

Climate and Environment Policy

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1. Introduction

The Allegro Group is committed to protecting the environment, including preventing pollution and combating climate change. To this end, it actively engages in initiatives and activities aimed at broad education and promoting the role of business in the process of climate change mitigation, and it sets the directions for developing the policy of adapting to climate change.

The Allegro Group is committed to making its operations more environmentally friendly in a transparent, responsible and sustainable manner. The Allegro Group's ambition is to continuously reduce our negative impact on the environment, in particular by reducing direct and indirect carbon footprint emissions¹ (Scope 1&2). Allegro Group introduced solutions limiting Scope 3 emissions, including measures to reduce the negative environmental impact that extend to Business Partners, as well as climate education and support in developing emission reduction targets for suppliers and business partners.

Allegro Group has set environmental goals that are included in the ESG Strategy approved by the Board.

Bearing in mind the Paris Agreement², which serves to coordinate global actions to limit climate change, effectively leading to reducing the global temperature increase to under 1.5°C, in 2022 Allegro targets were validated and approved by the global prestigious Science-Based Target initiative (SBTi)³.

As a member of the UN Global Compact, Allegro declares compliance with the Ten Principles of the UN Global Compact - <https://www.unglobalcompact.org/what-is-gc/mission/principles> and is involved in meeting Sustainable Development Goals (SDGs, <https://sdgs.un.org/goals>), while also taking action in

¹ The carbon footprint is the total volume of greenhouse gas (GHG) emissions released directly or indirectly by an organisation. The greenhouse gases taken into account in the calculations are carbon dioxide CO₂, methane CH₄, nitrous oxide N₂O and many other greenhouse gases, mainly refrigerants used in air conditioners. The carbon footprint is calculated in three scopes (1, 2, and 3), which reflect the scale of the impact. 1 greenhouse gas emissions.

² Paris Agreement – referred to as the Paris Accords or the Paris Climate Accords. It was adopted at the Paris Climate Change Conference (COP21) in December 2015 and is the first universal and legally binding climate agreement. Nearly 190 countries are signatories to the Paris Agreement, including the European Union and its member states.

³ SBTi – Science Based Targets initiative are greenhouse gas emission reduction targets that are in line with the decarbonisation levels required to meet the Paris Agreement goals, i.e., limiting global warming to to 1.5°C.

connection with implementing the OECD Guidelines for Multinational Enterprises (OECD Guidelines, <https://mneguidelines.oecd.org/mneguidelines/>).

2. Scope of the Policy

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

3. Principles of Climate and Environment policy

The Allegro Group has adopted a comprehensive and structured approach towards sustainability, meticulously implementing a three-tiered hierarchy to minimise environmental footprint.



The first tier, termed ‘Emission Avoidance’, emphasises preventing emissions through strategic innovation and increased energy efficiency. Following this, the ‘Emission Reduction’ tier focuses on optimising operational processes,

adopting green energy solutions, and enhancing overall operational efficiency. The final tier, ‘Emissions Compensation,’ involves a proactive approach to offsetting. It’s imperative to emphasise that purchased offsets will be of the highest quality, sourced from credible and verified projects. Offsetting unavoidable emissions is a last resort and will be applied in accordance with the guidelines of the Science Based Targets initiative.

4. Climate and Environment policy assumptions

The Allegro Group’s efforts focus on five pillars including logistics, low emission deliveries, renewable energy, the circular economy and education.

Principle	Explanation
Green energy	Ensure of energy comes from renewable sources, among all by sourcing green energy under Power Purchase Agreement (PPA) or through guarantees of origin (GO);
Energy effectiveness	Testing and implementing the energy effectiveness projects;
Low emission deliveries	Reducing emissions related to shipping orders through implementing deliveries to automated parcel machines;
Low carbon logistics	Testing and developing low-emission logistics reducing environmental footprint;

Circular economy	Introducing a circular economy models, sustainable packaging and policies;
Education in value chain	Offering climate education to stakeholders, including customers, business partners and merchants, in particular education and improvement of competence of the Allegro Group's employees related to climate and the environment.

The Allegro Group periodically maps climate and environmental opportunities and risks as well as timing scenarios in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The process of identifying, evaluating and managing climate risks is part of the double materiality assessment and the overall risk management process in the Group.

The Allegro Group monitors and manages its environmental impact in particular carbon footprint as per an international standard for calculating the carbon footprint GHG Protocol A Corporate Accounting and Reporting Standard in Scope 1, 2 and 3.

5. Policy monitoring and review

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

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

All employees and contractors are responsible for implementing and applying the Climate and Environment Policy, overseeing its integration into our operations, and ensuring that our practices remain at the forefront of sustainability standards.

In the event of a breach of this policy, immediate corrective actions will be taken to address the violation. If an Employee or any other obligated person experiences or becomes aware of anything that violates the provisions of this Policy, they should immediately report this pursuant to the Whistleblowing Procedure. Any irregularities will follow the established non-compliance procedure and will be directed to the appropriate person if necessary. Furthermore, the findings and actions taken will be reported to the CEO, ensuring transparency and accountability.

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