is paid to providing customers with the appropriate quality of products and sustainable choices.

Sustainable choices

Allegro's commitment to sustainability is deep-rooted and expansive, reflecting its comprehensive and strategic approach to environmental and social responsibility. It is evident in the approach to circularity, particularly through the concept of giving products a second life. This commitment is captured in the service known as Allegro Lokalnie. Launched in 2020, Allegro Lokalnie is a testament to responsiveness to user needs, providing a platform where users can conveniently and securely sell and buy pre-owned items. This service offers economic benefits and also aligns with the goal of promoting circular shopping practices. Allegro Lokalnie's future potential is grounded in robust customer trends. According to the PMR study, the resale segment in Poland is experiencing consistent growth. This trend is not just about saving money or finding unique items; it is about making eco-friendly choices and giving products a second life. The Allegro Lokalnie mobile app has seen remarkable growth, with a 50% increase in visits and a 33% rise in new users year-over-year. These statistics underscore the growing interest in the resale segment, particularly in categories like Books & Media, Fashion, Home & Garden, and Electronics.

Allegro's ambition goes beyond mere transactional convenience. The company is committed to offer sustainable product solutions, emphasising the importance of circularity and environmental consciousness in offerings. The Media campaign entitled "Sell Unwanted Gifts," specifically targets the post-holiday season, addressing the issue of unwanted presents. It is a step towards reducing waste and encouraging thoughtful consumption. By providing a platform for customers to sell gifts that might otherwise remain unused, Allegro facilitates decluttering and at the same time fosters an environment in which items find renewed value and purpose. Through Allegro Lokalnie and broader platform initiatives, the shopping experience is being redefined to be more aligned with

sustainable practices, thereby contributing positively to community and the environment alike.

The concept of giving products a second life is also anchored in the "Electro-returns" program that allows customers to return unwanted or damaged electrical equipment for free after their first package collection from OneBox. Improper handling of electrical equipment is believed to be a major threat to the environment. Abandoned electrical equipment contains harmful substances such as mercury, asbestos, and bromine compounds, which may be released and penetrate the air, soil and groundwater. For this reason, Allegro and its partners collect, repairs and resells or recycles broken equipment. In 2023, customers handed over 4.258 packages, with an average of 5 pieces of electrical equipment per package. According to information from the collection company, 60% of this equipment has been put back into use. In 2024, there is a plan to expand the service by returning clothes and donating them to organisations in need whenever a partner is ready with all of the logistics.

Allegro also adheres to the principles of circularity through installing drop boxes for cardboard packaging in selected OneBox parcel machines. Any person receiving a parcel or having a cardboard package can, after scanning the barcode and tearing off the shipping label, place it in a designated box. Cardboard packages collected in boxes are utilised by foundations and social organisations with which Allegro cooperates.

Allegro is leading the way in promoting environmental consciousness and sustainability in e-commerce, engaging in a variety of initiatives addressing sellers and consumers. As a member of the Chamber of the Digital Economy Allegro is a leading member of the sustainable e-commerce working group and is a principal partner in the report Responsible e-commerce in Poland which annually presents the results of a survey concerning consumer expectations in the area of responsibility of e-commerce companies.

In essence, the sustainability initiatives at Allegro represent a multi-dimensional and dynamic approach. From offering environmentally certified products and promoting circular consumption patterns to integrating environmentally cautious operational practices and

2023 Performance:

99%

of non-compliant offers did not pass the listing process or were removed solely as a result of proactive and preventive measures Allegro has in place

40 m

non-compliant and infringing offers were prevented from being listed in 2023 and never reached the consumer

250 k

bad actors' accounts were prevented from completing the registration process or were eliminated from the platform

50%

year-over-year increase in visits in Allegro Lokalnie application

33%

year-over-year rise in new users of Allegro Lokalnie application

2.5 m

Allegro users used "List of Items for Resale"

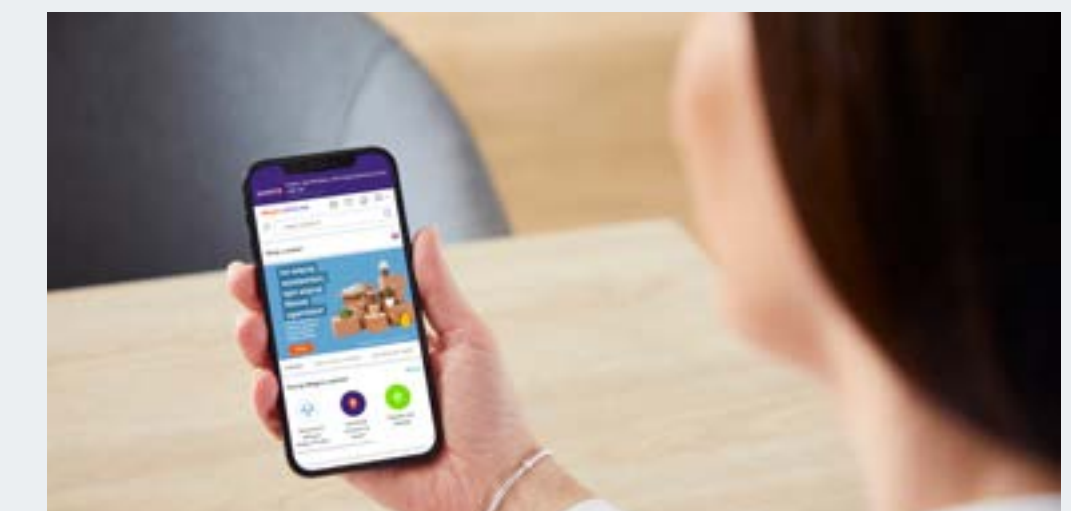
CASE STUDY

Allegro Lokalnie - how to give things a new life?

Allegro introduced a new "List Items for Sale" feature as part of Allegro Locally, a platform launched in 2020 to make it easier for people to sell and buy second-hand stuff using their existing Allegro accounts. This move taps into a growing trend in Poland, where over 71% of consumers like to resell their unwanted items, with nearly 57% preferring to do it online, mainly through Allegro Locally.

Users often found it hard to resell items because of issues like making an ad, figuring out a price, and not knowing what could be sold for a profit. Allegro addressed these challenges by making a "List of Items for Sale" tab that simplifies ad creation. It suggests listings for items you've previously bought on Allegro, proposes a price, and fills in most of the item info automatically. This cuts down on the hassle and speeds up the process, making it way easier to sell stuff you don't need anymore.

Besides helping users sell unwanted items more smoothly, this feature is also great for the environment because it encourages reusing stuff. Allegro Locally has gotten more popular, with a 50%



increase in visits, a 33% jump in new users in consumer app, and lots more active listings and sales over the past year.

PMR's research from December 2023 shows that the resale market in Poland is booming, with 75% of Poles trading used items, up 10% from 2021. People aged 25-44 are especially keen on this. The "List Items for Sale" feature is accessible to all Allegro users. We estimate that around 2.5 million users will actively make use of this functionality, and could eventually reach 13 million shoppers. The main things people are selling and buying are books, media, fashion, home goods, and electronics.

GRI ▶ [Own disclosure 5] ESRS ▶ [E5-5] [S4-1] [S4-4]

Number of offers on the Allegro Lokalnie platform

Polish Operations	2023	2022	YoY change	2021
Offers (million)	4.4	3.7	+19%	2.7

ensuring a secure e-commerce environment, Allegro actions are both a response to current global challenges and a proactive effort to shape a more sustainable and responsible future. The measures being taken are in line with the changing preferences and demands of the consumer base, and set a new paradigm for corporate environmental management and social responsibility.

The platform has dedicated teams and processes focused on

Product Safety

mERCHANT verification during the rigorous vetting and onboarding processes to ensure that they adhere to strict quality standards. Allegro's commitment to ensuring safety has resulted in a safer and more trustworthy platform, enabling consumers to shop with

confidence. As a result, the platform has seen remarkable growth, as more consumers trust the platform for their online shopping needs. Through its extensive compliance protocols, feasible procedures, and adaptable policies, Allegro is driving innovation in the e-commerce space while prioritising product safety and consumer welfare.

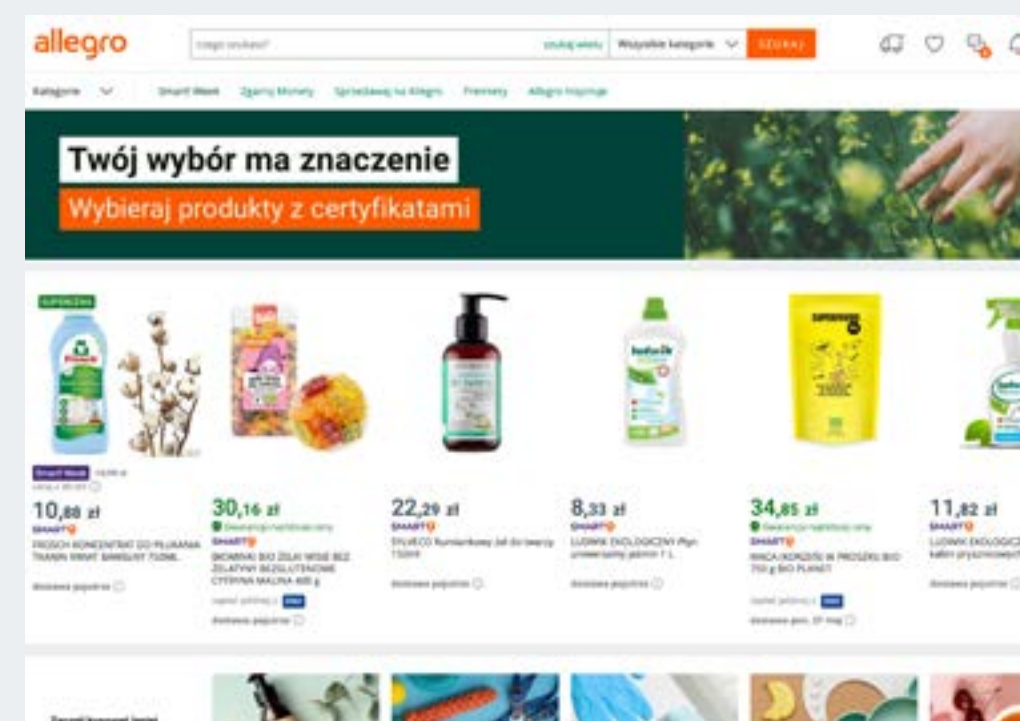
Allegro's commitment to product safety is reflected in its adoption of the Digital Service Act (DSA). The platform has implemented strict compliance by design measures to verify merchants across the globe and ensure that they abide by the platform's rules and regulations. As part of its compliance by design approach, Allegro has implemented advanced technological solutions which helps detect and prevent the sale of counterfeit or non-compliant products. This approach has significantly reduced the chances of non-compliant products being sold on the platform, fostering consumer trust and confidence.

CASE STUDY

Products with certificates

In its commitment to satisfy the needs of customers better, Allegro is taking bold action to grow the number of sustainable products on its platform. One of the initiatives, Allegro "Products with certificates", is at the forefront of this commitment.

It is a specially curated section of products where consumers can find a diverse range of products that meet stringent environmental and social criteria. The platform features an array of items, from eco-friendly cosmetics and organic children's products to sustainably produced cleaning agents and a diverse selection of food items, including niche categories like plant-based and vegan options. Each product listed under Allegro "Products with certificates" boasts at least one recognized certification, such as the EU Organic Label, FairTrade, or Rainforest Alliance, ensuring that they adhere to high standards of organic cultivation, responsible resource management, health safety, and fair labour practices. These certifications represent a commitment to ethical production and supply chain transparency, reflecting our dedication to responsible consumerism. The list of certificates was created in cooperation with Kupuj Odpowiedzialnie



Foundation. It is a non-governmental organisation that specialises in sustainable consumption.

In 2023 Allegro also partnered with a study concerning the knowledge of eco-certificates among consumers. The survey was carried out by the Consumer Federation with Allegro research partner and the participation of the Brandy Lab Foundation and ABR Sesta.

In 2023 Allegro has re-signed the EU's voluntary Product Safety Pledge Plus (PSP+) (initially signed in 2018), committing the company to the highest consumer safety standards in the EU to establish a transparent and secure platform for all users. By signing the PSP+, Allegro is reaffirming this commitment to consumer safety online. This new version goes above and beyond the legal requirements established by EU law, so the company is part of the forward-looking European tech industry in committing to these voluntary high standards. Under the initiative, Allegro enhances tighter cooperation with market surveillance authorities. One of such cases is cooperation with the Chief Pharmaceutical Inspectorate against sale of medicines by unauthorised entities. Allegro has introduced a mechanism to actively prevent such entities from listing offers for sale of medicines. This tool constantly analyses the offer database and if it detects a product included in the Register of Medicinal Products, it automatically blocks its introduction to sale or removes the offer from the platform. In 2023 Allegro blocked 108.5 thousand attempts to list medicinal products on the platform.

Allegro initiatives include i.a: Allegro Academy, a platform that aims to support merchants and SMEs in developing trustful and conscious businesses and Allegro Protect, a program that ensures consumers can shop with confidence and security as they know they will be protected in case of a problematic purchase. The program covers various scenarios from non-delivery to product discrepancies, ensuring a safe and reliable shopping experience. By resolving 98% of issues reported by customers, Allegro ensures their satisfaction, as well as increases the overall perception of online shopping as a safe and reliable option. In regulating product listings, Allegro maintains a vigilant stance against items that violate ethical and environmental standards.

Allegro undertakes numerous actions to establish, develop and promote effective and enforceable IP rights systems on its platforms, ensuring consumer safety is Allegro's priority and eliminating counterfeit goods and any infringing or dangerous offers is of utmost importance. Apart from The Rights Protection Cooperation Program (the core initiative that enables fast-tracked and single point of contact-based cooperation with right holders and/or entities authorised to represent right holders), Allegro continuously undertakes and develops internal proactive measures to prevent, detect and eliminate counterfeits and any non-compliant content. Allegro is also improving its policies against selling counterfeit

products to make customers have unwavering confidence in the products they purchase. It creates a community where merchants are fairly evaluated, brands are protected from infringements, and proactive actions are taken to remove and block bad actors. In 2023, a significant shift was made in company operations against potential counterfeits and bad actors. Massive proactive operations were launched by the Trust & Safety Team, targeting the most suspicious actors, and aimed at protecting the most popular brands.

In order to achieve a more systematic and scalable approach, a blockade under certain conditions for branded offers shipped from outside the EEA was introduced and removed key brands shipped from outside the EEA for the Czech.

Allegro is committed to the constant development of effective solutions and close cooperation with the Rights Holders. Since 2011 Allegro is a signatory of the Memorandum of Understanding on the sale of counterfeit goods on the internet a voluntary agreement facilitated by the European Commission, where we share and set the best practices with other stakeholders. Additional procedures were introduced in reference to some groups of products or services which need a specific approach. Company cooperates with Never Again Association that helps to search products whose sale is prohibited due to promoting racist and prohibited content. This activity is also supported by the Council of Experts on Controversial Content, composed of external experts, which supports evaluation of the most difficult cases.

Another example is the ban on the sale of live or dead specimens from endangered species which is a clear stance against wildlife trafficking and a commitment to biodiversity conservation. In this area Allegro cooperates with the Salamandra Association, which reports offers potentially violating above rules and provide necessary consultations in all questionable situations. This regulation extends to ensuring that any live animals sold on the platform are done so under humane conditions and in compliance with relevant laws. The ban against selling non-native and invasive species underscores Allegro's concern and care for biodiversity.

It must be also said that as Allegro offers the possibility of deferred payment in its operations (Allegro Business, Allegro Pay, Allegro Cash), individuals and companies opting for this solution are scrupulously checked and verified by the Allegro Team, which is a response to the risks associated with the debt spiral and effectively counteracts this problem.

5.5 The EU Taxonomy disclosures

The EU Taxonomy (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088) establishes a transparent classification system enabling uniform identification of environmentally sustainable economic activities in order to support well-informed sustainable investment decision-making.

A Taxonomy-eligible activity is an economic activity which is listed in the relevant delegated acts accompanying the EU Taxonomy which establish technical screening criteria for environmentally sustainable activities, whereas a Taxonomy-aligned activity is an economic activity, which:

- contributes substantially to one or more of the environmental objectives;
- does not significantly harm any of the environmental objectives;
- complies with technical screening criteria; and
- complies with the minimum social safeguards.

The Taxonomy defines the following six environmental objectives:

- 1) climate change mitigation (CCM)
- 2) climate change adaptation (CCA)
- 3) the sustainable use and protection of water and marine resources (WTR)
- 4) the transition to a circular economy (CE)
- 5) pollution prevention and control (PPC)
- 6) the protection and restoration of biodiversity and ecosystems (BIO).

As at 31st December 2022 (for prior year reporting), the technical screening criteria only for the first two environmental objectives – climate change mitigation and climate change adaptation were available in the form of Commission Delegated Regulation (EU) 2021/2139 (and supplementing Commission Delegated Regulation (EU) 2022/1214).

Additionally, as at 31st December 2023, the Commission's delegated regulations on the eligible activities and corresponding technical criteria for the four remaining environmental objectives identified in the EU Taxonomy (and for a certain additional activities in the CCM

and CCA goals) were already available, following their publication in the form of Commission's delegated regulations 2023/2485 and 2023/2486.

Under the Commission Delegated Regulation (EU) 2021/2178 (as amended by the Commission Delegated Regulation (EU) 2023/2486), non-financial undertakings shall disclose Key Performance Indicators (KPIs) related to Taxonomy-eligible and Taxonomy-aligned turnover (revenue), capital expenditures (CapEx) and operating expenditures (OpEx) for activities contributing to CCM and CCA objectives. For activities covered by the new Commission Delegated Regulations (2023/2485 and 2023/2486), the non-financial undertakings for 2023 shall disclose KPIs only related to Taxonomy-eligible turnover (revenue), capital expenditures (CapEx) and operating expenditures (OpEx). In accordance with this regulation, Allegro discloses:

- the percentage of Taxonomy-eligible activities in total: turnover (revenue), capital expenditures (CapEx), operating expenditures (OpEx) (for all identified eligible activities); and
- the percentage of Taxonomy-aligned activities (i.e.: environmentally sustainable activities) in total: turnover (revenue), capital expenditures (CapEx), operating expenditures (OpEx) – only for activities identified as Taxonomy-eligible based on Commission Delegated Regulations 2021/2139 and 2022/1214.

Allegro also discloses information accompanying the relevant KPIs, as specified in Annex I and Annex XII to Commission Delegated Regulation (EU) 2021/2178, as well as relevant quantitative disclosures in tabular format as specified in Annex II to the regulation. Thus, for the purpose of EU Taxonomy disclosures for 2023, Allegro analysed its economic activities in terms of EU Taxonomy eligibility, and assessed the compliance of the eligible activities (covered in Commission Delegated Regulations 2021/2139 and 2022/1214) with the EU Taxonomy technical criteria relevant for climate change mitigation and climate change adaptation.

Allegro also assessed its compliance with the minimum social safeguards.

The scope of Taxonomy-eligible activities covers a specific catalogue of industries which have been deemed by the EU as the most relevant for

achieving the environmental objectives. The core business of Allegro is related mostly to e-commerce which is not fully covered by the current catalogue of EU Taxonomy eligible activities. In consequence, Allegro has a limited ability to qualify its business activities as EU Taxonomy eligible – solely one of business activities covered by EU Taxonomy “5.6. Marketplace for the trade of second-hand goods for reuse” is directly attributable to Allegro core revenue-generating business.

Nevertheless, it shall be emphasised that, in March 2022, Allegro has adopted its own Climate Policy. Under the Policy, Allegro commits to maximise renewable energy use, reduce the carbon footprint in its operations and work with its business partners to reduce emissions across the value chain. This means that Allegro already undertakes and intends to undertake a wide range of environmentally-responsible initiatives which may not be fully reflected in the EU Taxonomy KPIs due to the current catalogue of Taxonomy-eligible activities as well as the specific definitions of eligible accounting items (especially for OpEx).

Approach to assessing Taxonomy-eligibility

Allegro has performed a thorough analysis of business activities relevant for all entities in Allegro. In order to select Taxonomy-eligible activities, Allegro identified its activities which are compliant with the descriptions of activities provided in Annex I and Annex II to the Commission Delegated Regulation (EU) 2021/2139 and which generate turnover, CapEx and OpEx compliant with definitions given in Annex I to Commission Delegated Regulation (EU) 2021/2178.

Given the character of Allegro core business, no more Taxonomy-eligible activities could be identified.

As a result of this analysis, Allegro managed to identify the following Taxonomy-eligible activities. Given the character of Allegro's core business, no more Taxonomy-eligible activities could be identified.

Environmental objective	EU Taxonomy activity	Allegro activities
Climate change mitigation (CCM)	6.5. Transport by motorbikes, passenger cars and light commercial	Purchases / leases and eligible maintenance expenditures associated with the fleet of company vehicles
Climate change mitigation (CCM)	8.1. Data processing, hosting and related activities	Revenue from data processing, hosting and related activities; other information technology and computer service activities; computer facilities management activities; software-related activities, and computer consultancy activities. Purchases / leases and eligible maintenance expenditures associated with data processing, hosting and related activities.
Transition to a circular economy (CE)	5.6. Marketplace for the trade of second-hand goods for reuse	Revenue from commissions collected from merchants using Allegro on-line platforms for selling of second-hand products, materials or components for reuse.

The activity is reported for the first time for FY 2023, in accordance with the new Commission Delegated Regulation (EU) 2023/2486.

Approach to assessing Taxonomy-alignment

For Allegro activities identified as Taxonomy-eligible, Allegro carried out a detailed verification of the activities' compliance with the technical screening criteria provided in Annex I of Commission Delegated Regulation (EU) 2021/2139.

Each Taxonomy-eligible activity was assessed against the technical criteria for:

- substantial contribution to the climate change mitigation objective, and
- “do no significant harm” (DNSH) to other environmental objectives of the EU Taxonomy.

The analysis of compliance with the technical criteria was based on the knowledge of experienced subject matter experts employed by Allegro or cooperating with Allegro.

For the year 2023, Allegro did not identify any Taxonomy-aligned turnover, capital expenditures or operating expenditures.

Approach to assessing minimum social safeguards

Allegro assessed its compliance with the minimum social safeguards based on the practical guidance provided by the Platform on Sustainable Finance in the document “Final Report on Minimum Safeguards” published in October 2022. The analysis conducted by Allegro for the year 2023 focused on: 1) Allegro litigation cases in the area of human rights and labour law and 2) Allegro approach to due diligence processes in the areas of human rights, labour law, corruption and bribery, taxation, and fair competition.

The compliance with minimum social safeguards was based on the knowledge of experienced subject matter experts, employed by Allegro in legal, compliance, HR and ESG teams.

Allegro did not identify any indications of Allegro incompliance with the minimum social safeguards in 2023.

Summary of Allegro EU Taxonomy KPIs

Allegro hereby discloses an overview of its EU Taxonomy KPIs for the year 2023 related to Allegro Taxonomy-aligned and Taxonomy-eligible economic activities.



	Turnover		Capital expenditures (CapEx)		Operating expenditures (OpEx)	
	Taxonomy-aligned activities	Taxonomy-eligible activities	Taxonomy-aligned activities	Taxonomy-eligible activities	Taxonomy-aligned activities	Taxonomy-eligible activities
Climate Change Mitigation (CCM)	0.00%	0.07%	0.00%	3.56%	0.00%	15.80%
Climate Change Adaptation (CCA)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Water and marine resources (WTR)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Circular economy (CE)	0.00%	3.42%	0.00%	0.00%	0.00%	0.00%
Pollution (PPC)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Biodiversity and Ecosystems (BIO)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total	0.00%	3.49%*	0.00%	3.56%**	0.00%	15.8%***

* Significant increase in turnover KPI stems from entry into force of Commission's delegated regulation 2023/2486, which introduced the activity “5.6. Marketplace for the trade of second-hand goods for reuse”

** Increase in CapEx KPI stems from lower denominator in comparison to prior year (in FY 2022 Allegro recognised significant additions to tangible and intangible assets stemming from acquisitions).

*** Significant increase in OpEx KPI stems from lower denominator in comparison to prior year (in FY 2023 Allegro allocated the eligible OpEx categories more precisely, in particular excluding a material portion of staff costs which were not associated solely with maintenance of tangible assets or eligible research and development tasks). If the same methodology was applied for OpEx KPI in FY 2022, the KPI would be equal to 15.36% in prior year reporting.

Key performance Indicators related to Turnover

Based on the analysis of all the activities described in Annexes to the relevant Commission Delegated Regulations, Allegro Taxonomy-eligible turnover is associated with the Taxonomy activities “5.6 Marketplace for the trade of second-hand goods for reuse” and “8.1 Data processing, hosting and related activities”.

Activity “5.6” of second-hand products, materials or components for reuse, where the platforms managed by Allegro act as an intermediary to match buyers seeking a service or product with sellers or providers of those products or services. This activity covers a relatively small portion of Allegro business model and it is reported for the first time for FY 2023, in accordance with the new Commission Delegated Regulation (EU) 2023/2486. Reported eligible revenue consists of commissions collected from merchants using Allegro on-line platforms for selling of pre-owned products, materials or components for reuse.

In line with Commission Delegated Regulation (EU) 2023/2486, activity “5.6” has not been yet assessed against the technical screening criteria related to substantial contribution to transition to circular economy and “do no significant harm” to the remaining environmental objectives. Such an analysis will be conducted for the first time in the next reporting period.

Activity “8.1” covers the provision of hosting services that are understood as making all IT components available to an external client in order to support the client's business activities, including: structured cabling, switchboards, cooling elements, servers, firewalls, routers, switches, backup devices and other components made available to the client that make up the IT system operated by the customer as well as device ordering and data storage services. The activity – which is mainly associated with data centres managed by third parties – was assessed against the technical screening criteria related to substantial contribution to climate change mitigation and “do no significant harm”. Allegro concluded that the activity does not comply with the full set of environmental technical criteria provided in Annex I to the Commission Delegated Regulation (EU) 2021/2139. Thus, the activity is classified as Taxonomy-eligible, but not Taxonomy-aligned. Nevertheless, Allegro examined its compliance with minimum social safeguards – no indications of non-compliance were identified.

Financial year 2023	2023		Substantial contribution criteria							DNSH criteria (“Does Not Significantly Harm”)							Category transitional activity (20)	
	Code(s) (2)	Turnover (3)	Proportion of Turnover, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)		Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2022 (18)
Text	PLN'000	%	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0	0.00%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00%	-	-
Of which enabling	0	0.00%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00%	E	-
Of which transitional	0	0.00%	N/EL	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00%	-	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
			EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
5.6 Marketplace for the trade of second-hand goods for reuse	CE 5.6	348,283	3.42%	N/EL	N/EL	N/EL	N/EL	EL	N/EL	-	-	-	-	-	-	0.00%	-	-
8.1. Data processing, hosting and related activities	CCM 8.1	7,131	0.07%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	0.10%	-	-
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		355,414	3.49%	3.49%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	0.10%	-	-
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		355,414	3.49%	3.49%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	0.10%	-	-
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
Turnover of Taxonomy non-eligible activities		9,829,903	96.51%															
TOTAL		10,185,317	100.00%															

Key Performance Indicators related to Capital expenditures

Based on the analysis of all the activities described in Annexes to the relevant Commission Delegated Regulation, Allegro Taxonomy-eligible CapEx is associated with the Taxonomy activity “8.1 Data processing, hosting and related activities”.

The Taxonomy-eligible CapEx is mainly associated with additions to property, plant and equipment of data centres.

The activity was assessed against the technical screening criteria related to substantial contribution to climate change mitigation and “do no significant harm” to the remaining environmental objectives. Allegro concluded that the activity does not comply with the full set of environmental technical criteria provided in Annex I to the Commission Delegated Regulation (EU) 2021/2139 (the activity 8.1 has been described in the context for turnover KPIs). Thus, the activities are classified as Taxonomy-eligible, but not Taxonomy-aligned. Nevertheless, Allegro examined its compliance with minimum social safeguards – no indications of non-compliance were identified.

Financial year 2023	2023		Substantial contribution criteria							DNSH criteria (“Does Not Significantly Harm”)							Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) CapEx, year 2023 (18)		Category enabling activity (19)	Category transitional activity (20)
Economic Activities (1)	Code(s) (2)	CapEx (3)	Proportion of CapEx, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	%	E	T	
Text	PLN'000	%	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0	0.00%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00%	-	-	
Of which enabling	0	0.00%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00%	E	-	
Of which transitional	0	0.00%	N/EL	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00%	-	T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
			EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											
8.1. Data processing, hosting and related activities	CCM 8.1	18,831	3.56%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	-	0.80%	-	-	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		18,831	3.56%	3.56%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	0.80%	-	-	
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		18,831	3.56%	3.56%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	0.80%	-	-	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy non-eligible activities		509,869	96.44%																	
TOTAL		528,700	100.00%																	

Key Performance Indicators related to operating expenditures

Based on the analysis of all the activities described in Annexes to relevant Commission Delegated Regulations, Allegro Taxonomy-eligible OpEx is associated with the following Taxonomy activities: “6.5. Transport by motorbikes, passenger cars and light commercial vehicles” and “8.1 Data processing, hosting and related activities”. The Taxonomy-eligible OpEx refers mainly to hardware repairs and maintenance (relating to the day-to-day servicing) as well as to repairs and maintenance of vehicles managed in Allegro fleet. The activities were assessed against the technical screening criteria related to substantial contribution to climate change mitigation and “do no significant harm” to the remaining environmental objectives. Allegro concluded that the activities do not comply with the full set of environmental technical criteria provided in Annex I to the Commission Delegated Regulation (EU) 2021/2139 (rationale for activity 8.1 has been described in the context for turnover and CapEx KPIs, with regard to activity 6.5 – Allegro did not identify any expenditures associated with maintenance of owned or leased vehicles which would fulfil both the substantial contribution and the DNSH criteria). Thus, the activities are classified as Taxonomy-eligible, but not Taxonomy-aligned. Nevertheless, Allegro examined its compliance with minimum social safeguards – no indications of non-compliance were identified.

Financial year 2023	2023		Substantial contribution criteria							DNSH criteria (“Does Not Significantly Harm”)							Category enabling activity (19)	Category transitional activity (20)
	Code(s) (2)	OpEx (3)	Proportion of OpEx, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)		
Text	PLN'000	%	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y;N;N/EL;	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0	0.00%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00%	-	-
Of which enabling	0	0.00%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00%	E	-
Of which transitional	0	0.00%	N/EL	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00%	-	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
			EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	4,071	5.39%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	0.00%	-	-
8.1. Data processing, hosting and related activities	CCM 8.1	7,860	10.41%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	-	-	-	-	-	-	3.60%	-	-
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		11,931	15.80%	15.80%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	3.60%	-	-
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		11,931	15.80%	15.80%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	3.60%	-	-
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
OpEx of Taxonomy non-eligible activities		63,561	84.20%															
TOTAL		75,492	100.00%															

KPIs for nuclear and fossil gas related activities

Allegro does not disclose separate tables according to Templates 2 and 3 of Annex XII of the Commission Delegated Regulation (EU) 2021/2178, as nuclear and fossil gas activities do not apply to Allegro.

This means that the values presented in the above-mentioned tables can only take values equal to zero for Allegro - in this context, the presentation of separate tables would, in the opinion of Allegro, negatively affect the transparency of this document.

Explanation of how double-counting was avoided when calculating the KPIs.

Allegro prepared the EU Taxonomy Disclosures taking into account the principle of avoiding double counting.

This means that Allegro assigned accounting items related to individual economic activities to only one corresponding Taxonomy-eligible activity from one selected environmental goal. Each portion of turnover, CapEx and OpEx associated with a given Taxonomy-eligible activity was included only once and was not doubled by assigning to any other Taxonomy-eligible activity.

Furthermore, it shall be noted that the underlying financial data was exported from Allegro controlling system supporting Allegro management accounting. This system consists of a set of separate, financial organisational units the financial data of which (turnover, CapEx and OpEx) are reported in the chart of accounts and auxiliary items in accordance with the adopted accounting principles.

Allegro discloses in the following table information on whether Allegro activities are related to nuclear energy or gaseous fossil fuels:

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

6. All 4 Prosperity

Make economic impact building prosperity and profits for the company and value chain.

<u>6.1 Merchants</u>	66
<u>6.2 Digitalization</u>	68

Sustainable Development Goals [SDGs]



GRI ▶ [3-3] [Own disclosure.6] ESRS ▶ [S4-1] [S4-2]

6.1 Merchants

Creating a professional selling space for sellers and brands to drive their local and pan-European business is at the heart of Allegro. The company is committed to be the preferred marketplace solution, not just by offering a platform but by ensuring the best merchant experience possible. The company's solutions are designed to cater to all: whether that means entities with extensive experience on the platform or newcomers eager to explore. The range of features was developed to facilitate effective sales management, helping every merchant discover and utilise the tools that are offered. This is how they are being assisted in managing their offers and boosting their business with Allegro. Tailoring programs to specific segments, Allegro takes into account the life cycle and activity of each merchant in their respective categories on the platform. This bespoke approach is fundamental to the mission of empowering merchants. The company aims to ensure profitable growth for them while delivering convenience at every step. By focusing on these key aspects, Allegro strives to empower merchants, simplify the selling process, and ensure that growth on Allegro is not just possible, but also profitable and convenient for all partners. As a result of international expansion and entering new countries, the company takes care of the internationalisation of merchants, i.e. enabling and supporting them to export goods beyond the domestic country.

WHAT IS AHEAD OF US?

Allegro aims to reach 177,000 merchants selling on Allegro's platforms by 2026.

Allegro is dedicated to simplifying the selling process for merchants, allowing them to focus even more on delivering an excellent customer experience. Comprehensive end-to-end (E2E) support covers various aspects of the sales process, making selling simple and convenient for all merchants.

The company is committed to supporting merchants at every stage of their development and in nearly every aspect of their business.



Through services and partnerships with other companies, Allegro provides a comprehensive range of tools and resources designed to empower and enhance merchants' success.

The **welcome package** is addressed to all sellers who have registered a Business Account on Allegro for the first time and includes up to a 100% discount on sales commission for the first 90 days of running the new business. It offers up to PLN 10,000 in revolving funds for business-related purchases, free access to the Professional Subscription and a package of free featuring options to boost the visibility of offers.

Allegro also boosts merchant sales by one of the largest customer loyalty programs, **Allegro Smart**, enhancing customer retention and satisfaction. This program also offers distinct advantages to merchants, as it helps them attract new customers and manage their time more effectively. By participating in Allegro Smart, merchants have a host of benefits:

- Higher sales - Allegro Smart! helps drive higher sales for merchants.
- Increased visibility - Offers with the Smart! badges gain more visibility as buyers filter their searches to find these offers specifically.
- Boosted customer trust - The Smart! badge serves as a mark of assurance for buyers, signifying that the merchant is reliable and trustworthy on Allegro.

2023 Performance:

149.8 k

merchants on Allegro's platforms

49.2 k

merchants with export offers on Allegro's platforms

+52%

YoY growth of new registered merchants on allegro.pl

503 m

active offers on allegro.pl

+71%

YoY growth of offers on allegro.pl

56,700

unique users participate in the Allegro Academy's e-learning platform

Allegro buyers prefer Smart! offers because they can reallocate the delivery cost to purchasing more products from a single merchant. Moreover, offers with the Smart! badges automatically stand out due to their increased visibility. Finally, the Smart! badge represents a trustworthy and reliable seller whom customers trust more. In addition, Allegro offers a business-to-business programme to help entrepreneurs make purchases on Allegro that are

essential to the operation of their business. Buyers can choose from more than 220 million offers, of which more than 80 million come with attractive discounts. Each order also has the option to extend the payment term to 60 days, which has a positive impact on customers' financial liquidity and is another element that significantly improves overall sales performance.

CASE STUDY

StartUp asystent

The StartUp Asystent program, a collaboration between Allegro and CashDirector, offers a comprehensive range of free services catering to business management needs in Poland. Among the many services available, the program offers expert assistance in registering trading activities, opening bank accounts, registering VAT and ZUS, and providing advice on effective business management practices.

Furthermore, newly established companies can also enjoy the many benefits offered in Allegro's welcome package. This package includes a discount of 100% on commission fees for sales made on the platform during the first 90 days of business, resulting in a potential savings of up to 30,000 PLN. If additional financial support is needed, Allegro Pay Business also provides renewable funds for company purchases, up to 10,000 PLN. Borrowers can opt to repay the loan after either 30

or 60 days, providing them with the necessary flexibility in managing their financials.

Logistics are an essential component of online sales, and Allegro's One Fulfillment service is committed to providing reliable and comprehensive services. Products are stored and orders are managed by a team of experts with complete liability assurance. Moreover, Allegro commits to dispatching purchases to buyers within 24 hours.

After registering a company, the StartUp Asystent program's experienced and qualified professionals can provide efficient assistance in managing expenditures and accounting records at every stage of business development. The program is committed to delivering personalised, expert assistance to all businesses seeking reliable and effective business management solutions.

GRI ▶ [3-3] [Own disclosure 6] ESRS ▶ [S4-1] [S4-2]

Allegro not only supports sales but also can help run a business in terms of supplies. One of Allegro's key offerings is the Allegro **Fulfilment** service, a comprehensive logistics solution for merchants that includes storing, packaging, and shipping orders, as well as providing customer service throughout the delivery process. The service is designed to reduce delivery times, allow consolidation of baskets from all the Merchants who use One Fulfilment by Allegro, provide high-level customer service, and reduce the environmental impact by utilising eco-friendly packaging materials. Allegro's investment in a new logistics centre further supports this initiative, offering advanced management systems and automated solutions to enhance the efficiency and quality of order handling. Furthermore, Allegro has introduced **Allegro Merchant Finance**, a program offering a renewable credit limit of up to 150,000 PLN for businesses. This initiative is a convenient way for businesses to finance new investments and manage their ongoing expenses, particularly useful for those planning to expand or needing additional funds for other business-related purposes. The program is advantageous in managing funds tied up in inventory, allowing businesses to access capital as if their products were already sold. The key benefits include quick funding decisions, accessible renewable limits, and an integrated management panel for both withdrawals and repayments,

with the bonus of potentially increasing the limit through regular repayments. Since the product was implemented, sellers on Allegro have used 150 millions PLN funds under Allegro Merchant Finance. Since the activation of the fee deduction mechanism in February, Allegro Merchant Finance as an alternative is available for sellers in Poland. **Allegro Analytics** is a comprehensive tool designed to empower sellers with control over their sales on Allegro. It offers access to current sales statistics, enabling sellers to tailor their product range, optimise pricing, and enhance overall sales performance. The tool includes features for adjusting inventory based on detailed analyses, price setting through market comparisons, sales monitoring to adapt strategies, and competitive observation to disclosure, sales tracking, and competitive comparisons. Allegro strategically empowers merchants in their **international expansion** efforts. By offering a suite of tools and services, Allegro ensures that the selling process is not just simplified but also more profitable and convenient, empowering merchants to thrive in the dynamic world of e-commerce locally and across Europe. With its advanced merchant interface featuring automated translations and price converter, Allegro ensures seamless merchant cross-country operations, further augmented by cost-effective and efficient logistic solutions. It includes assistance in crucial areas like translation, pricing

in local currency, managing overseas deliveries, and adhering to local legal requirements in different countries. Central to this strategy is the objective of opening doors to a broader customer base, potentially introducing merchants to an estimated 40 million new customers, thereby amplifying their growth opportunities on an international scale. Last but not least, Allegro provides invaluable support with compliance, helping merchants navigate the complexities of international trade with ease. Additionally, Allegro places a strong emphasis on educating merchants to help them develop their businesses online. The **Allegro Academy** offers a wide range of free online courses, webinars, and podcasts, aimed mainly for merchants. These resources are designed to help users better understand e-commerce and utilise Allegro's platform to its full potential, covering a diverse range of topics from online

analytics, sustainable packaging to professional communication in business. Allegro Academy is one of the largest platforms for education for adults. In 2023 56,700 unique users (defined by tax ID) participated in at least one part of the course and 18,000 finished the course. Last but not least platforms like **Allegro Gadane** offer a unique communication space for buyers and sellers, ensuring continuous support and community engagement. This platform also encourages peer-to-peer support, where users can exchange experiences and advice, further strengthening the community through shared learning and mutual assistance.

Merchants (thousands)	2023 Allegro	2022 Allegro	YoY change Allegro	2023 Polish Operations	2022 Polish Operations	YoY change Polish Operations	2021 Polish Operations
Merchants with Offers in TOTAL [thousands]	149.8	133.4	12%	147.6	133.4	10.6%	132.5
Merchants with export offers [thousands]	49.2	N/A	N/A	27	N/A	N/A	N/A

CASE STUDY

Allegro Academy

Allegro Academy is an educational portal designed to provide courses, webinars, and podcasts for both new and experienced sellers on the platform. Allegro Academy offers nearly 140 free courses created by practicing experts on the platform, providing sellers with the knowledge and skills to earn money efficiently and effectively on one of the largest e-commerce platforms in Poland. Since its inception, Allegro Academy has provided a wide variety of training options to its users, including courses, webinars, and podcasts. Over 50,000 sellers have taken advantage of the educational materials available on Allegro Academy and have seen improved results on the platform as a result. With practical articles and a certificate provided upon completion, the training materials have proven to be an effective way for sellers to learn how to best utilise the features available on Allegro and achieve greater success in their businesses.



Allegro experts provide step-by-step guidance on how to set up a business account on the platform, practising offered by Allegro. Each course has a unique purpose, with the courses being tailored to sellers' specific needs, whether beginners or experienced sellers. By providing a comprehensive range of courses, Allegro Academy empowers sellers with the information and skills necessary to enhance their businesses on the platform. Through continued education and training, Allegro can maintain its position as a top e-commerce platform in Poland while also providing sellers with the opportunity to reach a customer base of over 18 million buyers.

Allegro Academy	2023 Polish Operations (sellers only)	2022 Polish Operations (sellers only)	YoY change Polish Operations	2021 Polish Operations (sellers+ buyers)
Allegro Academy courses	139	97	+43%	72
Courses in English	36	35	+2.8%	18
Tutorials for merchants and buyers	169	150	+12.6%	95
Tutorials in English	38	34	+11.8%	40
Unique users (by tax ID)	56,700	N/A	N/A	N/A
Webinar participants	65,700	40,879	+60.7%	51,962
Pageviews	451,000	83,000	+443%	N/A

GRI ▶ [3-3] [Own disclosure 7]

6.2 Digitalization

Allegro is a spot that brings the best experts together, creating a unique venue in Europe where new technologies in artificial intelligence or machine learning are created. Digitalization is the essence of Allegro business, shaping how it operates and grows. By leading with digital innovation, the company is not only transforming its platform but also contributing significantly to the digital progress of the entire Polish economy. For customers, digitalization means a seamless and efficient shopping experience. The platform evolves constantly, ensuring that every online interaction is intuitive and swift, thus meeting the modern shopper's expectations for convenience and simplicity, which is strictly connected to accessibility areas. For merchants, digital prowess is a gateway to profitable growth. It equips them with robust analytics and marketing tools, enabling them to tap into wider markets and effectively engage with their customers. Allegro employees thrive in an environment where digital tools streamline tasks, fostering a culture of innovation. This shift towards digital efficiency allows them to focus on creative solutions, enhancing their productivity and job satisfaction.

As an e-commerce leader, Allegro is pioneering a digital revolution, anchored by commitment to digitalization, and leveraging the power of artificial intelligence (AI) and machine learning (ML). The company's approach is multifaceted, encompassing innovation, collaboration, and education to set new industry benchmarks. The technology team, consisting of more than 2,200 specialists and experts, is at the heart of digital transformation efforts. These experts are working on ground breaking projects to enhance online shopping experiences, making them safer and more intuitive. Their work is not just about improving existing processes but also about innovating new solutions. Machine Learning Research is Allegro's R&D lab created to develop and apply state-of-the-art machine learning methods, helping Allegro grow and innovate with artificial intelligence. Beyond bringing AI to production, it is committed to advance the understanding of machine learning through open collaboration with the scientific community. The outcomes of these activities lead not only to Allegro implementing innovations, but also to the wide dissemination of knowledge among new technologies experts. Company employees actively

participate in various technology events and conferences where they share Allegro's digitalization journey and AI advancements. In 2023 approximately 400 Allegro employees took part in more than 150 different events in which they presented their knowledge. Through these platforms, plus company blogs and meetups, knowledge and insights are exchanged, positioning the company as a thought leader in the digital commerce space.

At its headquarters in Poland, the company focuses on building a team with unique digital competencies, especially in AI and ML. Employees can join Allegro Innovation Hub, a community formed around the idea of innovation, trends, startups, and new ventures. Its mission is to bring groundbreaking and disruptive ideas to live products. It provides innovation trainings and mentors support. Collaborations with universities and technology companies are aimed at fostering a skilled digital workforce, contributing to the growth of the Polish economy and establishing a strong presence in the European tech landscape. Moreover, the company's commitment to digitalization extends to inspiring young talent. Initiatives including the PFR School of Pioneers and partnerships with technological education institutions like the Central House of Technology reflect Allegro's dedication to empowering the next generation with digital skills and shaping future digitalization leaders and innovators. Allegro also supports women in growing their online entrepreneurship. TOP Women in e-business is a free programme supporting women interested in digital tools and e-commerce, with Allegro as a partner since 2021. It offers opportunities for women to retrain, start businesses, and expand their skills, including those returning from maternity leave or seeking to enhance their e-business ventures. Allegro also introduced a "Women in Tech" Program dedicated to female technology leaders to grow Women's Leadership Excellence and unlock and strengthen their potential, resulting in increased internal talent pull for new roles with strategic impact. In Allegro, women distribution in Technology in 2022 was 26.47%, women leaders 15.15%. In 2023 it grew by 0.23pp to 26.7%, for women leaders by 1.85pp to 17.00%.

Allegro digital solutions are used directly to improve the shopping experience of the company's customers. AI was implemented in the

2023 Performance:

2,243

workers in Technology team

search engine used in most searches, so the tool operates on a huge scale of several dozen million searches a day. When performing text searches, the company uses deep learning to process text queries and use results ranking mechanisms, thereby growing GMV (gross merchandise value) by over 4% generated through the search engine.

144

events where Allegro employees shared their knowledge inside and outside the organisation

337

Allegro employees took part in different technology events as speakers

Allegro also has an image search mechanism in its mobile app - the system presents products on Allegro that are similar to the uploaded photos - using advanced ML algorithms for image analysis. The use of deep learning and generative AI techniques to build a semantic search engine is being developed. In commitment to digitalization, Allegro

CASE STUDY

Education and technology programs

Since 2019, Allegro has been collaborating with the Central House of Technology (CDT) and the Fundacja PFR in promoting STEAM-based technology education through practical knowledge sharing. This partnership highlights Allegro's commitment to community development by nurturing the next generation of innovators through edifying initiatives. One of their most significant programs is the digital entrepreneurship academic path, which offers vital knowledge to aspiring entrepreneurs.

In light of Allegro's commitment to technology education, the company has further partnered with the "Digital entrepreneurship" educational path. The path intends to introduce young people to the world of business and e-commerce. Allegro's partnership with CDT has enabled 542 secondary school students and 48 teachers from schools across Poland to acquire practical technological knowledge necessary in the digital era. The program not only promotes competitiveness among domestic ideas but also creates future leaders. In more than one program, almost 300 participants have established 50 companies, with 29 still active, indicating the sustainability of such initiatives in the innovation ecosystem.

Meanwhile, Polski Fundusz Rozwoju, in collaboration with Allegro, has conducted, for the sixth time, the PFR School of Pioneers



program which aims to foster the growth of budding entrepreneurs with innovative products or services aligned with the United Nations' Sustainable Development Goals.

During the PFR School of Pioneers program, participants form teams and take part in professional workshops led by leading experts and experienced startupers, who share their business knowledge and insights with them. The program benefits young minds, creating a generation of future leaders that are already making significant impacts in the innovation ecosystem in Poland and beyond.

GRI ▶ [3-3] [Own disclosure.7]

has integrated Generative AI, to enhance the accuracy and detail of product descriptions in offers on the platform. Good descriptions available in the catalogue will help sellers list their offers more quickly and assist buyers in making informed purchasing decisions.

Machine learning models make it possible to increase loyalty by predicting subsequent purchases in over 300 consumer goods categories. Personalised email and push reminders increase Allegro customer engagement, generating over PLN 80 million in incremental annual GMV. This solution was also implemented on Allegro home page and in a dedicated mini mobile app, where customers can view suggested recurring purchases.

New technology solutions are also helpful for merchants, as the use of a machine learning model increased the share of orders with correctly predicted fast delivery. The prediction mechanism allowed for an increase of +3pp in the number of orders with the promise of next-day delivery compared to previous solutions, while maintaining over 90% accuracy. Combined with the proven impact of a credible

promise of fast delivery on conversion and GMV, this resulted in generating additional GMV of up to PLN 100 million.

Ensuring accessibility on our e-commerce platform remains a top priority as we strive to create an inclusive digital environment for all users. In line with our commitment to the "Sustainable All Together" strategy of Allegro, we want to implement a range of measures to enhance accessibility. This includes adopting web design practices that adhere to accessibility standards such as WCAG (Web Content Accessibility Guidelines) to guarantee that our platform is usable by individuals with diverse abilities and disabilities. Moreover, we regularly conduct accessibility audits and user testing sessions to identify and address any potential barriers to access. Through these efforts, we aim to foster an inclusive online experience, empowering all users to engage with our platform seamlessly and equitably, regardless of their abilities or technical limitations.

CASE STUDY

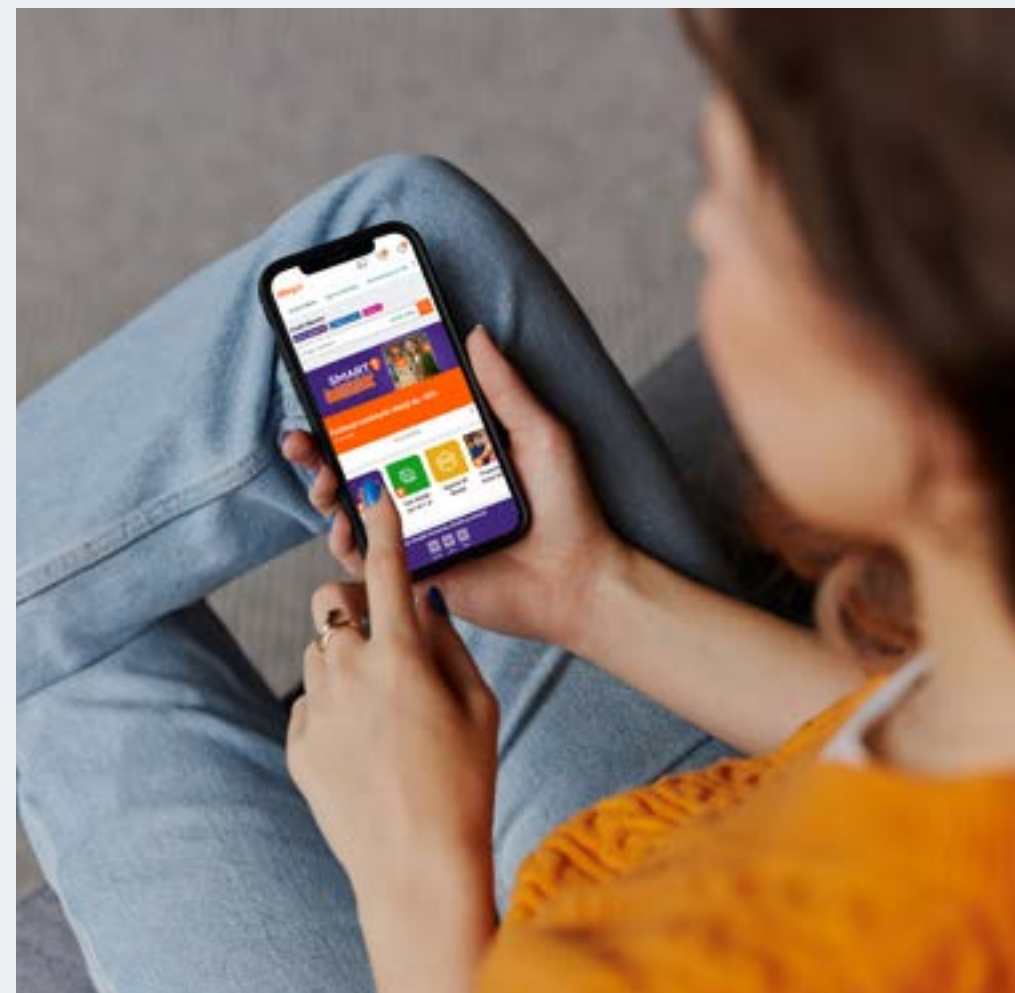
Offer quality

Customer safety is a top priority for Allegro, which is why they created automated mechanisms to validate all offers posted on their platform. Regardless of the channel of their creation, the platform's automated mechanisms block any offer that violates the applicable law and/or the provisions of Allegro Terms & Conditions.

Allegro's automated mechanisms also increase customer trust, by blocking inappropriate use of brand names, unauthorised software sellers, inconsistencies in the content of the offer, and content that leads traffic outside, such as contact before purchase, contact details, and price negotiations. These activities allow Allegro to protect buyers against situations where they are unable to use the service's help in the event of transaction problems.

Automated mechanisms also validate and publish educational messages for merchants. These messages explain what should be verified to adapt the content of the offer to Allegro's requirements.

Since its implementation, Allegro's automated mechanisms have blocked over 35 million offer publications and displayed informative/educational notification messages upon publication for over four billion offers. By closely cooperating with relevant authorities, including the Main Pharmaceutical Inspectorate (GIF), Allegro ensures



the highest level of safety and compliance with applicable laws. With this automated system, Allegro can maintain its reputation as a convenient and safe platform for customers' online shopping needs.

Area	Innovations
Data Platform	In 2023, Allegro embarked on a transformative journey, modernising its data platform by migrating from on-premise to the dynamic environment of Google Cloud. This bold move not only enhanced operational efficiency but also paved the way for unlocking a wealth of new possibilities in data and AI across the entire business landscape.
Machine Translation	The team is developing an in-house Machine Translation engine specifically for e-commerce purposes, aiming to provide better value compared to off-the-shelf solutions. Its focus is on accurately translating industry-specific terms and jargon, while also creating a scalable and cost-efficient solution. It employs state-of-the-art machine learning methods, involving human evaluators and automatic quality estimation models to enhance translation quality continually. Its goal is to make Allegro platform accessible to non-Polish speakers globally and contribute to the machine translation community.
Language Modelling	Its aim is to employ state-of-the-art deep learning models and a range of NLP algorithms to solve diverse problems that require semantic understanding of the specialised language used within a unique environment of an e-commerce platform. It utilises and develops Large Language Models (LLMs), with the goal of providing the company with general purpose Foundation Models that can be tailored for specific downstream tasks.
Learning to Rank	The team's goal is to develop machine learning models for searches. The main focus is put on ranking solutions in all phases of the search pipeline, serving millions of searches a day. Currently its main area of expertise is neural text-based search and relevance. It is also interested in topics such as reranking and features interaction architectures and personalization.
Computer Vision	At MLR Computer Vision, the primary objective is to elevate the user experience by leveraging machine learning image processing algorithms. The team specifically concentrated on image representation learning for Visual Search and the development of robust image classification models. Presently, its research is focused on the integration of multiple modalities into Allegro models. This integration enables the company's models to process not only images but also harness diverse sources of information such as product titles, descriptions, and attributes.
Recommendations	The team's objective is to fulfil users' needs by providing them with products aligned to their interests. It strives to inspire users and connect them with relevant offers by leveraging recommender systems. To achieve this, the team relies on the collective behaviours of the user-base, forming the foundation of the company's algorithms. The major challenges the team is facing revolve around developing innovative algorithms that can deliver high-quality recommendations while effectively handling Allegro's significant daily traffic.
ML Ops	Its aim is to optimise, scale, and deploy advanced machine learning models. It blends artificial intelligence, software engineering, and DevOps expertise to embrace the full potential of research engineers and data scientists from other teams. The team orchestrates the entire machine learning lifecycle, from data pre-processing and annotation to model deployment, using the cutting-edge infrastructure of Google Cloud and Kubernetes. It is operating at a massive scale with several terabytes of data processed daily and thousands of predictions per second.

7. About the report

Methodology and approach used for ESG reporting.



7. About the report

Scope of report

The ESG Report for 2023 is our sixth report where Allegro presents its sustainability approach and practices at Allegro. The previous document (ESG Report for 2022) was published in 2023 and covered the year 2022.

The ESG report for 2023 was prepared by a dedicated project team, reviewed by Executive Team members responsible for relevant areas and topics. The Executive Team member responsible for the ESG Report is Jon Eastick (Chief Financial Officer) and Tom Ruhan (Chief Legal Officer, Group General Counsel), who was appointed to the Board of Allegro Sp. z o.o. on 2 April 2024.

ESG Report for 2023 was drafted with reference to the Global Reporting Initiative standard (GRI) and refers to European Sustainability Reporting Standards (ESRS). It discloses non-financial information required under the Non-financial Reporting Directive (NFRD). In addition, the Report contains TCFD (Task Force on Climate-related Financial Disclosures) and SFDR (Sustainable Finance



Disclosures Regulation) indicators as well as in-house indicators. The Report contains references to the Warsaw Stock Exchange ESG Reporting Guidelines and the European Bank for Reconstruction and Development (EBRD) guidelines. The Report also includes references to the Sustainable Development Goals (SDGs).

The Report covers all entities included in the Allegro Consolidated Annual Report, i.e. Allegro.eu S.A., Allegro Treasury S.à r.l., Allegro sp. z o.o., Allegro Pay sp. z o.o., Ceneo.pl sp. z o.o., eBilet Polska sp. z o.o., Allegro Foundation, , Opennet.pl sp. z o.o., Allegro Finance sp. z o.o. and SCB Warszawa sp. z o.o, Mall Group a.s, Internet Mall a.s., Internet Mall Slovakia s.r.o., AMG Media a.s., CZC.cz s.r.o., Mimovrste spletna trgovina d.o.o., Internet Mall d.o.o., Internet Mall Hungary Kft., m-HU Internet Kft. , WE|DO s.r.o. (CZ) and WE|DO s.r.o (SK). Scope of consolidation is the same as for Allegro's financial statements.

Allegro.eu Report on non-financial information for 2023 was prepared in accordance with the requirements of EU law (Directive 2014/95/EU, which fulfils the obligation specified in Article 49b and Article 55 of the Act of September 29, 1994 on Accounting (Journal of Laws .U. 2023, item 120), implementing into the Polish legal order Directive and (EU) 2020/852)), Guidelines on non-financial reporting (2017/95/EU, Directive (EU) 2020/852), C 215/01) , and the Supplement on reporting climate-related information (2019/C 209/01).

In April 2022, Mall Group joined Allegro, so the report for 2023 includes only data for 2023 for Allegro, and compared only to the year 2022 (from April 1st till December 31st). The data were consolidated whenever possible and also compared to the two previous years for the Polish Operations. The reports are prepared annually. The information in this report covers the period from 1 January 2023 to 31 December 2023, and refers to the state of information at the end of the year (in cases indicated in the report, the data refer to another period). No information has been excluded due to intellectual property or know-how considerations. The report presents the activities and non-financial data of the Allegro.eu, including as the parent company and companies belonging to Allegro as of December 31, 2023.

When preparing the report for 2023, we used the conclusions of the project team responsible for the 2022 report, with the Allegro

Adjustments in the carbon footprint calculation methodology

2023	2022
Scope 3 category 1:	
<ul style="list-style-type: none"> emissions from the purchase of water and office supplies calculated using the activity-based method emissions from 1P in CZC included 	<ul style="list-style-type: none"> emissions from the purchase of water and office supplies calculated using the spend-based method emissions from 1P in CZC not included (data not available)
Scope 3, category 4:	
<ul style="list-style-type: none"> emissions calculated depending on the availability of data: based on data on emissions per parcel obtained from carriers, based on total TTW emissions attributed to Allegro obtained from carriers, based on the data on distance and fuel type (WEDO and OneKurier); in the absence of more accurate data - based on spend based method 	<ul style="list-style-type: none"> emissions calculated based on emission factors per parcel, estimated from assumed transport scenarios (assumptions on vehicle types, fuel types, distances), and based on the data on distance and fuel type (WEDO and OneKurier).
Scope 3, category 5:	
<ul style="list-style-type: none"> emissions considered immaterial and are omitted due to process optimization 	<ul style="list-style-type: none"> emissions included in GHG inventory
Scope 3, category 6:	
<ul style="list-style-type: none"> emissions considered immaterial and are omitted due to process optimization 	<ul style="list-style-type: none"> emissions included in GHG inventory
Scope 3, category 7:	
<ul style="list-style-type: none"> emissions considered immaterial and are omitted due to process optimization 	<ul style="list-style-type: none"> emissions included in GHG inventory
Scope 3, category 9:	
<ul style="list-style-type: none"> self-collection of parcels by customers additionally included 	<ul style="list-style-type: none"> self-collection of parcels by customers not included

GRI ▶ [2-2] [2-3] [2-4] [2-5] [3-1] [3-2] ESRS ▶ [BP-1] [BP-2] [SBM-3] [IRO-1] [IRO-2]

Double materiality analysis

stakeholder matrix and the double materiality matrix. To properly address all material topics, we have conducted the double materiality analysis, which included impact materiality and financial materiality, ensuring that the study was in compliance with the principles and requirements of ESRS 1 and ESRS 2.

The double materiality analysis consisted of four stages:

Stage 1 involved understanding the organisation's context and approach to sustainability reporting by reviewing past reports and assessing risk management processes. This analysis identified areas for improvement in materiality analysis and helped in mapping stakeholders in the value chain, ensuring a thorough understanding of potential material issues. The stage concluded with a collaborative review session to ensure shared understanding and enhance the accuracy of the analysis by incorporating diverse perspectives.

Stage 2 of the materiality analysis involved conducting external and internal analyses to identify potential ESG impacts, risks, and

opportunities (IRO) for a detailed list of material topics. Externally, this included assessing compliance with sector-specific standards and analysing sector-specific material topics to align with industry trends. Internally, it involved reviewing internal ESG policies and strategies, examining stakeholder survey results, and analysing press coverage to assess the organisation's commitment to sustainability and understand stakeholder perspectives. This comprehensive approach ensured the creation of a list of potentially material ESG topics for further materiality assessment.

A sustainability topic is considered material if it holds materiality from either an impact or financial perspective, or both. In stage 3 the assessment involved two key analyses: impact materiality and financial materiality. Impact materiality examined the organisation's ESG impacts by determining their type, scale, scope, remediation potential, and likelihood based on 1-5 scale and on following classification:

Financial materiality identified and evaluated the materiality of risks and opportunities linked to each topic, factoring in the potential

financial impact's magnitude and likelihood in aggregated short, medium and long-term perspective. Financial impact was evaluated based on 4 factors: undertaking development/impact on growth, financial position/impact on balance sheet, impact on cash flow, as well as impact on cost and availability of equity and debt. Likelihood

was estimated based on percentage values in the range 0-100%. Below is a detailed classification.

In stage 4 of the analysis, the focus was on prioritising and validating the results of impact and financial materiality assessments, leading to

Impact materiality			
Scale (how severe is the negative impact or how beneficial is the positive impact)	Scope (how widespread are positive or negative impacts)	Irremediable character (whether and to what extent the negative effects can be remedied)	Likelihood
5 - Absolute	5 - Global/total	5 - Non-remediable	5 - Extremely likely
4 - High	4 - Widespread	4 - Very difficult to remedy or long-term	4 - Very likely
3 - Medium	3 - Medium	3 - Difficult to remedy or mid-term	3 - Likely
2 - Low	2 - Concentrated	2 - Remediable with effort	2 - Not very likely
1 - Minimal	1 - Limited	1 - Relatively easy to remedy short-term	1 - A little likely
0 - None	0 - None	0 - Very easy to remedy	0 - Not likely

Financial materiality				
Undertaking development / impact on growth	Financial position/ impact on balance sheet	Impact on cash flow	Impact on cost and availability	Likelihood
10 - Absolute	10 - Absolute	10 - Absolute	10 - Absolute	100% - Recurring occurrence
8 - High	8 - High	8 - High	8 - High	80% - Occurrence highly likely
6 - Medium	6 - Medium	6 - Medium	6 - Medium	60% - Occurrence likely
4 - Low	4 - Low	4 - Low	4 - Low	40% - Occurrence relatively likely
2 - Minimal	2 - Minimal	2 - Minimal	2 - Minimal	20% - Occurrence unlikely
0 - None	0 - None	0 - None	0 - None	0% - Occurrence not likely

The final scores for both assessments were calculated using specific formulas and then rescaled. Final classification was based on scale 1-5, where scores equal or above 3,25 were deemed to be material. Preliminary results of materiality assessment were validated in

workshops with various department representatives, integrating materiality into the broader financial context of the organisation. More information about adopted scales and materiality thresholds is provided below.

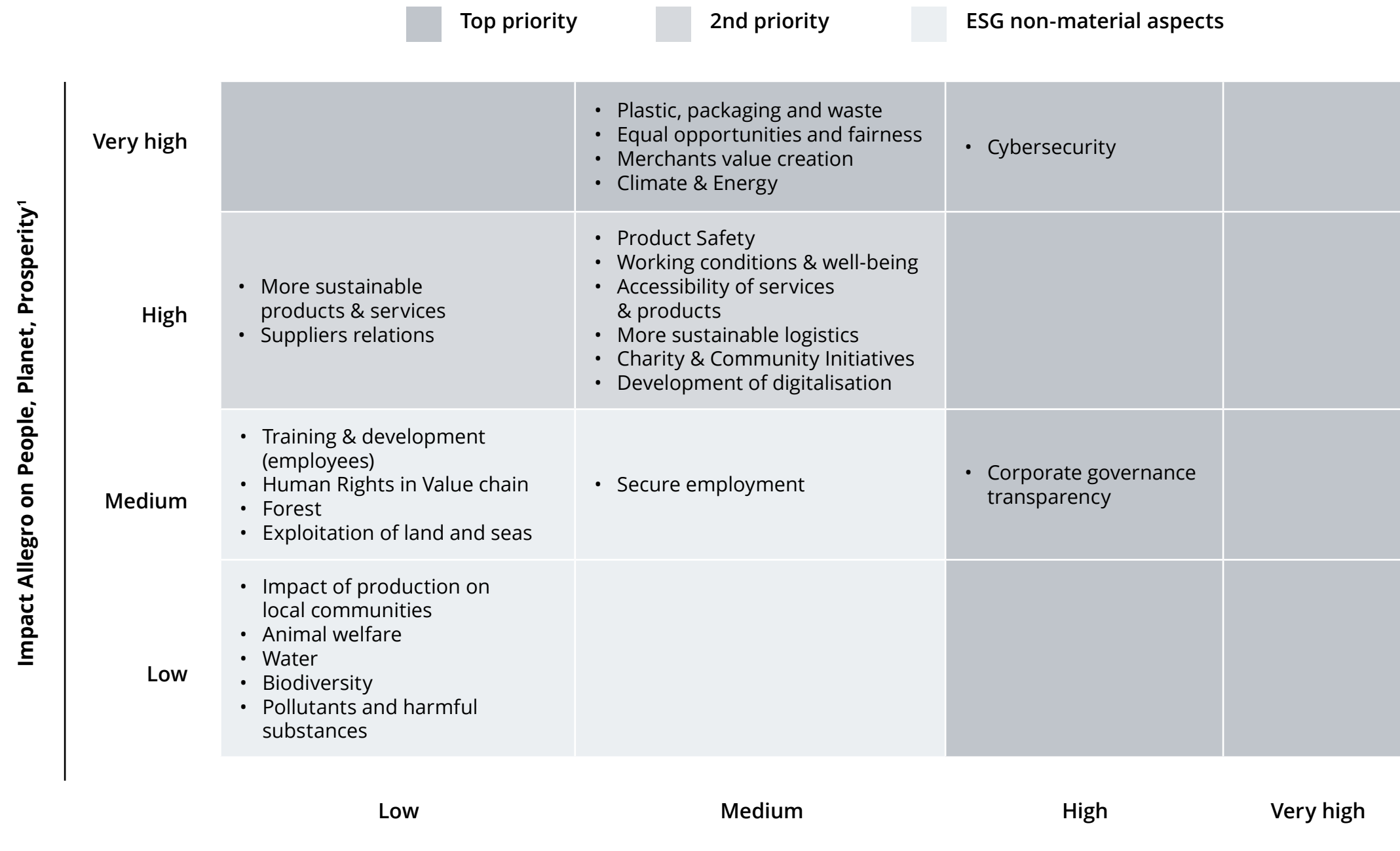
Score	Materiality score	Materiality
3,8 - 5,0	Very High	Yes
3,25 - 3,8	High	Yes
2,5 - 3,25	Medium	No
0 - 2,4	Low	No

GRI ▶ [2-2] [2-3] [2-4] [2-5] [3-1] [3-2] ESRS ▶ [BP-1] [BP-2] [SBM-3] [IRO-1] [IRO-2]

recommendations for ESG report disclosures. The process involved extensive stakeholder consultation with over 5000 employees, 2000 customers, and 1000 merchants, who participated in surveys. Key steps included grouping material topics, setting thresholds for significance, and adjusting group scores based on survey results, with a weighted emphasis on experts' scores. For both impact and financial materiality dimensions, sustainability topics scoring 3.25 and above were deemed material, categorised into tiers of significance: topics scoring between 3.25 and 3.8 as highly material, and those scoring 3.8 and above as very highly material. Allegro scoring 3.8 and above for impact materiality, irrespective of their financial materiality score, and groups scoring 3.25 and higher for financial materiality, regardless of their impact materiality score, were designated as top priority. Allegro with scores below these

thresholds were categorised as second priority, while the remaining groups were deemed immaterial. A materiality matrix was developed to visually represent the significance of identified IROs, categorising them based on their topical significance. Validation of results with top management and the Board of Directors ensured alignment with organisational priorities, while collaboration with the project team and providing recommendations for ESG report disclosures ensured effective communication of material issues, meeting stakeholder and regulatory expectations.

The choice and priority of material topics was presented on the double materiality matrix below.



Positive & negative financial impact on Allegro²

Below is presented the list of all material topics (top and 2nd priority), their reference to Allegro's strategy and their location in the Allegro value chain.

Material topic	Allegro's strategy element	Location in the value chain
Climate & Energy	All4Planet	Own operations, Upstream & downstream
Plastic, packaging and waste	All4Planet	Own operations, Upstream & downstream
More sustainable product & services Product safety	All4Planet	Own operations, Upstream & Downstream
More sustainable logistics	All4Planet	Own operations, Upstream & downstream
Working conditions and well-being	All4People	Own operations & Upstream
Equal opportunities and fairness	All4People	Own operations, Upstream
Supplier's relations	Good governance	Upstream & Downstream
Merchant's value creation	All4Prosperity	Upstream
Charity & Community Initiatives	All4People	Own operations, Upstream & downstream
Accessibility of services and products	All4People	Own operations, Downstream
Development of digitalization	All4Prosperity	Own operations, Upstream & downstream
Cybersecurity	Good governance	Own operations, Upstream & downstream
Corporate governance transparency	Good governance	Own operations, Upstream & downstream

GRI ▶ [2-2] [2-3] [2-4] [2-5] [3-1] [3-2] ESRS ▶ [BP-1] [BP-2] [SBM-3] [IRO-1] [IRO-2]

GHG emissions accounting principles

GHG emissions of Allegro were calculated in accordance with The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard Revised Edition. The greenhouse gases identified and included in the calculation are CO₂, CH₄ and N₂O, which have been expressed as CO₂ equivalent. No biogenic CO₂ emissions have been identified. 2021 is established as the base year. The amount of emissions from the production of consumed electricity was calculated according to two methods: location-based (electricity-related emissions calculated using country average emission factors) and market-based (electricity-related emissions calculated using the energy seller specific emission factor). In the location-based method, the average emission factors for countries were used. In the market-based method, emission factors for energy suppliers were used. For locations, where market-specific emission factors were not available, location-specific emission factors were adopted, with the understanding that data will be improved in the following year. For Poland the source of the emission factors were: for electric energy in the location-based approach - KOBiZE (The National Centre for Emissions Management), in the market-based approach - energy suppliers; for heating - data published by the Energy Regulatory Office. For operations outside of Poland the source of the emission factors were: for electric energy in the location-based approach - European Environment Agency, in the market-based approach - suppliers; for heating - DEFRA 2023 (Department of Environment, Food and Rural Affairs in the British Government, Greenhouse gas reporting: conversion factors 2023). Global Warming Potential (GWP) factors based on the United Nations Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) were used. Where possible, calculations were made for each subsidiary and the results were consolidated according to operational control. Allegro measures and discloses scope 3 emissions to comprehensively show the impact it exerts on the climate. Scope 3 GHG emissions include indirect emissions generated in different elements of Allegro's value chain, not covered in scopes 1 and 2. Categories reported in this scope include: purchased goods and services, capital goods, fuel- and energy-related activities not included in scope 1 or scope 2, upstream transportation, downstream transportation, use of products sold, end of life phase.

Scope 3 emissions were calculated as specified below:

Category 1 - Purchased goods and services: includes cradle-to-gate GHG emissions from the production of goods, both tangible products and intangible services, purchased by Allegro, i.e. emissions from 1P retail operations, packaging materials, cloud services and other goods and services accounted for as operating expenses incurred by Allegro. Calculations based on DEFRA and Exiobase 3.4. 2019 database.

Category 2 - Capital goods: emissions from tangible assets booked as capital expenditure not included elsewhere, emissions from the purchase of Allegro One Box parcel machines and associated IT equipment. Calculations based on DEFRA and Exiobase 3.4. 2019 database.

Category 3 - Well-to-tank (WTT): emissions from the production and distribution of fuels and energy, not included in scope 1 or scope 2 based on real consumption and DEFRA emission factors.

Category 4 - Upstream transportation: includes all purchased transportation and distribution services purchased by Allegro from tier 1 suppliers. This transport includes emissions from package transportation, both incoming to Allegro's warehouses and outgoing to end consumers, which are directly influenced by Tier 1 courier firms in relation to Allegro.

Several methods have been used to calculate the category 4 emissions i.e. based on:

- GHG emissions calculated and obtained from its 2 main parcel carriers;
- Estimates on GHG emission factor/package from 3 other parcel carriers;
- Information collected via system controlling trucks that are delivering parcels i.e. quantity of kilometers performed and type of vehicle used (petrol/diesel)- scope 3 category 9 have been included in this category due to difficulty to split the information ;
- Spend-based method for remaining parcel transportation using the emission factor from Exiobase 3.4 - "Other purchased transportation services".

Category 9 - Downstream transportation: transportation of sold products by means of transport independent from Allegro. Several methods have been used to calculate the category 9 emissions i.e. based on: a brokerage system which offers Allegro's customers the delivery of parcels with a minimum of six different courier companies. The related GHG emissions have been calculated based

on the obtained information regarding GHG emission factor/package for the 4 main carriers. Certain amount of GHG emissions have been already included in category 4 scope 3 due to difficulty to split the information;

client survey responses to evaluate the emissions from customers' self-collection (i.e. collection at parcel machine vs PUDO, transportation mode, number of kilometers)

Category 11 - Use of products sold: direct (scope 1) and indirect (scope 2) emissions from the use of energy consuming products, sold to end users. Several methods have been used to calculate the category 11 emissions i.e. based on:

IT appliances and small electrical items: 20% of the sum of the emissions of the category 1 and category 12;

Fridges, freezers and large electrical items: number of pieces sold multiplied by the specific emission factor [tCO₂e/lifespan/pcs].

Category 12 - End of Life phase: Related to the treatment of sold products at the end of their life. Method used to calculate the emissions is based on: categorisation and weights of products sold; and DEFRA emission factors.

Based on immaterial impact compared to extensive effort to collect the data, the categories 5, 6 and 7 were excluded from Scope 3 GHG inventory. It is recommended to review this approach periodically or in case of operational changes that may affect the excluded emissions. The estimated share of these categories does not exceed 1% of total GHG emissions (location-based).

Emissions from categories 8, 10, 13, 14, and 15 are not applicable to the Allegro.

The percentage of Scope 3 emissions calculated using primary data obtained from suppliers or other partners in the value chain is 20,6%. Biogenic emissions of CO₂ from combustion or bio-degradation of biomass do not occur in value chain, amount to 0 tCO₂e.

Allegro has no activities related to removals and storage activity, carbon credits used in decarbonization or internal carbon pricing.

Taxonomy - Accounting principles

The turnover used for calculating the Taxonomy KPIs covers net turnover derived from Allegro's products or services. The proportion of turnover associated with Taxonomy-aligned activities (environmentally sustainable activities) is equal to zero, as Allegro did not identify any revenue-generating Taxonomy-aligned activities in

the reporting period.

The proportion of turnover associated with Taxonomy-eligible but not environmentally sustainable activities was calculated by dividing:

- the numerator representing the value of revenue from products or services associated with Taxonomy-eligible activities "5.6 Marketplace for the trade of second-hand goods for reuse" and "8.1 Data processing, hosting and related activities" recognised by Allegro in 2023; by
- the denominator representing the value of total consolidated revenue of Allegro, as disclosed in the Annual Report of Allegro.eu for the year ended 31 December 2023 in the Note 9.

The allocation of revenue to the Taxonomy-eligible activities was enabled by Allegro's advanced financial controlling tools and the knowledge and experience of Allegro's subject matter experts.

The CapEx used for calculating the Taxonomy KPIs covers additions to tangible and intangible assets (including the leasing right-of-use assets under IFRS 16) during the reporting period considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, excluding fair value changes.

The proportion of CapEx associated with Taxonomy-aligned activities (environmentally sustainable activities) is equal to zero, as Allegro did not identify any capital expenditures related to Taxonomy-aligned activities in the reporting period.

The proportion of CapEx associated with Taxonomy-eligible but not environmentally sustainable activities was calculated by dividing:

- the numerator representing the value of capital expenditures associated with Taxonomy-eligible activity (i.e.: 8.1. Data processing, hosting and related activities) recognised by Allegro in 2023; by
- the denominator representing the value of total consolidated CapEx of Allegro, as disclosed in the Annual Report of Allegro.eu for the year ended 31 December 2023 in the Notes 13 and 14.

The allocation of CapEx to the Taxonomy-eligible activities was enabled by Allegro's advanced financial controlling tools and the knowledge and experience of Allegro's subject matter experts.

As defined in Annex I to Commission Delegated Regulation (EU) 2021/2178, the scope of expenditures included in the calculation of the OpEx KPIs in both the numerator and denominator covers direct, non-capitalized costs related to research and development, building renovation activities, short-term leases (other than IFRS 16 right-of-

GRI ▶ [2-2] [2-3] [2-4] [2-5] [3-1] [3-2] ESRS ▶ [BP-1] [BP-2] [SBM-3] [IRO-1] [IRO-2]

use assets, if any), maintenance and repairs, and any other direct expenses related to the day-to-day operation of property, plant and equipment assets by the Company or third parties to whom activities necessary to ensure the continuous and efficient operation of those assets have been outsourced.

Following the Commission Notice on the interpretation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of eligible economic activities and assets (2022/C 385/01), Allegro has:

- included in the OpEx KPIs the following cost categories (provided that Allegro was able to reliably identify appropriate amounts): costs related to maintenance and repair of property, plant and equipment, i.e., including but not limited to: the cost of materials used in connection with the repair / maintenance / overhaul of equipment, facilities or buildings, as well as the costs of third parties performing the works indicated above;
- excluded from the OpEx KPIs the following cost categories: costs associated with software maintenance and costs associated with the day-to-day use of property, plant and equipment, i.e., among other things: the cost of electricity or operating fluids and the cost

of employees operating the equipment.

The proportion of OpEx associated with Taxonomy-aligned activities (environmentally sustainable activities) is equal to zero, as did not identify any operating expenditures related to Taxonomy-aligned activities in the reporting period.

The proportion of capital expenditures of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) was calculated as the numerator divided by the denominator as specified below

- numerator represents the value of operational expenditures associated with activities 6.5. and 8.1.
 - denominator represents the value of total operational expenditures related to direct non-capitalised costs that relate to research and development, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment.
- The allocation of operating expenses according to the taxonomy was possible thanks to Allegro's advanced controlling tools, which enable the analysis of financial results from many angles.

Restatements and methodology changes

Restatements have appeared in the ESG Report 2023 with respect to the previous reporting period, i.e. the ESG Report 2022. The following data or information has been corrected:

- Total number of employees in Allegro for 2022

Adjustments in workforce structure			
	Allegro		
	2022		Reason for change
	adjusted value	original value	
Employees	5,920	5,930	Restated due to correction in the Mall

- Scope 3 emissions for 2022

Carbon footprint values							Reason for change
GHG emissions	Allegro		Polish operations			Reason for change	
	2022		2022	2021			
	adjusted value	original value	adjusted value	original value	adjusted value	original value	
Scope 3 emissions (t CO ₂ e)	370,144	338,229	205,502	203,293	211,459	231,491	
Cat. 5 – Waste Generated in Operations	Not material	425	Not material	79	Not material	14	In the current reporting year emissions from scope 3, categories 5, 6, 7, 13 are considered immaterial and are omitted due to process optimization
Cat. 6 – Business Travel	Not material	564	Not material	527	Not material	134	
Cat. 7 – Employee Commuting	Not material	1,409	Not material	867	Not material	3,060	
Cat. 11 – use of sold products	47,792	13,470	5,243	1,551	N/A	N/A	The accuracy of calculating category 11 emissions has been enhanced, thus the results for 2022 have been recalculated according to this revised methodology.
Cat. 13 – Downstream Leased Asset	Not material	9	Not material	9	Not material	14	
Scope 1, 2 and 3 emissions (market-based method) (t CO ₂ e)	388,006	356,090	220,271	218,062	223,161	243,193	In the current reporting year emissions from scope 3, categories 5, 6, 7, 13 are considered immaterial and are omitted due to process optimization
Scope 1, 2 and 3 emissions (location-based method) (t CO ₂ e)	392,980	361,065	225,234	223,025	223,421	243,453	

Moreover the company introduced a few adjustments in the methodology of calculating GHG emission. Based on the operation boundaries, the greenhouse gas emissions inventory of Allegro

excluded the categories that in total do not exceed 1% of total GHG emissions attributed to the Allegro. It is far below the 5% threshold.



GRI ▶ [2-2] [2-3] [2-4] [2-5] [3-1] [3-2] ESRS ▶ [BP-1] [BP-2] [SBM-3] [IRO-1] [IRO-2]

Carbon footprint calculation methodology differences

2023

2022

Scope 3 category 1:

- | | |
|--|---|
| <ul style="list-style-type: none"> emissions from the purchase of water and office supplies calculated using the spend-based method emissions from 1P in CZC included emissions from transport of goods arranged by vendors (tier 2) calculated based on cradle-to-gate emission factors only (data for scenario not available) | <ul style="list-style-type: none"> emissions from the purchase of water and office supplies calculated using the activity-based method emissions from 1P in CZC not included (data were not available) emissions from transport of goods arranged by vendors (tier 2) calculated based on cradle-to-gate emission factors and assumed scenario |
|--|---|

Scope 3, category 4:

- | | |
|---|---|
| <ul style="list-style-type: none"> emissions calculated depending on the availability of data: based on data on emissions per parcel obtained from carriers, based on total TTW emissions attributed to Allegro obtained from carriers, based on the data on distance and fuel type (WEDO and OneKurier); in the absence of more accurate data - based on spend based method | <ul style="list-style-type: none"> emissions calculated based on emission factors per parcel, estimated from assumed transport scenarios (assumptions on vehicle types, fuel types, distances), and based on the data on distance and fuel type (WEDO and OneKurier) |
|---|---|

Scope 3, category 5:

- | | |
|---|---|
| <ul style="list-style-type: none"> emissions considered immaterial and are omitted due to process optimization | <ul style="list-style-type: none"> emissions included in GHG inventory |
|---|---|

Scope 3, category 6:

- | | |
|---|---|
| <ul style="list-style-type: none"> emissions considered immaterial and are omitted due to process optimization | <ul style="list-style-type: none"> emissions included in GHG inventory |
|---|---|

Scope 3, category 7:

- | | |
|---|---|
| <ul style="list-style-type: none"> emissions considered immaterial and are omitted due to process optimization | <ul style="list-style-type: none"> emissions included in GHG inventory |
|---|---|

Scope 3, category 9:

- | | |
|---|--|
| <ul style="list-style-type: none"> self-collection of parcels by customers additionally included | <ul style="list-style-type: none"> self-collection of parcels by customers not included |
|---|--|

Taxonomy methodology

2023

2022

Denominator for OpEx KPI does not include any staff costs - it has been assessed that Allegro is not able to clearly determine which staff costs are compliant with the OpEx definition provided in Annex I to Regulation 2021/2178.

Denominator for OpEx KPI included staff costs which could be associated with research and development works / maintenance works related to tangible assets.

GRI ► [2-2] [2-3] [2-4] [2-5] [3-1] [3-2] ESRs ► [BP-1] [BP-2] [SBM-3] [IRO-1] [IRO-2]

Third party limited assurance review

The report was subject to a limited assurance engagement under International Standard on Assurance Engagements ("ISAE") 3000 to issue an assurance report in respect of certain information in the ESG report for 2023 (the "Sustainability Report") as set out in the table of the Scope section (the "Selected Information Table") of the opinion (p.xxx) in accordance with certain Assessment Criteria. These Assessment Criteria have been derived from certain sections of the Global Reporting Initiative ("GRI") frameworks and by applying additional methodology defined by company policies that management considers as relevant for the purpose of the Company's business and for the ultimate users of the ESG report 2023.

Independent Limited Assurance Report on a selection of Key Performance Indicators disclosed in the ESG Report 2023

To the Board of Directors of
Allegro.eu
1, rue Hildegard von Bingen
L-1282 Luxembourg

We have performed a limited assurance engagement with respect to a selection of Key Performance Indicators disclosed in the ESG Report 2023 (the "Sustainability Report") of Allegro.eu (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2023 as set out in the "Scope" section below.

Scope

The scope of our work was limited to provide limited assurance over the selected Key Performance Indicators as set out in the table attached below in Exhibit 1 (the "Selected Information").

Our assurance engagement related only to the information for the year ended 31 December 2023 and we have not performed any procedures with respect to earlier periods or any other elements included in the Sustainability Report and, therefore, do not express any conclusion thereon.

Assessment Criteria

The Selected Information was prepared in accordance with certain sections of the Global Reporting Initiative (GRI) framework and additional methodologies defined by Company's policies (together the "Assessment Criteria") for the year ended 31 December 2023, accompanying the KPI disclosures in the Sustainability Report.

Management considers the Assessment Criteria relevant for the purpose of the Group's business and for the ultimate users of the Sustainability Report.

Responsibilities of the Board of Directors

The Board of Directors of the Group is responsible for:

- developing appropriate Assessment Criteria against which to assess the Selected Information and applying these consistently;
- ensuring that those Assessment Criteria are relevant and appropriate to the Group and its shareholders;
- designing, implementing and maintaining internal control procedures that provide adequate control over the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting and applying appropriate policies, and making estimates that are reasonable in the circumstances;
- the preparation of the Selected Information in accordance with the Assessment Criteria;
- retention of sufficient, appropriate records to support the reported data and assertions included in the Selected Information.

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R.C.S. Luxembourg B 65 477 - TVA LU25482518*

Inherent limitations

The Selected Information needs to be read and understood together with the Assessment Criteria which the Group is solely responsible for selecting and applying. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time. The selection of different but acceptable measurement techniques may result in materially different measurements.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Management 1, as adopted for Luxembourg by the CSSF, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibility of the "Réviseur d'entreprises agréé"

Our responsibility is to express a limited assurance conclusion on the Selected Information as set out in the table of the Scope section above based on the procedures we have performed and the evidence we have obtained. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised); Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the "International Auditing and Assurance Standards Board" (IAASB) as adopted for Luxembourg by the "Institut des Réviseurs d'Entreprises". This Standard requires that we plan and perform the assurance engagement to allow us to conclude with limited assurance that nothing has come to our attention that causes us to believe that the Selected Information has not been prepared, in all material aspects, in accordance with the Assessment Criteria.

A limited assurance engagement involves assessing the suitability in the circumstances of the Group's use of the Assessment Criteria as the basis for the preparation of the Selected Information, assessing the risks of material misstatement of the Selected Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Selected Information.

In a limited assurance engagement, the procedures vary in nature and timing and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Within the scope of our engagement we did not perform an audit or a review on external sources of information or expert opinions, referred to in the Sustainability Report.

Within the scope of our limited assurance engagement, we performed, amongst others, the following procedures:

- we gained an understanding of the Selected Information and related disclosures;
- we gained an understanding of the Assessment Criteria and their suitability for the evaluation and/or measurements of the Selected Information;

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GRI ▶ [2-2] [2-3] [2-4] [2-5] [3-1] [3-2] ESRS ▶ [BP-1] [BP-2] [SBM-3] [IRO-1] [IRO-2]

- we gained an understanding of the internal control procedures in place supporting the gathering, aggregation, processing, transmittal of data and information and reporting of the Selected Information, including controls over third party information (if applicable) and performing walkthroughs to confirm our understanding;
- based on that understanding, we assessed the risks that the Selected Information may be materially misstated and determination of the nature, timing and extent of further procedures;
- we inquired relevant Company management, personnel and third parties;
- we performed analytical procedures related to the Selected Information;
- we considered the significant estimates and judgements made by management in the preparation of the Selected Information;
- we performed limited testing, on a selective basis of evidence supporting the reported Selected Information;

Limited Assurance Conclusion

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Group's Selected Information for the period from 1 January 2023 to 31 December 2023 has not been prepared, in all material aspects, in accordance with the Assessment Criteria.

Restriction on Use and Distribution of our Report

This report, including the conclusion, has been prepared for and only for the Board of Directors in accordance with the terms of our engagement letter and is not suitable for any other purpose. We do not accept any responsibility to any other party to whom it may be distributed.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 28 May 2024

Malik Lekehal
Réviseur d'entreprises agréé

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Exhibit 1- The Selected Information

GRI Indicators
General Disclosures
GRI 2-7 Employees
GRI 2-8 Workers who are not employees
GRI 2-9 Governance structure and composition
Tax
GRI 207-1 Approach to tax
Workplace and society
GRI 403-6 Promotion of worker health
GRI 404-1 Average hours of training per year per employee
GRI 404-3 Percentage of employees receiving regular performance and career development reviews
GRI 405-1 Diversity of governance bodies and employees
GRI 406-1 Incidents of discrimination and corrective actions taken
GRI 414-1 New suppliers that were screened using social criteria
GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data
Environment
GRI 301-1 Materials used by weight or volume
GRI 302-1 Energy consumption within the organization
GRI 305-1 Direct GHG emissions
GRI 305-2 Energy indirect (Scope 2) GHG emissions
GRI 305-3 Other indirect (Scope3) GHG emissions
GRI 305-4 GHG emissions intensity
GRI 308-1 New suppliers that were screened using environmental criteria

Glossary

1P	First-party, Allegro acts as the retailer and sells directly to the customer.
3P	Third-party, Allegro provide a platform that is used for the merchants to sell directly to consumers
Allegro.eu	Allegro.eu, a public limited liability company (société anonyme), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 1, rue Hildegard von Bingen, L-1282 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies' Register (Registre de Commerce et des Sociétés, Luxembourg) under number B214830.
Allegro	Allegro.eu and its subsidiaries
AGM	Annual General Meeting
AI	artificial intelligence
AIP	Allegro Incentive Plan is a reward program created for employees.
AR5	The Fifth Assessment Report is a comprehensive report published by the Intergovernmental Panel on Climate Change (IPCC)
APM	An Automated Parcel Machine is a self-serve machine that enables quick and convenient pick-up and sending of parcels or packages.
AuditCo	Audit Committee provides a strategic recommendation and review of ESG reporting, non-financial audit results and remediation plan.
BDO	is a central repository for data on waste generated, managed, and disposed of in the Poland.
CAPEX	Capital Expenditure is the funds used by a company for investing in long-term assets that provide benefits beyond the fiscal year.
CCA	climate change adaptation is the process of adjusting and modifying natural or human systems in response to the anticipated or observed effects of climate change.
CCM	Climate Change Mitigation refers to the efforts aimed at reducing the amount of greenhouse gases released into the atmosphere to prevent or reduce the severity of the impacts of climate change.
CERT	Computer Emergency Response Team refers to a group of cybersecurity professionals responsible for responding to and managing cybersecurity incidents and vulnerabilities.
CEE	Central and Eastern Europe region refers to a geographic area that includes countries: Poland, Czech Republic, Hungary, Romania, Bulgaria, Ukraine, Lithuania, Latvia, Estonia, and others.
CDT	Central House of Technology is an institution located in Poland that offers advanced training and professional development programs in technology and innovation.
CIS	The Center for Internet Security is a non-profit organisation that works to improve cybersecurity readiness and response in the public and private sectors.
CLS	Cumulative Layout Shift is a metric used to measure how much a web page layout shifts while it is loading CLS occurs when page content loads asynchronously which means users may interact with the page while images and other resources continue to load.
COBIT	The Control Objectives for Information and Related Technology is a framework that provides guidance and best practices for the management of information technology (IT).
CRO	Conversion Rate Optimization is the process of optimising the conversion rate of a website or digital marketing campaign. The conversion rate is the percentage of users who complete a desired action, such as making a purchase, filling out a form, or subscribing to a newsletter.
CSO	Chief Security Officer is a senior executive responsible for the overall security of an organisation's assets, including physical security, information security, and cybersecurity.
CSRD	Corporate Sustainability Reporting Directive is a proposed directive by the European Union that would require companies operating in the EU to provide information on their sustainability practices and emissions using a standardised set of reporting requirements.
CX	Customer Experience
C2C	Consumer-to-Consumer refers to the practice of buying and selling goods and services between individual consumers, rather than through a business or organisation.
DDoS	Distributed Denial-of-Service refers to a type of cyberattack in which a large number of compromised devices, such as computers or Internet of Things (IoT) devices, are used to flood a targeted website or network with traffic.
DEI	Diversity, Equity, and Inclusion refers to a set of practices and policies that promote diversity, equity, and inclusion in the workplace.
DSA	Digital Service Act is a legislative proposal by the European Commission that aims to establish new rules and obligations for digital platforms operating in the European Union. The DSA seeks to create a safer and more transparent digital environment, protect fundamental rights online, and ensure fair competition for businesses.
DEFRA	Department of Environment, Food and Rural Affairs is a UK government department responsible for protecting the environment, supporting rural communities, and promoting sustainable food production.

DNSH	"Does Not Significantly Harm" is a term used in environmental impact assessments (EIAs) to describe a proposed action or project that is not expected to have a significant negative impact on the environment or human health. DNSH is a threshold used to determine whether an EIA is necessary, and if it is, what level of scrutiny and assessment is required.
DPA	Data Processing Agreement is a legal contract between data controllers and data processors that outlines their respective responsibilities and obligations under data protection and privacy laws.
DPIA	Data Privacy Impact Assessment is a process used to identify and analyse the potential privacy risks and impacts of a proposed project, system, or initiative that involves the processing of personal data.
DPO	Data Protection Officer is a designated person within an organisation responsible for overseeing the organisation's data protection and privacy compliance activities.
EAA	European Accessibility Act is a legislative initiative by the European Union to improve the accessibility of products and services for people with disabilities. The EAA addresses a wide range of products and services, including computers, smartphones, banking services, public transport, and e-commerce.
EBRD	European Bank for Reconstruction and Development is a multilateral development bank that was established in 1991 to promote public and private sector development in Central and Eastern Europe, the Caucasus, and Central Asia.
EDPB	European Data Protection Board is an independent advisory body of the European Union that is tasked with ensuring consistent application of the General Data Protection Regulation (GDPR) across all EU member states.
EEA	European Economic Area is a regional cooperation agreement that extends the EU's single market to include Iceland, Norway, and Liechtenstein.
EPR	Extended Producer Responsibility is a regulatory principle that holds producers responsible for the collection and disposal of their products to reduce environmental impacts.
EUTA	European Tech Alliance is a pan-European network of high-tech companies that aims to promote technology innovation, improve competitiveness, and support a robust European tech ecosystem.
ESRS	European Sustainability Reporting Standards refers to a set of reporting standards developed by the European Sustainability Reporting Standards Alliance (ESRA), which is a collaborative initiative comprising corporate reporting standard-setters, civil society organisations, academics, and other stakeholders.
ETS	Emissions Trading System is a regulatory framework developed by the European Union to reduce greenhouse gas emissions.
E2E	End-to-end describes a process, system, or solution that covers all aspects of an operation or transaction from start to finish, without the need for manual intervention.
FID	First Input Delay is a performance metric used to measure the responsiveness of a website. A shorter FID means a more responsive website, while a longer FID can negatively impact the user experience and website performance.
FSC	Forest Stewardship Council is a global non-profit organisation that promotes responsible forest management and traceability of forest products.
GDPR	General Data Protection Regulation is a comprehensive privacy law that was implemented by the European Union in May 2018 to strengthen and unify data protection for EU residents.
GHG	Greenhouse Gas refers to a gas that absorbs and emits radiation within the thermal infrared range, contributing to the greenhouse effect and global climate change.
GIF	Main Pharmaceutical Inspectorate is an institution in Poland responsible for ensuring compliance with legislation and standards pertaining to the manufacture, testing, distribution, sale, and use of pharmaceuticals and medical devices.
GMV	Gross Merchandise Value is a metric used to measure the total value of merchandise sold by an e-commerce platform or marketplace. GMV refers to the total amount of money spent by customers on a platform, including taxes, fees, and shipping costs, before any deductions.
GOCC	Government-Owned and Controlled Corporation refers to state-owned enterprises that are created to carry out specific public functions or services, typically in sectors like transport, energy, infrastructure, and social development.
GWP	Global Warming Potential refers to the measurement unit used to compare the relative contribution of different greenhouse gases to global warming and climate change.
HRBP	Human Resources Business Partner refers to a human resources professional who works closely with business leaders to align HR strategy with business goals and objectives.
IAB	Interactive Advertising Bureau is a global trade organisation that represents the advertising and marketing industry.
IDP	The Individual Development Plan is a tool used in organisations to help employees identify their career goals and development needs and plan actions to achieve those goals.
IEA	International Energy Agency is an intergovernmental organisation that advises governments and industries on energy policy and related matters.
ILO	International Labour Organization is a United Nations specialised agency that promotes social justice, decent working conditions, and rights at work.
IPCC	Intergovernmental Panel on Climate Change is a scientific body established in 1988 by the United Nations and the World Meteorological Organization to assess scientific, technical and socio-economic information relevant to the understanding of climate change.
IRO	Impacts, Risks, and Opportunities is a framework for assessing the sustainability performance of organisations.
ISSA	the Information Systems Security Association is a not-for-profit, international organisation that focuses on promoting cybersecurity awareness, education, and advocacy.
KOBIZE	The National Centre for Emissions Management is a government agency in Poland established to promote sustainable development and the effective management of emissions in industry and the environment.
KPI	Key Performance Indicators refer to measures used to assess the effectiveness of an organisation or specific business activities in achieving key objectives.

KRI	Key Risk Indicators refer to metrics that are used to monitor and measure the risks that an organisation faces.
LCP	Largest Contentful Paint is a metric used to measure the loading performance of a website. It measures the time it takes for the largest content piece (image, video, or block of text) to be rendered on the user's device.
LLM	Large Language Model refers to natural language processing (NLP) models that use deep learning algorithms to understand and generate human-like language. Examples of large language models include GPT-3 and BERT.
Merchants	Seller on Allegro platform
ML	machine learning is a type of artificial intelligence (AI) that involves building computer models to learn from data and make predictions or decisions without being explicitly programmed.
MLR	Machine Learning and Computer Vision refers to the combination of machine learning, a type of artificial intelligence that allows computers to learn from data, and computer vision, which involves training computers to understand and analyse visual data, including images and video.
MSCI	Morgan Stanley Capital International The MSCI (Morgan Stanley Capital International) rating is a sustainability rating system that evaluates a company's ability to manage environmental, social, and governance risks.
NFRD	Non-Financial Reporting Directive is a directive of the European Union (EU) that requires certain large companies to disclose non-financial information relating to environmental, social, and governance (ESG) issues in their annual reports.
NGO	Non-Governmental Organisation is a non-profit, voluntary organisation that is independent of government and works to achieve a particular social, environmental, or humanitarian objective.
NIST	National Institute of Standards and Technology is a non-regulatory agency of the United States Department of Commerce that provides standards, guidelines, and best practices to promote innovation and competitiveness in U.S. businesses and industries.
OECD	Organization for Economic Co-operation and Development is an intergovernmental organisation that promotes economic development and cooperation among its member countries.
OHS	Occupational Health and Safety refers to the promotion and maintenance of the physical, mental, and social well-being of employees in the workplace.
OPEX	Operational Expenditure refers to the ongoing expenses an organisation incurs in order to maintain normal business operations.
OWASP	Open Web Application Security Project is a global non-profit organisation focused on improving the security of software applications. The organisation provides guidelines, standards, and resources to help companies and developers develop secure applications and prevent cyber attacks.
PCI DSS	Payment Card Industry Data Security Standard is a set of security standards that regulate the handling of sensitive payment card data. The standard is maintained by the PCI Security Standards Council, and it requires merchants and service providers to comply with specific security processes and protocols.
PDPO	Personal Data Protection Office is the regulatory body in charge of enforcing data protection laws.
PFR	Polish Development Fund is the state-owned development institution of Poland, established to support and finance businesses, innovation, and infrastructure development in the country.
Polish operations	Allegro.eu Group structure as of prior to the acquisition of Mall Group and WE DO in April 2022.
PPC	Pollution Prevention and Control refers to a regulatory framework implemented by the European Union to prevent or control the environmental impact of industrial operations.
PPWR	Packaging and Packaging Waste Regulation is a European Union (EU) regulation that seeks to address the challenges posed by packaging waste to the environment and human health. The regulation lays out specific guidelines for the management of packaging and packaging materials throughout their lifecycle, from design to disposal.
PV	photovoltaic
RemNomESGCo	The Remuneration, Nomination and ESG Committee (RemNomESGCo) is the name of the committee reporting directly to the Management Board. From June 27, 2023, RemNomESGCo, under the leadership of the President, is responsible for supervising all issues related to the ESG and sustainable development strategy, in particular for approving new strategic directions, verifying the strategy and preparing a list of flagship KPIs.

RCP	Representative Concentration Pathway is a set of four greenhouse gas concentration trajectories that have been prepared by the scientific community and used extensively in climate modelling to project future global temperatures and other climate variables.
RES	Renewable Energy Systems refer to energy generation systems that are based on renewable resources like solar, wind, geothermal, hydro, or biomass energy, aiming to reduce reliance on fossil fuels and decrease greenhouse gas emissions.
RIR	Recordable Incident Rate is a measure used by employers to keep track of workplace injuries, illnesses, and accidents that require medical attention, missed time, or restricted duties.
RSU	Restricted Stock Unit is a type of equity-based compensation in which an employee is granted a specific number of company shares, usually vesting over a period, and subject to certain restrictions before the employee can sell or transfer the shares.
R&D	Research and Development refers to the processes an organisation undertakes to develop new, innovative, or improved technologies, products, services, or processes through scientific and technical research.
SBTi	Science-Based Targets Initiative is a global initiative that aims to encourage companies to set ambitious and science-based targets to reduce their greenhouse gas emissions to limit the global temperature rise to 1.5 degrees Celsius above pre-industrial levels.
SCM	Supply Chain Management refers to the planning, monitoring, and optimization of all activities involved in sourcing, procurement, production, and logistics within a supply chain.
SDG	Sustainable Development Goals are 17 global goals set by the United Nations to promote sustainable development, reduce inequalities, protect the environment, and advance social and economic progress to achieve a better and more sustainable future for all.
SLO	Sales-Led Optimization refers to a business strategy focused on improving sales performance, creating a customer-centric approach, and developing effective sales channels to increase profits and growth.
SME	Small and Medium-sized Enterprises refer to businesses with a small number of employees and modest revenues, typically with fewer than 250 employees and an annual turnover of up to 50 million euros.
SUP	Single-Use Plastics Directive is a European Union directive aimed at reducing the environmental impact of single-use plastic products by prohibiting the sale and use of single-use plastic items.
Sp. z o.o.	limited liability company
S.à r.l.	société à responsabilité limitée - Ltd
s.r.o.	Limited Liability Company (in Czech and Slovak)
TCFD	Task Force on Climate-related Financial Disclosures is an international task force established in 2015 by the Financial Stability Board (FSB) to develop recommendations for voluntary climate-related financial disclosures.
TCFD	Task Force on Climate-related Financial Disclosures is an international task force established in 2015 by the Financial Stability Board (FSB) to develop recommendations for voluntary climate-related financial disclosures.
TTW	"Tank-to-Wheel" is a measure used to evaluate the greenhouse gas emissions associated with the use of fuel in vehicles. TTW measures the emissions produced during the entire lifecycle of the fuel from extraction, transportation, refining, and combustion of the fuel.
WCAG	Web Content Accessibility Guidelines are a set of guidelines developed by the World Wide Web Consortium (W3C) that provide a framework for making web content more accessible to people with disabilities.
WTR	water and marine resources refer to the vital and interconnected ecosystems and natural resources that include freshwater sources such as rivers, lakes, and underground aquifers, and marine environments such as oceans and seas.
vPPA	Virtual Power Purchase Agreement is a financial agreement between a company and a renewable energy provider, typically a wind or solar project owner.
ZPP	(Związek Przedsiębiorców i Pracodawców) - Union of Entrepreneurs and Employers is an independent organisation that represents entrepreneurs and employers in Poland.

8. Index

8.1 GRI content index	84
8.2 ESRS content index	90



8.1 Gri content index

Statement of use	Allegro has reported with reference to the GRI Standards for the period 01.01.2023 - 31.12.2023
GRI 1 used	GRI 1: Foundation 2021

GRI standard/other source	GRI disclosure	Location	Omission		
			Requirment(s) omitted	Reason	Explanation
Geberal disclosures					
GRI 2: General Disclosures 2021	2-1 Organisational details	1.3 Business model			
	2-2 Entities included in the organisation's sustainability reporting	7. About the report			
	2-3 Reporting period, frequency and contact point	7. About the report			
	2-4 Restatements of information	7. About the report			
	2-5 External assurance	7. About the report			
	2-6 Activities, value chain and other business relationships	1.3 Business model 1.4. Value chain			
	2-7 Employees	4.1. Equal opportunities			
	2-8 Workers who are not employees	4.1. Equal opportunities			
	2-9 Governance structure and composition	3.1 ESG and climate corporate governance			

GRI standard/other source	GRI disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
General disclosures					
	2-10 Nomination and selection of the highest governance body	3.1 ESG and climate corporate governance			
	2-11 Chair of the highest governance body	3.1 ESG and climate corporate governance			
	2-12 Role of the highest governance body in overseeing the management of impacts	3.1 ESG and climate corporate governance			
	2-13 Delegation of responsibility for managing impacts	3.1 ESG and climate corporate governance			
	2-14 Role of the highest governance body in sustainability reporting	3.1 ESG and climate corporate governance			
	2-15 Conflicts of interest	3.2 Ethics and compliance 3.3. Whistleblowing system			
	2-16 Communication of critical concerns	3.1 ESG and climate corporate governance			
	2-17 Collective knowledge of the highest governance body	3.1 ESG and climate corporate governance			
	2-18 Evaluation of the performance of the highest governance body	3.1 ESG and climate corporate governance			
	2-19 Remuneration policies	3.1 ESG and climate corporate governance.			
	2-20 Process to determine remuneration	3.1 ESG and climate corporate governance.			
	2-21 Annual total compensation ratio		Yes	Confidentiality constraints - Allegro does not disclose this information.	
	2-22 Statement on sustainable development strategy	1.1. Opening letter 2.1. ESG Strategy			
	2-23 Policy commitments	3.2 Ethics and compliance			
	2-24 Embedding policy commitments	3.2 Ethics and compliance			

GRI standard/other source	GRI disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
	2-25 Processes to remediate negative impacts	3.2 Ethics and compliance 3.3 Whistleblowing system			
	2-26 Mechanisms for seeking advice and raising concerns	3.3 Whistleblowing system			
	2-27 Compliance with laws and regulations	3.7. Cybersecurity, privacy and data protection 4.1 Equal opportunities			
	2-28 Membership associations	1.4. Value chain			
	2-29 Approach to stakeholder engagement	1.4 Value chain			
	2-30 Collective bargaining agreements	4.2. Working conditions and well-being			
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	7. About the report			
	3-2 List of material topics	7. About the report			
Anti-corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	3.2 Ethics and compliance 3.3 Whistleblowing system			
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	3.3 Whistleblowing system			
Tax					
GRI 3: Material Topics 2021	3-3 Management of material topics	3.6 Tax strategy			
GRI 207: Tax 2019	207-1 Approach to tax	3.6 Tax strategy			

GRI standard/other source	GRI disclosure	Location	Omission		
			Requirment(s) omitted	Reason	Explanation
Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	5.1. Packaging			
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	3.5 ESG and Climate risk management 5.2. Climate change			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	5.2. Climate change			
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	3.5 ESG and Climate risk management 5.2. Climate change			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	5.2. Climate change			
	305-2 Energy indirect (Scope 2) GHG emissions	5.2. Climate change			
	305-3 Other indirect (Scope 3) GHG emissions	5.2. Climate change			
	305-4 GHG emissions intensity	5.2. Climate change			
Packaging / Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	5.1. Packaging			
	301-1Materials used by weight or volume	5.1. Packaging			

Supplier environmental assessment

GRI standard/other source

GRI disclosure

Location

Omission

Requirment(s) omitted

Reason

Explanation

	306-2 Management of significant waste related impacts	5.1. Packaging			
GRI 3: Material Topics 2021	3-3 Management of material topics	3.4. Suppliers' Code of Conduct			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	3.4. Suppliers' Code of Conduct			

Occupational health and safety

GRI 3: Material Topics 2021	3-3 Management of material topics	4.2. Working conditions and well-being			
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	4.2. Working conditions and well-being			

Training and education

GRI 3: Material Topics 2021	3-3 Management of material topics	4.1. Equal opportunities			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	4.1. Equal opportunities	Ceneo and foreign compaignies.	The were no system for monitoring trainings outside Poland.	
	404-3 Percentage of employees receiving regular performance and career development reviews	4.1. Equal opportunities	Foreign compaignies.	The were no system for monitoring employee performance outside Poland.	

Diversity and equal opportunity

GRI 3: Material Topics 2021	3-3 Management of material topics	4.1. Equal opportunities			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	4.1. Equal opportunities			

Non-discrimination

GRI standard/other source

GRI disclosure

Location

Omission

Requirment(s) omitted

Reason

Explanation

GRI 3: Material Topics 2021

3-3 Management of material topics

3.2 Ethics and compliance;
3.3 Whistleblowing system
4.1. Equal opportunities

GRI 406: Non-discrimination 2016

406-1 Incidents of discrimination and corrective actions taken

3.3 Whistleblowing system

Supplier social assessment

GRI 3: Material Topics 2021

3-3 Management of material topics

3.4. Suppliers' Code of Conduct

GRI 414: Supplier Social Assessment 2016

414-1 New suppliers that were screened using social criteria

3.4. Suppliers' Code of Conduct

Customer privacy

GRI 3: Material Topics 2021

3-3 Management of material topics

3.7. Cybersecurity, privacy and data protection

GRI 418: Customer Privacy 2016

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

3.7. Cybersecurity, privacy and data protection

Well-being

GRI 3: Material Topics 2021

3-3 Management of material topics

4.2. Working conditions and well-being

Own disclosure 1 Descriptions of programmes focused on wellbeing

4.2. Working conditions and well-being

Charity

Own disclosure 2

4.3. Charity and community initiatives

Accessibility

Own disclosure 3

4.4. Accesibility of services and products

Sustainable logistic

Own disclosure 4

5.3. Sustainable logistics

Non-discrimination			
GRI standard/other source	GRI disclosure	Location	Omission
			Requirement(s) omitted
Sustainable and safe products			
	Own disclosure 5	5.4. Sustainable and safe products	
Merchants			
GRI 3: Material Topics 2021	3-3 Management of material topics	6.1. Merchants	
	Own disclosure 6 Number of merchants	6.1. Merchants	
Digitalization			
GRI 3: Material Topics 2021	3-3 Management of material topics	6.2. Digitalization	
	Own disclosure 7 Description of digital solutions introduced developed with newest technologies	6.2. Digitalization	

8.2 ESRS content index

ESRS	ESRS Disclosure requirement	TCFD Disclosure requirement	Location	Scope of disclosure	Comment
ESRS 2	BP-1 – General basis for preparation of sustainability statements		7. About the report	Complete	
	BP-2 – Disclosures in relation to specific circumstances		7. About the report	Complete	
	GOV-1 – The role of the administrative, management and supervisory bodies	1. Governance Disclosure a) Disclosure b)	3.1. ESG and climate corporate governance	Complete	
	GOV-2 – Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	1. Governance Disclosure a) Disclosure b)	3.1. ESG and climate corporate governance	Complete	

ESRS	ESRS Disclosure requirement	TCFD Disclosure requirement	Location	Scope of disclosure	Comment
	GOV-3 – Integration of sustainability-related performance in incentive schemes	4. Metrics and targets Disclosure a)		Not disclosed	
	GOV-4 – Statement on due diligence		1.4 . Value chain 3.2. Ethics and compliance 3.4. Suppliers code of conduct	Partially	
	GOV-5 – Risk management and internal controls over sustainability reporting	3. Risk management Disclosure c)	3.1. ESG and climate corporate management 3.5. ESG and climate risk management	Partially	
	SBM-1 – Strategy, business model and value chain	2. Strategy Disclosure b)	3.1. ESG and climate corporate governance 3.5. ESG and climate risk management	Partially	
	SBM-2 – Interests and views of stakeholders		1.3. Business Model 1.4. Value chain 3.1. ESG and climate corporate governance	Complete	
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	2. Strategy Disclosure a) Disclosure b) Disclosure c)	2.1. ESG Strategy 3.5. ESG and Climate risk management 7. About the report	Partially	
	IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	2. Strategy Disclosure a) Disclosure b) Disclosure c) 3. Risk management Disclosure a) Disclosure b)	3.1. ESG and climate corporate governance 3.5. ESG and climate risk management 7. About the report	Complete	
	IRO-2 – Disclosure requirements in ESRS covered by the undertaking’s sustainability statement		3.1. ESG and climate corporate governance 7. About the report	Partially	
Environmental					
ESRS E1 - Climate Change	ESRS E1-1 – Transition plan for climate change mitigation		5.2. Climate change	Partially	

ESRS	ESRS Disclosure requirement	TCFD Disclosure requirement	Location	Scope of disclosure	Comment
	ESRS E1-2 – Policies related to climate change mitigation and adaptation	2. Strategy Disclosure b) 3. Risk management Disclosure a) Disclosure c)	3.5. ESG and Climate risk management 5.2. Climate change	Complete	
	ESRS E1-3 – Actions and resources in relation to climate change policies	2. Strategy Disclosure b) 3. Risk management Disclosure a) 4. Metrics and targets Disclosure a)	3.5. ESG and climate risk management 5.2. Climate change	Partially	
	ESRS E1-4 – Targets related to climate change mitigation and adaptation	2. Strategy Disclosure b) 3. Risk management Disclosure a) Disclosure c) 4 Metrics and targets Disclosure c)	3.5 ESG and climate risk management 5.2. Climate change	Complete	
	ESRS E1-5 – Energy consumption and mix		5.2. Climate change	Complete	
	ESRS E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	4. Metrics and targets Disclosure a) Disclosure b)	5.2. Climate change	Complete	
	ESRS E1-7 – GHG removals and GHG mitigation projects financed through carbon credits		5.2. Climate change	Complete	
	ESRS E1-8 – Internal carbon pricing	4. Metrics and targets Disclosure a)	5.2. Climate change	Complete	

ESRS	ESRS Disclosure requirement	TCFD Disclosure requirement	Location	Scope of disclosure	Comment
	ESRS E1-9 – Potential financial effects from material physical and transition risks and potential climate-related opportunities	2. Strategy Disclosure b) 4. Metrics and targets Disclosure a)	3.5 ESG and climate risk management	Partially	
ESRS E2 - Pollution	ESRS E2-1 – Policies related to pollution			Non material aspect	
	ESRS E2-2 – Actions and resources related to pollution			Non material aspect	
	ESRS E2-3 – Targets related to pollution			Non material aspect	
	ESRS E2-4 – Pollution of air, water and soil			Non material aspect	
	ESRS E2-5 – Substances of concern and substances of very high concern			Non material aspect	
	ESRS E2-6 – Potential financial effects from pollution-related impacts, risks and opportunities			Non material aspect	
ESRS E3 Water and marine resources	ESRS E3-1 – Policies related to water and marine resources			Non material aspect	
	ESRS E3-2 – Actions and resources related to water and marine resources			Non material aspect	
	ESRS E3-3 – Targets related to water and marine resources			Non material aspect	
	ESRS E3-4 – Water consumption			Non material aspect	
	ESRS E3-5 – Anticipated financial effects from material water and marine resources-related risks and opportunities			Non material aspect	
ESRS E4 - Biodiversity and Ecosystems	ESRS E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model			Non material aspect	
	ESRS E4-2 – Policies related to biodiversity and ecosystems			Non material aspect	
	ESRS E4-3 – Actions and resources related to biodiversity and ecosystems			Non material aspect	
	ESRS E4-4 – Targets related to biodiversity and ecosystems			Non material aspect	

ESRS	ESRS Disclosure requirement	TCFD Disclosure requirement	Location	Scope of disclosure	Comment
	ESRS E4-5 – Impact metrics related to biodiversity and ecosystems change			Non material aspect	
	ESRS E4-6 – Anticipated financial effects from material biodiversity and ecosystem-related risks and opportunities			Non material aspect	
ESRS E5 - Resource use and circular economy	ESRS E5-1 – Policies related to resource use and circular economy			Not disclosed	
	ESRS E5-2 – Actions and resources related to resource use and circular economy		5.1. Packaging	Complete	
	ESRS E5-3 – Targets related to resource use and circular economy		5.1. Packaging	Complete	
	ESRS E5-4 – Resource inflows		5.1. Packaging	Partially	
	ESRS E5-5 – Resource outflows		5.1 Packaging 5.4 Sustainable and safe products	Complete	
	ESRS E5-6 – Potential financial effects from resource use and circular economy-related impacts, risks and opportunities			Not disclosed	
Social					
ESRS S1 - Own workforce	ESRS S1-1 – Policies related to own workforce		4.1. Equal opportunities	Complete	
	ESRS S1-2 – Processes for engaging with own workers and workers’ representatives about impacts		3.3 Whistleblowing system 3.7 Cybersecurity, privacy and data protection 4.1. Equal opportunities	Complete	
	ESRS S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns		3.3.Whistleblowing system	Complete	
	ESRS S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions		3.3. Whistleblowing system 4.2. Working conditions and well-being	Complete	

ESRS	ESRS Disclosure requirement	TCFD Disclosure requirement	Location	Scope of disclosure	Comment
	ESRS S1-5 – Targets related to managing material negative impacts,advancing positive impacts, and managing material risks and opportunities		4.2. Working conditions and well-being	Complete	
	ESRS S1-6 – Characteristics of the undertaking’s employees		4.1. Equal opportunities	Complete	
	ESRS S1-7 – Characteristics of non-employees in the undertaking’s own workforce		4.1. Equal opportunities 4.2 Working conditions and well-being	Complete	
	ESRS S1-8 – Collective bargaining coverage and social dialogue		4.2. Working conditions and well-bein	Complete	
	ESRS S1-9 Diversity metrics		4.1 Equal opportunities	Complete	
	ESRS S1-10 – Adequate wages		4.2 Working conditions and well-being	Partially	
	ESRS S1-11 – Social protection		4.2. Working conditions and well-being	Partially	
	ESRS S1-12– Persons with disabilities		4.1. Equal opportunities	Complete	
	ESRS S1-13 – Training and skills development metrics		4.1. Equal opportunities	Complete	
	ESRS S1-14 – Health and safety metrics		4.2. Working conditions and well-being	Complete	
	ESRS S1-15 – Work-life balance metrics		4.1. Equal opportunities	Complete	
	ESRS S1-16 – Remuneration metrics (pay gap and total remuneration)		4.1. Equal opportunities	Complete	
	ESRS S1-17 – Incidents, complaints and severe human rights impacts		4.1. Equal opportunities	Complete	
ESRS S2 - Workers in the value chain	ESRS S2-1 – Policies related to value chain workers			Non material aspect	
	ESRS S2-2 – Processes for engaging with value chain workers aboutimpacts			Non material aspect	
	ESRS S2-3 – Processes to remediate negative impacts and channels forvalue chain workers to raise concerns			Non material aspect	

ESRS	ESRS Disclosure requirement	TCFD Disclosure requirement	Location	Scope of disclosure	Comment
	ESRS S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions			Non material aspect	
ESRS S3 - Affected Communities	ESRS S3-1 – Policies related to affected communities			Non material aspect	
	ESRS S3-2 – Processes for engaging with affected communities about impacts			Non material aspect	
	ESRS S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns			Non material aspect	
	ESRS.S3-4 – Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions			Non material aspect	
	ESRS S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities			Non material aspect	
ESRS S4 - Consumers and end-users	ESRS S4-1 – Policies related to consumers and end-users		3.2 Ethics and compliance 3.7. Cybersecurity, privacy and data protection 5.4. Sustainable and safe products 6.1. Merchants	Partially	
	ESRS S4-2 – Processes for engaging with consumers and end-users about impacts		3.7. Cybersecurity, privacy and data protection 6.1. Merchants	Complete	
	ESRS S4-3 – Channels for consumers and end-users to raise concerns		1.4. Value chain	Complete	
	ESRS S4-4 – Taking action on material impacts on consumers and end-users and effectiveness of those actions		3.7. Cybersecurity, privacy and data protection 5.4 Sustainable and safe products	Complete	
	ESRS S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		3.7. Cybersecurity, privacy and data protection 5.1 Packaging	Partially	

ESRS	ESRS Disclosure requirement	TCFD Disclosure requirement	Location	Scope of disclosure	Comment
	ESRS S4-6 – Approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users		3.7. Cybersecurity, privacy and data protection	Partially	
Governance					
ESRS G1 -Business conduct	ESRS G1-1– Corporate culture and business conduct policies		1.3. Business Model 3.2 Ethics and compliance	Complete	
	ESRS G1-2 – Management of relationships with suppliers		3.4. Suppliers’ Code of Conduct	Partially	
	ESRS G1-3 – Prevention and detection of corruption or bribery		3.2 Ethics and compliance	Complete	
	ESRS G1-4 – Confirmed incidents of corruption or bribery		3.2 Ethics and compliance	Complete	
	ESRS G1-5 – Political influence and lobbying activities		4.3. Charity and community initiative	Partially	
	ESRS G1-6 – Payment practices		3.4. Suppliers’ Code of Conduct	Partially	

The photos published in the report come from photo sessions with our employees in our offices and warehouses as well as during remote work in their houses. Many people from the individual teams and the managers were involved in the works on the report.

It is impossible to list them all – THANK YOU to everyone involved! We really appreciate your input and commitment to disclose all ESG data and our comprehensive approach to sustainability.



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