

allegro

Economic Impact Report

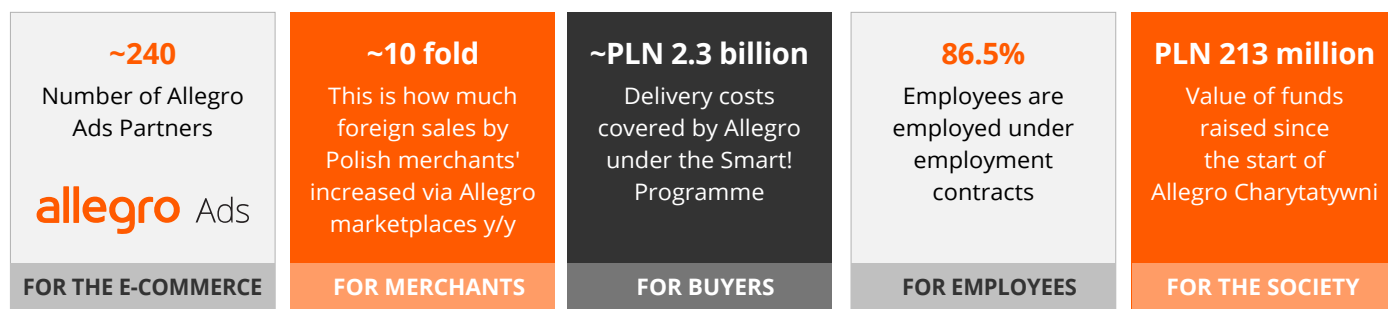


Contents

01. Introduction	04
02. Strength of Allegro as a brand, organisation, and platform	11
03. Allegro for the economy	17
04. Allegro for the e-commerce market and business environment	31
05. Allegro for merchants	44
06. Allegro for buyers	51
07. Allegro for employees	57
08. Allegro for the society	69
09. Allegro for our planet	81
10. Allegro for the future	88
Methodical annex and reservations and limitations	91

Allegro - flywheel of the Polish economy

Allegro's estimated impact on the Polish economy in 2023:



Introduction



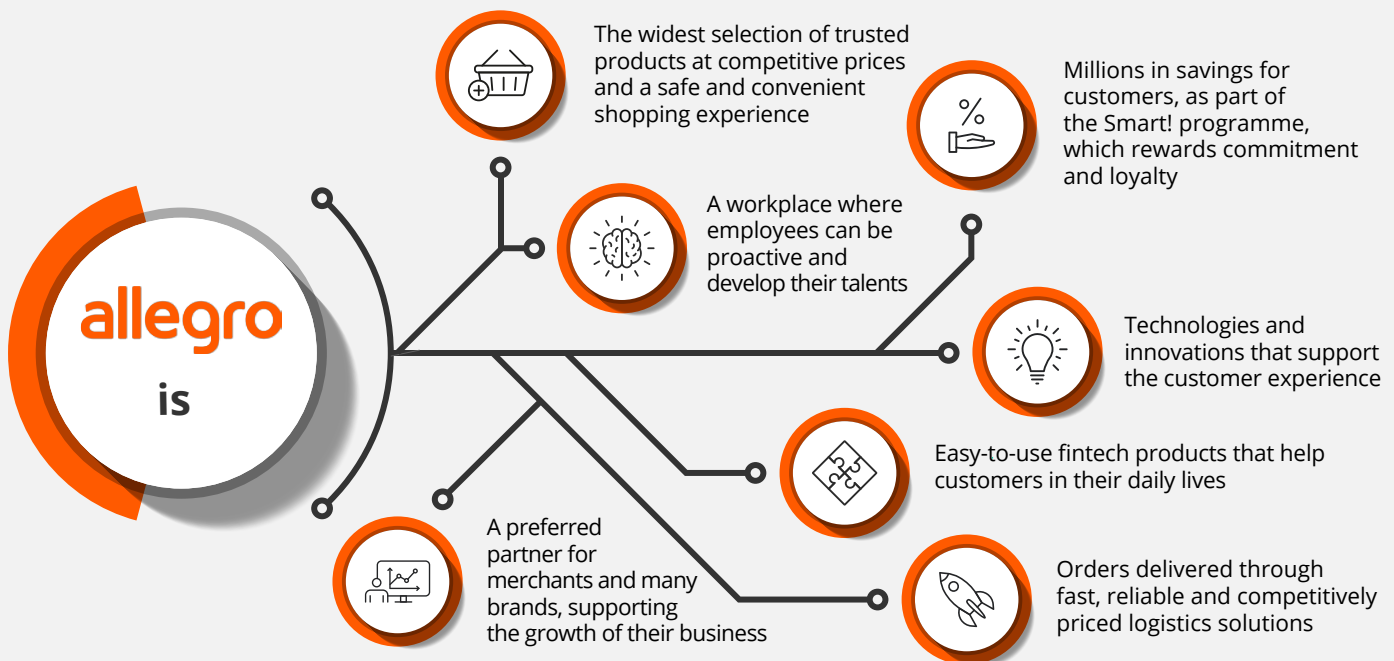
About Allegro

Allegro is the most popular shopping platform in Poland and one of the biggest e-commerce companies in Europe⁰¹. Allegro wants to be Europe's favourite online shopping destination, while creating entrepreneurial and business opportunities for companies selling on the platform.

Allegro is currently celebrating its 25th anniversary on the Polish market, which is a great opportunity for a comprehensive presentation of where it is. **The aim of the report is therefore to comprehensively present and summarise the company's impact on the Polish economy,** both from the perspective of economic values, as well as the adopted business model and initiatives implemented over the past year.

The economic perspective of Allegro's impact is the added value generated in the Polish economy, jobs, salaries and state budget revenues. The broader context, on the other hand, includes the impact on the e-commerce market and business environment, merchants, buyers, employees, society and the planet.

In other words, it can be said that the vision **Allegro is pursuing affects the daily lives of millions of Poles** and, more recently, also citizens of other Central and Eastern European countries. This is a result of Allegro's aspiration to become the most popular online shopping destination in Europe.



Allegro as a platform connects shops, brands and professional merchants with millions of buyers. According to an international ranking by YouGov, **Allegro is the strongest and most recommended brand in Poland⁰².**

Allegro is an online trading platform founded in Poland, which is now operating internationally. Micro, small and medium-sized entrepreneurs, as well as large and well-recognised brands use it to sell their products. A part of the platform, called Allegro Lokalnie, is designed for occasional or second-hand sales by users.

The platform is owned and operated by the Polish company Allegro Sp. z o.o., which is part of the Allegro.eu S.A. capital group based in Luxembourg. Since 2020, shares of Allegro.eu S.A. have been listed on the Warsaw Stock Exchange. Allegro.eu debuted on the Warsaw Stock Exchange in the largest IPO in the history of the WSE and is part of the WIG20 index, which groups the largest and most liquid companies on the exchange.

Allegro has launched a localised platform in the domains allegro.cz and allegro.sk in the Czech Republic and Slovakia respectively, giving consumers there the widest access to goods on the market, and opening up new export opportunities and markets for Polish merchants.

01 Source: SimilarWeb

02 Source: Best Brand Rankings 2021 Poland (yougov.com)

Polish Operations

Allegro

Allegro Pay

Ceneo

eBilet Polska

Allegro Finance

Opennet.pl

SCB Warszawa

The Allegro logo is centered in a white circle with an orange border. The word "allegro" is written in a lowercase, orange, sans-serif font.

International Operations

Mall

Allegro International

Allegro Group offers consumer finance services (Allegro Pay service), which makes it possible to postpone payments for purchases or split them into instalments, **the loyalty programme Smart!**, which provides its subscribers with, among other things, unlimited and free deliveries of goods purchased on the platform and the possibility of returning the goods to the merchant free of charge, as well as comprehensive logistics solutions, including storage space for merchants or a network of parcel machines under its own brand.

Allegro is not only a shopping platform, but also one of the **leading tools on the Polish market for organising fund-raising events**. Part of the service is the Allegro Charytatywni platform, where users can list their charities and registered organisations can collect special donations.

For almost a quarter of a century Allegro has measurably contributed to shaping the Polish e-commerce market, supported Polish entrepreneurs in their development and expansion, spread technological education, while at the same time being a workplace for thousands of Polish women and men. This Report summarises Allegro's impact on the Polish economy.

We invite you to read the Report!



Key findings of the Impact Report

This Report presents a **summary of the impact generated by Allegro's activities in Poland from various perspectives.**

The economic impact of the platform's activities on the Polish economy in 2023 has been calculated, as well as the impact the organisation has on the development of the market, on which it operates, on the industries in its business environment, on merchants and buyers, on employees and society, as well as the planet.

Allegro's impact on the Polish economy

As part of its operations in Poland, the Allegro Group has 6 companies, employing more than 4,000 people and contributing billions of dollars in expenditure to the Polish economy every year. **There are almost 150,000 merchants on the platform, who offer their goods to more than 14.6 million active buyers.** In order to make this activity possible, merchants have to buy goods, hire employees, pay their salaries and incur other operating costs. The products sold through the platform, in turn, need to be delivered to customers, which generates additional demand for courier services. Other entities in the industry, by fulfilling orders, also provide jobs and, similarly, incur operating costs are transferred to further businesses in the economy.

The description above illustrates the scale and complexity of Allegro's impact on the Polish economy. In order to comprehensively assess the benefits of the platform for the Polish economy, **the analysis was performed on three levels:**

Impact of the activities of companies forming Allegro's operations in Poland

Impact of merchants' activities

Impact of delivery service providers' activities

Allegro's impact on the Polish economy was estimated using Allegro data, data from the Statistics Poland (GUS) and publicly available financial data from selected entities operating in the Polish economy.

To estimate the impact on the Polish economy, the Leontief model (also known as the input-output model) was used, allowing the indirect and induced levels to be calculated.

Estimated overall impact of Allegro on the Polish economy in 2023:



Over PLN 26 billion of gross value added

- this is about 1% of the total gross value added generated in the Polish economy in 2023



About PLN 8 billion in wages and salaries paid

- a similar value as 216 kilometres of roads commissioned by the General Directorate for National Roads and Motorways (GDDKiA) in 2023



Around 140 thousand employees involved

- this is almost 1% of the total number of employees in the national economy in Poland



When analysing the impact of Allegro's operation on the Polish economy, it is also essential to consider another important element, namely taxes and fees. Last year alone, Allegro Group companies in Poland paid more than PLN 111 million in the form of PIT prepayments, more than PLN 383 million in CIT and approximately PLN 250 million in contributions to the Social Insurance Institution (ZUS).

It is also noteworthy that the estimated output VAT associated with sales on the platform was approximately PLN 8.2 billion in 2023.



Allegro also incurs a significant amount of investment that goes into the Polish economy. In 2023 alone, Allegro covered the costs of Smart! deliveries, the value of which exceeded PLN 2.3 billion net.

Over the last 4 years, services with a total net value of PLN 6.8 billion were provided under the programme!



An important element that should be mentioned when considering the impact of the platform is also the impact on entrepreneurship. Allegro is a place where small and micro-enterprises can start operating and thrive. The platform offers retailers access to a customer base unique in its scale, as well as tools and data to increase sales.



When considering Allegro's impact, particular attention should be paid to its activity in support of international sales. Thanks to Allegro's consistent efforts, Polish merchants' foreign market sales are increasing year on year. Over the last year, Polish merchants were particularly able to increase sales to the Czech market via access to the Allegro.cz platform.

Allegro's influence on the e-commerce market and business environment

Through its operations Allegro directly influences the shaping of the e-commerce market, being the most popular online shopping portal in Poland.

Allegro stimulates the development of the entire industry, not only through the sheer scale of its operations, which in 2023 amounted to 1.15 billion items sold on the Polish platform, but also through numerous initiatives aimed at sharing knowledge and spreading best practices. Allegro also actively cooperates with governmental and European institutions

and numerous industry organisations in their efforts aimed at shaping the digital industry and acting in the interests of consumers, merchants and society as a whole.

Allegro does not limit its role to brokering and matching merchants with buyers, but **also facilitates the entire online sales process for its customers** by first and foremost offering advertising and logistics. It is in developing these industries that Allegro plays an important role through its many partnerships, the technologies it uses, as well as constant innovation.



Allegro's impact on the development of merchants

Allegro plays a key role in enabling primarily small and medium-sized entrepreneurs to achieve significant success in the Polish and European markets. With access **to nearly 20 million active buyers in the region**, advanced technology and business education support, Allegro is becoming not only a place to sell, but also a **business development centre for nearly 150,000 merchants.**

Allegro's impact on buyers

Allegro's goal is to provide buyers with **the widest range of offers at the best prices, as well as maximum shopping convenience.** By continuously introducing customer amenities, the platform constantly expands its active user base, which contributes to its success in the e-commerce industry. **Thanks to continuous growth over the past few years, at the end of 2023 Allegro had 14.6 million active buyers in Poland.** Such growth demonstrates the increasing trust and satisfaction of consumers with the services provided by Allegro.

Allegro's influence on employee development

More than 70% of the Allegro Group's staff are employed in Poland, and have a direct impact on the shape of the platform, as it is locally that all technology products for Allegro are created. Allegro's organisational culture, based on innovation and efficiency, supports development and investment in human capital. Wanting to ensure employees' sense of security and comfort, the organisation offers, in addition to broad development opportunities, also stable employment, competitive salaries and a range of benefits. Allegro also cares about

transparent and regular communication and places an emphasis on promoting equity, diversity and inclusion.

In 2023, Allegro was ranked **1st among best employers in the retail area and 18th overall in Poland**⁰³.

As one of the most technologically advanced companies in this part of Europe, Allegro is a forge of technological human resources, playing a key role in shaping digital competences and knowledge sharing in the Polish market.



Allegro's impact on society

Allegro uses the scale of its operations to the benefit of numerous social and charitable causes, being an active partner or organiser of many campaigns, both nationwide and local.

Using technology and its proprietary **Allegro Charytatywni tool**, Allegro promotes charity throughout the Polish society. Charitable activities are carried out throughout the organisation, with

the active involvement of employees, merchants and buyers, as well as business partners.

The support provided by Allegro takes many forms, from direct financial support, to providing tools and organisational facilities for collecting contributions, promoting and extending the reach of activities and campaigns, as well as providing subject matter related and physical support for the initiatives themselves.

Allegro's impact on the planet

Allegro's goal is to consistently reduce its carbon footprint, and **sustainability and commitment to caring for the planet are embedded in the organisation's business model**, which is why the company has undertaken several well thought through and conscious initiatives to this end, engaging in green transformation and supporting increased public awareness.

Allegro's pro-climate activities are focused on 5 pillars - renewable energy, low-carbon logistics and delivery, the circular economy and education across the value chain.

With its responsible approach and multifaceted activities, Allegro is driving environmentally friendly actions throughout its environment. As the shopping platform of choice for millions of active buyers, Allegro sets high pro-environmental standards in terms of packaging and delivery methods, thus shaping consumer habits.

Strength of Allegro

as a brand,
organisation,
and platform



The History of Allegro

The trading platform Allegro was established in 1999 in Poznań, founded by the local company Surf Stop Shop. The idea was conceived by the Dutchman Arjan Bakker, and the creator of the first software and the company's name was Tomasz Dudziak. The first press release announcing the launch of the service was published on December 13, 1999, in the computer magazine Chip, and this date is considered the official launch date of the platform. The company's first headquarters was a basement in a computer equipment warehouse run by the founders of the portal, and the first auction offered a USB camera.

Key Events in the History of Allegro

The first breakthrough moment in the platform's development occurred just a few months after its entry into the Polish market. The Polish platform caught the attention of a British investor, one of the key players in the European online auction market – the QXL Ricardo Group, which bought the portal in March 2000, keeping the founders in the company's management.

In April 2001, the millionth auction took place, offering a mobile phone. Throughout 2001, users auctioned items of value totalling PLN 97 million.

In 2004, Allegro launched the Buyer Protection Programme.

In 2006, the QXL Ricardo Group acquired, among others, the price comparison site Ceneo. At that time, Allegro already had 3 million users. At the same time, work was being carried out on changes to Allegro's appearance and functionality.

In 2010, the Allegro mobile app was launched, gaining great popularity – within two years, it was downloaded by a million people.

In October 2020, shares of Allegro.eu S.A. debuted on the Warsaw Stock Exchange. In the same year, the Group acquired a fintech startup (FinAI S.A.), which became the basis for the Allegro Pay service.

In 2022, Allegro acquired the Mall Group, a group of companies running one of the largest e-commerce platforms in Central and Eastern Europe, as well as WE|DO, a logistics company based in the Czech Republic. This transaction expanded Allegro's operations to six countries in Central and Eastern Europe.

In February 2024, Allegro launched the localised platform Allegro.sk in Slovakia.

By early 2002, there were 350,000 Allegro users. At this time, Allegro introduced **online payments**, known today as PayU.

At the turn of 2004 and 2005, Allegro entered **another phase in its development, becoming a sales platform for businesses.**



From its launch until 2008, Allegro was an auction platform facilitating trade between private individuals.

In 2008, the South African conglomerate Naspers became the owner of the QXL Ricardo Group and thus Allegro. During this time, Allegro launched a mobile version of the platform.

In 2009, professional business accounts were introduced on the platform.

In 2016, the number of transactions on Allegro reached nearly 14 million per month.



At the end of 2016, Allegro was acquired by three investment funds: Cinven, Permira, and Mid Europa Partners.

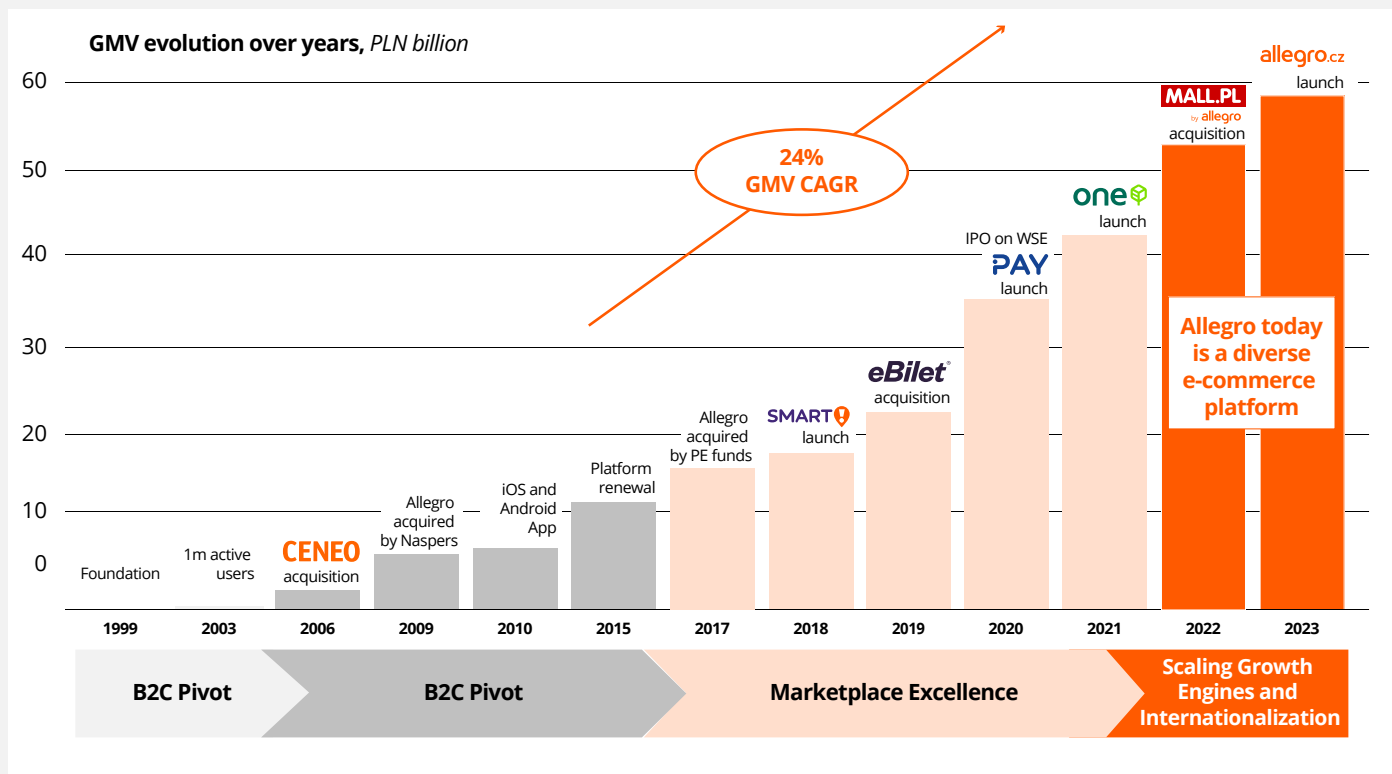
In 2018, one of the largest and most popular loyalty programmes in Poland, Allegro Smart!, was launched.

In June 2021, Allegro began developing its own network of parcel vending machines, One Box. In October of that year, Allegro acquired the courier company X-press Couriers, thus building the Allegro One brand that combines all last-mile services: One Fulfillment, One Box, and One Kurier.



In May 2023, Allegro launched the localised platform Allegro.cz in the Czech Republic.

25 years of Allegro development



Allegro as a native platform meeting the needs of Polish consumers and entrepreneurs

The Allegro platform emerged on the Polish Internet landscape at a time when the Internet was not as popular, ubiquitous, or accessible as it is today. Access to the network was relatively expensive for the average Pole, and the Internet did not offer high speeds. At that time, in the Polish context, the concept of an online trading platform was both niche and exclusive, as well as innovative. In the following years, the Internet and online commerce in Poland developed significantly, and alongside them, Allegro grew in strength. It was not only **the first such platform on the Polish market, but also a native one**. From the very beginning, Allegro set high standards in Polish e-commerce, both in terms of technology, by offering an intuitive and easy-to-use interface, and being a pioneer in online payments, as well as in user relations.

In 2004, Allegro introduced a Buyer Protection Programme on the platform, offering users protection for a large portion of transactions on the site. **These actions allowed Allegro to firmly establish itself in the consciousness of Polish online consumers as a reliable and safe platform.**

Starting from a place for selling single items between private individuals, Allegro, observing global trends and well-aware of the Polish realities, quickly responded to market needs by providing entrepreneurs with the opportunity for professionalised sales. Allegro's continually developed offerings for businesses include support and a range of tools, which are particularly beneficial for budding micro-enterprises that would find it much more challenging to start up using only their own solutions.

The range of products available on Allegro is exceptionally broad – customers can purchase both popular and essential products, as well as niche items that are unavailable in other stores. It is worth noting that prices on Allegro are often competitive⁰⁴ – as many as 9 out of 10 products on Allegro are cheaper than in other online places, which is significant for Polish consumers when choosing a store. Additionally, the platform provides the possibility of shopping and delivery to locations where access to shopping centres or chain stores is limited, such as in rural areas or smaller towns.

Allegro serves as a “store of unlimited possibilities”, where customers can find both unique, one-of-a-kind items unavailable elsewhere and stock up on everyday essentials.

04 <https://allegro.pl/pomoc/aktualnosci/gwarancja-najnizszej-ceny-w-internecie-u-nas-kupisz-najtaniej-albo-zwrocimy-ci-roznice-WwBARjPB7iO>

02. Strength of Allegro as a brand, organization, and platform

With the growth of e-commerce in the Polish market, competitive platforms to Allegro have started to emerge. **However, the native platform remains number one in the Polish e-commerce market with a base of 14.6 million active buyers in Poland and nearly 150,000 merchants**, including many recognisable brands.

Allegro has an international shareholder base but also Polish roots and identity. **As mentioned earlier, over 70% of the staff in the entire Allegro Group** work in Polish companies, responsible for building solutions and developing the brand and the entire organisation.

Allegro also chose the Warsaw Stock Exchange as the venue for its stock market debut. Allegro is one of the largest issuers on the Polish stock exchange and plays a significant role in increasing the liquidity and significance of the Polish capital market.

Allegro is also a company with a strong sense of social responsibility. **The organisation engages in charitable and social actions**, both nationwide, like WOŚP (The Great Orchestra of Christmas Charity) or Szlachetna Paczka (Noble Package), as well as smaller local ones. It is also not indifferent to global events, such as the pandemic or the war in Ukraine. **Leveraging its scale and extensive reach, Allegro organises charity drives, donates funds, and makes its resources available.** Being aware of its influence on shaping the online trade market, Allegro strives to foster environmentally friendly market practices and consumer behaviours.

From the moment of its launch, the platform has been driven by technology. And today, technology is advancing at a breakneck pace. Allegro is aware of its

importance both for its own growth and for society, small and medium-sized enterprises, and the Polish economy. Therefore, as one of the largest technology teams in the region, Allegro actively participates in technological education by promoting and disseminating knowledge in this field at conferences, as well as supporting educational initiatives of associations, industry organisations, and universities, both substantively and financially.

Sharing knowledge is embedded in the organisation's DNA, which is why it is not limited to just the field of technology. Merchants on Allegro will find a range of educational materials related to entrepreneurship, sales, and sustainable development. Allegro directs campaigns at buyers aimed at increasing awareness in areas such as eco-friendly packaging and upcycling. Allegro's campaigns also address important social issues—for example, the annual holiday campaigns, which aim to prompt reflection and draw attention to the needs of others, the passing of time, and relationships with loved ones.

The Allegro platform is a place where the needs and expectations of customers and merchants meet. As a member of associations, industry chambers, and business organisations, the Group regularly participates in public consultations on legislative projects in Poland and the EU, representing the interests of merchants, consumers, and European technology companies. The organisation maintains contact with government bodies, such as the Office of Competition and Consumer Protection, to support education and develop the best market standards. The Group also collaborates with public economic administration to improve the position of local entrepreneurs and ensure their full representation.



Allegro Today

Over nearly 25 years of development, Allegro has become an innovative platform connecting consumers, merchants, and business partners. **By the end of 2023, the platform had nearly 150,000 merchants, almost 20 million active buyers in the region, and over 500 million active listings.** As the most popular platform in Poland, Allegro acts as a magnet for both buyers and merchants, thereby generating a flywheel effect for online commerce. Allegro's mission is to facilitate online shopping and selling.

By providing access to innovative tools, modern technologies, knowledge, and experience, Allegro aims to be the preferred partner for online merchants. One of Allegro's priorities is the safety and convenience of its platform customers. The buyer protection programme, Allegro Protect, the loyalty programme Allegro Smart!, fast deliveries, and competitive prices are just some of the elements that contribute to the highest shopping standards on Allegro.





Allegro confirms its position in the e-commerce market as the first choice for consumers among shopping platforms. **Research shows that 73% of respondents instinctively identify Allegro as their primary source for online shopping, highlighting the brand's strong position with 86% overall recognition⁰⁵.** Additionally, an analysis by Euromonitor indicates that in 2023, Allegro held about 39% of the e-commerce market share in Poland.

Allegro's ambition is to become the favourite online shopping destination in Europe. The expansion of the Allegro brand into neighbouring markets also means broader horizons and greater opportunities for Polish merchants.

Allegro's current development activities in Poland are primarily focused on advertising, fintech, and logistics. These efforts aim at the long-term, sustainable growth of the e-commerce market and building a strong and lasting relationship with customers.

In Poland, Allegro is also a valued employer, employing specialists in areas such as Technology, Customer Experience, Commerce, Delivery Experience, and many others.

Moreover, for the past four years, Allegro has been consistently strengthening its presence on the Warsaw Stock Exchange (WSE), demonstrating its commitment to the highest standards of transparency and corporate ethics. **The debut on the WSE in 2020 not only marked a new stage in the Group's history, but also underscored its commitment to promoting the Polish capital market.**

A testament to the company's dedication to best practices is its exceptional compliance rate with the WSE's Best Practices for Listed Companies, reaching 92%. This level not only highlights the company's position as a leader, but also contributes to raising standards across the entire market. It serves as a benchmark for other issuers, inspiring them to adhere to principles of transparency and responsibility in business.

As an active member of the Association of Stock Exchange Issuers, Allegro continuously strives to optimise the conditions on the capital market in Poland. Participation in the Association is a crucial element of its strategy, aimed not only at strengthening the dialogue between issuers, but also at promoting initiatives that enhance market efficiency.

Given its role as one of the largest issuers on the GPW, Allegro plays a significant part in increasing liquidity and enhancing the attractiveness of the Polish capital market for both domestic and international investors. By focusing on building trust and ensuring open communication with investors, Allegro contributes to creating long-term value for its shareholders and supports the development of the capital market in Poland.

Allegro for the economy





Introduction

According to the works of classical economists, some of the key factors enabling countries to develop economically are freedom to trade and to set up and run businesses⁰⁶. The barriers limiting this freedom are many, ranging from unfavorable tax regulations, administrative difficulties, and excessively high transport costs to a lack of knowledge about the possibility of carrying out a beneficial commercial transaction. Since the early 2000s, thanks to the development of digital technologies, most notably the internet, there has been a worldwide revolution in the way commerce is conducted - e-commerce. **Shifting the sales process to a virtual space removes many of the barriers that previously hampered trade**, both on the part of the merchant (reducing the cost of reaching the customer, increasing the customer base) and the buyer (ability to make the optimal choice thanks to unlimited access to countless offers from many merchants). **The opportunities offered by e-commerce fuel entrepreneurship** - the ease of starting a business, the simplicity of selling and access to a huge customer base are driving more and more companies to sell through this channel. All of these elements together make e-commerce stimulate trade, which translates into significant benefits for the economy as a whole.

In 2010, e-commerce in Poland accounted for approximately 3% of all retail trade. In 2023, this share is already estimated at over 14.9%⁰⁷. At the forefront of the economic revolution

related to e-commerce in Poland, from the very beginning, was the Allegro platform. **The development of sales on Allegro, supported by improvements introduced to the platform in subsequent years, contributed to the growth of the entire Polish e-commerce market.** In 2001, through the platform, users auctioned items worth PLN 97 million. In 2023, the total gross merchandise value of transactions carried out on the platform exceeded PLN 54 billion and accounted for

Continuously reducing trade barriers, as well as giving entrepreneurs access to a large customer base and supporting their development, is Allegro's day-to-day activity that stimulates the growth of the Polish economy.

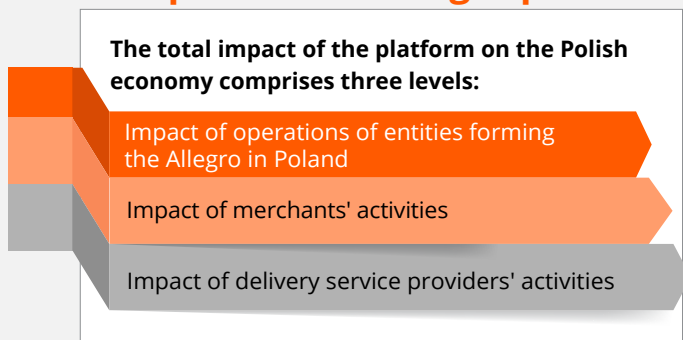
about 39% of the entire domestic e-commerce segment⁰⁸. The impact of the platform's operation on the Polish economy is complex and covers various aspects. Some of the economic benefits of Allegro's operations may be presented based on analyses, estimates and calculations made on the basis of financial data and studies by the statistics Poland office (GUS), among others. This chapter outlines the estimation method and highlights key elements of Allegro's impact on the Polish economy.

06 Adam Smith, Jean Baptiste-Say, David Ricardo

07 Euromonitor

08 Euromonitor

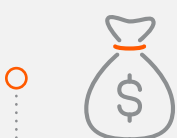
Total impact of the Allegro platform



A more detailed description of the approach to calculation and estimation, as well as the components of each level of impact, are presented in the next section and in the methodological appendix to the report.

A summary of the total impact of the platform on the Polish economy is presented below.

The estimated total impact resulting from Allegro's platform on the Polish economy is in 2023⁰⁹:



Over PLN 26 billion gross value added

- it is almost 1% of the total gross value added generated in the Polish economy in 2023
- it is about 0.85% of the total GDP generated in the Polish economy¹⁰
- this figure is enough to fund education for all primary school pupils in Poland¹¹



Around PLN 8 billion in wages and salaries paid¹²

- for a similar value, the GDDKiA commissioned the construction of roads with a total length of 216 km in 2023 in Poland



Around 140 thousand employees involved

- it is nearly 1% of the total number of employees in the national economy in Poland¹³
- it is more than the number of residents in Zielona Góra¹⁴

Beyond the estimated economic impact resulting from the platform, it is also important to note the significant investments that Allegro is undertaking. The largest investment in the last few years has been the loyalty programme Smart!.

Since 2020, a total logistic services costing more than PLN 6,8 billion net has been provided under the Smart! Programme. This amount equates to approximately 1% of the total revenue of the Polish state budget projected for 2024.

⁰⁹ Total economic impact of Allegro comprises three levels: operations of entities forming Allegro Polish Operations, operations of merchants made possible by sales on the platform and operations of delivery services providers related to orders which were the expense of the buyer

¹⁰ Statistics Poland: Gross domestic product in 2023 - preliminary estimate

¹¹ The financial standard A per pupil will be PLN 7866 in 2024. In the school year 2022/23, there will be 3.1 million pupils attending 14,100 primary schools for children and young people in Poland (Statistics Poland data). From the amount of PLN 26 billion, education for approximately 3,305,365 pupils could be financed, taking into account the new financial standard.

¹² Estimate of salaries generated from total Economic impact of Allegro, which comprises three levels: operations of entities forming Allegro Polish Operations, operations of merchants made possible by sales on the platform and operations of delivery services providers related to orders which were the expense of the buyer

¹³ Statistics Poland: Employed in the national economy in Poland in 2023

¹⁴ Statistics Poland: Area and population by territory in 2023



When analyzing the impact of Allegro's operations on the Polish economy, it is also important to consider the important matter of taxes and fees.



Taxes and fees paid by Allegro Group entities in Poland in 2023¹⁵:

- **Almost PLN 112 million** – total amount of personal income tax paid.
- **Around PLN 250 million** – total contributions paid to the Social Insurance Institution.
- **Over PLN 383 million** – total amount of corporate income tax paid.



Thanks to the continuous development of its platform, its exceptionally strong brand, and the unique size of its customer base in the region, Allegro is attracting new merchants year after year.

By 2023, nearly 150 000 merchants were already selling on the platform.

Allegro offers tools and shares knowledge with merchants to help them perform better and better.

In addition, the platform stimulates entrepreneurship with initiatives intended to make starting to sell on the platform simpler and also to help people start their own businesses.



Allegro supports Polish entrepreneurship

- **Over PLN 54.7 billion** - the value of merchants' revenue from sales conducted on Allegro in 2023.
- Businesses run in the form of sole proprietorship (JDG) account for 56% of total sales on the platform.
- Overseas sales of Polish merchants through Allegro marketplaces have increased almost 10-fold to reach **over PLN 585 million in 2023.**



15 The accounts presented in the subsection do not include entities: Allegro.eu S.A. and Allegro Treasury S.à r.l

Levels, types and dimensions - estimating Allegro's impact on the Polish economy

In 2023, 1.15 billion items were sold on the Polish platform. This figure is a good indication of the scale and complexity of Allegro's impact on the Polish economy. It should be noted that the steady increase in the number of items sold is supported by Allegro's solutions to improve the shopping experience on the platform, an example of which is Allegro Pay.

When analyzing Allegro's impact, we should not limit ourselves to the benefits associated with operations of entities forming Allegro Group in Poland (Polish Operations) alone. The existence of the platform enables nearly 150 000 entities to conduct sales, which employ thousands of staff and, in doing business, incur billions of dollars in expen-

diture, much of it to the national economy. In turn, the hundreds of millions of products sold through the platform must be delivered to customers, generating additional demand for courier services. By fulfilling orders, operators in this industry also provide thousands of jobs and, similarly, incur operating costs that are passed on to more businesses in the economy.

In order to comprehensively address the complex issue of estimating the benefits for the Polish economy resulting from the operations of the platform, the subject has been divided into three levels. These present the three key elements that together make up the overall impact of Allegro's platform activity. This division is shown in the diagram below.

Levels of influence of Allegro's platform on the Polish economy

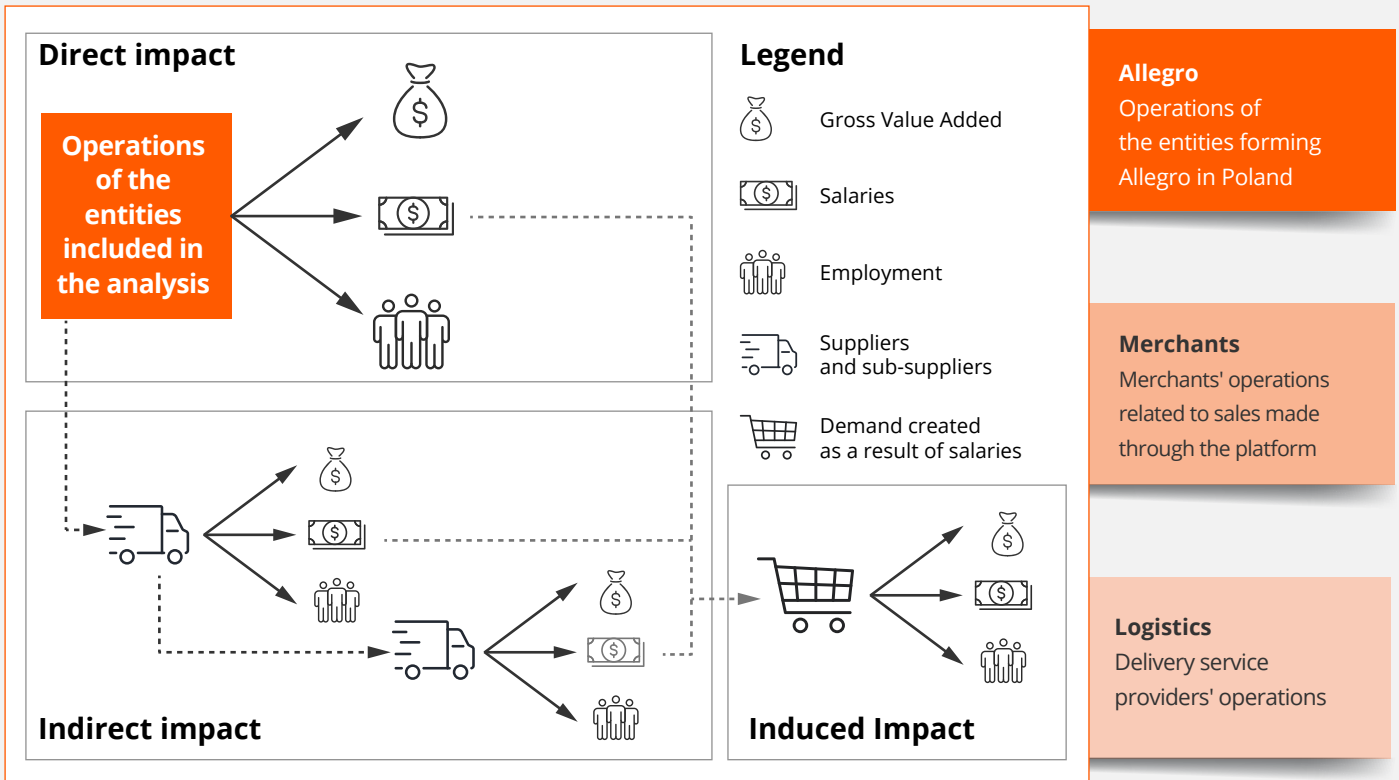


Application of the Input-Output model

At each of the three levels, the concept of the Input-Output model, also known as the Wassily Leontief model, was used to estimate the impact of operating expenditures that may have occurred due to the operation of the platform. Based on the relationships between the branches of the economy, the model allows for an analysis of the impact of increasing final output in selected branches on global output in the whole economy. In other words, it allows us to

determine the indirect impact, that is, the impact resulting from spending that was directed to suppliers, who then used the services of sub-suppliers, who in turn used the services of subsequent tiers of sub-suppliers. In addition, the model makes it possible to estimate the induced impact, which is a representation of the positive effect of consumer spending resulting from additional employees' wages. The concept described is illustrated in the diagram below.

Types and dimensions of impact in Input-Output model



The main dimensions through which the impact on the economy is shown are gross value added growth, gross salaries paid and employment.

Value-added growth is the increase in value that has occurred as a result of business activity. In simplest terms, it is the difference between the revenue from the sale of a product and the cost of producing it. For the purposes of this report Gross Value Added is defined as the sum of EBITDA and salaries paid. By identifying the value-added growth associated with

the activities of entities, we are able to show the impact of entities in the formation of GDP and, consequently, the impact on the creation of wealth in the economy as a whole.

An indicator of the impact of the activities of the entities included in the estimation, on the employment dimension, is the number of engaged employees. The value of salaries generated in the economy, resulting from the operation of the entities, is also covered by the estimation.

Impact of entities forming the Allegro operations in Poland

The direct impact of the entities that form Allegro's operations in Poland was based on financial data for 2023 and employment levels in Poland. Estimation with the Input-Output model was used to estimate the indirect and induced impact. It has been supplied with operational expenditures that have been directed to the Polish economy. In addition, information on salaries paid was used to supplement the induced impact with the impact generated by the additional consumption related to the salaries of employees of the entities forming Allegro's operations in Poland. A summary of the results of the estimates and calculations is presented below.

Estimated impact of operations of entities forming Allegro Group in Poland

	Gross Value Added [bn PLN]	Salaries [bn PLN]	Employment [thousand]
Direct impact	3.4	0.5	4.3
Indirect impact	3.1	0.9	12.9
Induced impact	0.9	0.3	5.1
Total impact	7.4	1.7	22.3

* Due to rounding, the total impact may differ slightly from the total in the column. Disclaimer: Economic impact estimation based on data provided by Allegro and data from the Statistics Poland office

Impact of merchants' operations related to sales made through the platform

The next analyzed level was the merchants' activities that were enabled, thanks to the sales made on the Allegro platform. To achieve a sale, the merchant had to purchase goods, incur operating costs, such as the cost of renting a warehouse, hire employees and pay their salaries. The results of these and similar activities are included in the estimation within the level discussed. The direct impact has been estimated using data from the Statistics Poland office, mainly a compilation of data from reports - by sections, divisions, groups and classes of PKD (NACE). In addition, the analysis was supported by the results of research carried out by Allegro, and data on transactions concluded on the platform. This made it possible to determine the value of direct impact dimensions and to estimate the level of merchants' operating expenditures (cost of goods purchased and other operating costs), which were transferred to the Polish economy. Using the Leontief model, indirect and induced impacts

were calculated based on the above estimates. A summary of the results of each type of impact of merchants' activities related to selling on Allegro is presented in the table below.

The estimated impact of merchants' operations related to sales on Allegro

	Gross Value Added [bn PLN]	Salaries [bn PLN]	Employment [thousand]
Direct impact	5.3	2.2	39.4
Indirect impact	9.3	2.9	54.1
Induced impact	3.2	0.9	17.9
Total impact	17.8	6.1	111.4

* Due to rounding, the total impact may differ slightly from the total in the column.
Disclaimer: Economic impact estimation based on data provided by Allegro and data from the Statistics Poland office

Impact of delivery service providers' operations related to the delivery of orders at customer expense

The last level that was considered in the analysis of the impact of the platform on the Polish economy is the impact of the activities of courier operators that took place as a result of orders from customers not participating in the Smart! Programme¹⁶. The direct impact at this level was estimated using data from the latest available financial statements of entities providing courier services on Allegro and data from the Statistics Poland office. To calculate the indirect and induced impact, the operating costs of the courier service providers were estimated, which corresponded to the level of revenue from orders fulfilled for customers purchasing products on Allegro (not participating in the Smart! Programme). In addition, similarly to the levels discussed above, the estimated value of salaries paid was used to estimate the induced impact. The table below summarizes the results of the estimates and calculations.

Estimated impact of delivery service providers' operations related to the delivery of orders at customer expense

	Gross Value Added [bn PLN]	Salaries [bn PLN]	Employment [thousand]
Direct impact	0.4	0.2	3.0
Indirect impact	0.6	0.2	2.7
Induced impact	0.2	0.1	1.2
Total impact	1.1	0.4	6.9

* Due to rounding, the total impact may differ slightly from the total in the column.
Disclaimer: Economic impact estimation based on data provided by Allegro and data from the Statistics Poland office

It should be noted that the impact of the courier operators' activities presented in the table above is due to the costs incurred directly by customers when making purchases. In other words, this impact arises as a result of deliveries being a direct cost to the customer.

What is worth mentioning is that almost 60% of the total value of operating costs of entities forming the Allegro Group in Poland also goes to the postal and courier services market (e.g. costs related to the Smart! Programme). If we take into account the total additional demand for logistics services, which occurred both due to direct spending by customers and due to spending by the Allegro Group entities in Poland, the impact on the Polish economy is significantly higher.

Estimated total impact of postal and courier service providers:



- Over PLN 3.4 billion gross value added | of which approximately PLN 1.2 billion in salaries
- More than 19,000 engaged employees

¹⁶ The impact of delivery services carried out under the Smart! program has been included in the estimation of the impact level of companies operating within Allegro's business in Poland. The overall impact of the Smart! program is discussed later in this chapter.

Impact of Allegro Pay on the growth of sales on the platform

The scale of Allegro's impact outlined in the section above is driven by the huge number of transactions that are carried out on the platform. Year on year, the number of merchants, customers and thus the number of transactions carried out is steadily increasing. **To an important extent, the source of the GMV growth realised on the platform is Allegro's efforts directed at improving the shopping experience of customers.** One of the tools Allegro uses to achieve this goal is Allegro Pay.

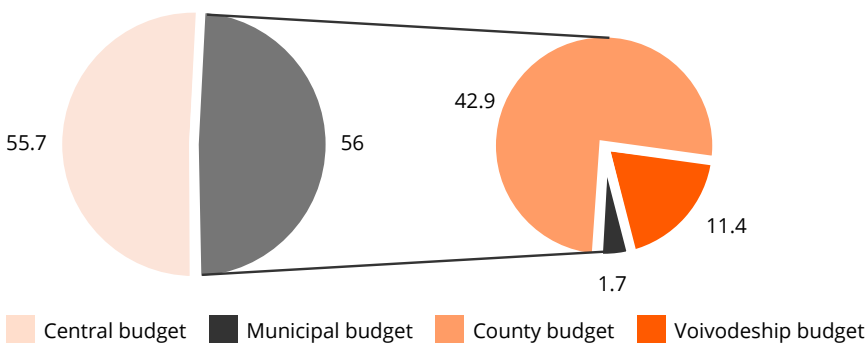
Allegro Pay is a cutting-edge fintech solution. The tool offers customers the option to defer payment by a month or spread it into convenient installments. This functionality allows buyers to better manage their finances giving them greater

financial flexibility and make purchases securely. More than 1.4 million people have already used this service, 94% of whom are willing to recommend it to friends. According to Allegro's internal customer behaviour research, **customers who use Allegro Pay have increased their purchases by up to 35% compared to the period before they used the solution.**

The growing popularity of this way of financing purchases among customers is stimulating sales growth on the platform. **In 2023, as much as 13% of the total GMV was already financed by Allegro Pay.**

Allegro's impact on state and local government budgets¹⁷

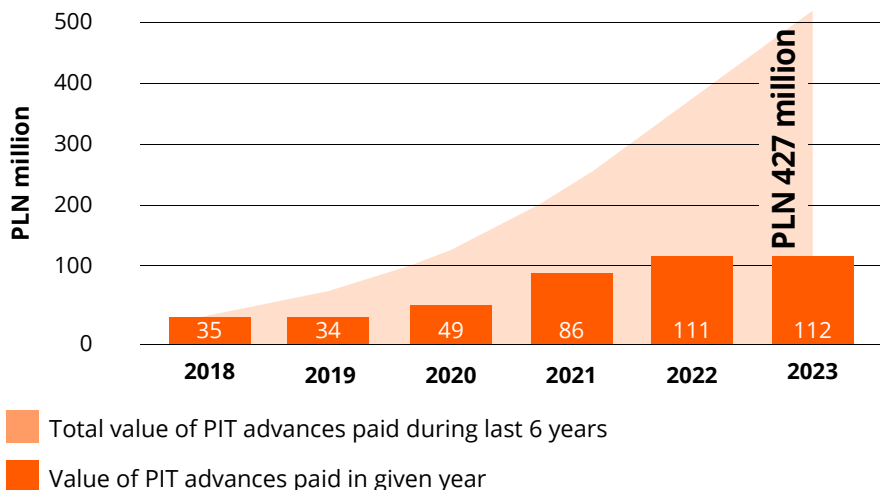
PIT advances paid by entities forming the Allegro Group in Poland in 2023 (m. PLN)



Rounded values, presented in million of PLN

When analyzing the benefits of Allegro's platform for the Polish economy, one should not forget about the important matter of taxes and fees paid to the state budget and the budgets of local government units.

PIT advances paid by entities forming Allegro Group in Poland in 2023 - historical overview (m. PLN)



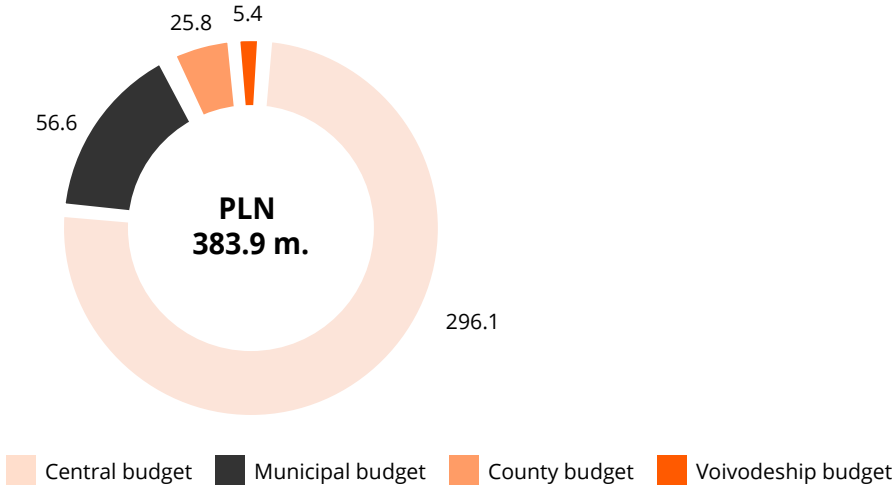
Rounded values, presented in millions of PLN

In 2023, the entities forming the Allegro Group in Poland paid almost PLN 112 million in the form of PIT advances. Around 50% of these funds contributed to local government budgets.

The total amount of advance PIT payments made over the last 6 years amounted to more than PLN 427 million PLN.

17 The accounts presented in the subsection do not include entities: Allegro.eu S.A. and Allegro Treasury S.à r.l

CIT paid by the entities forming Allegro's business in Poland (m. PLN)

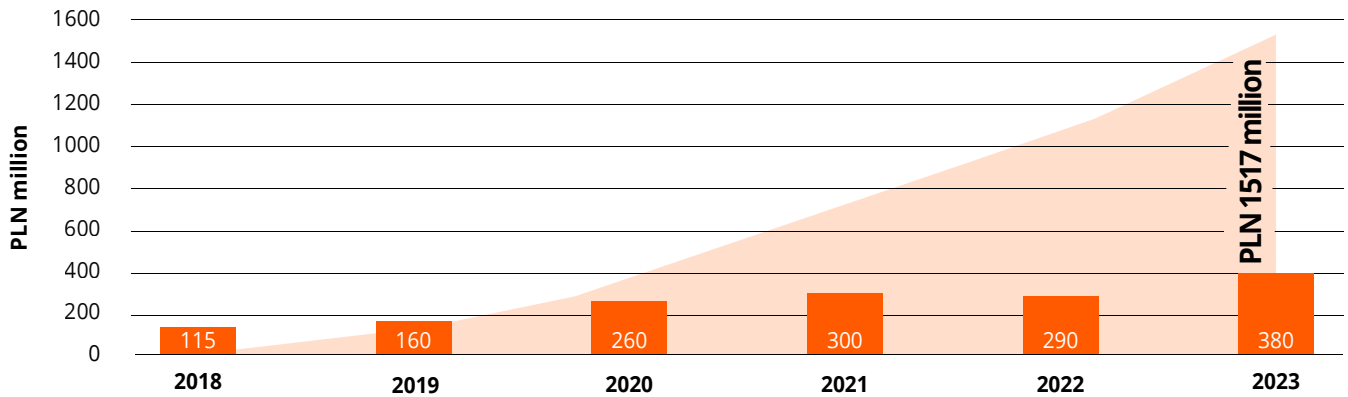


Rounded values, presented in million of PLN

Regarding corporate income tax, the tax paid by the Allegro Group entities operating in Poland amounted to more than PLN 380 million. Approximately PLN 88 million of this amount contributed to the budgets of local government units.

While considering Allegro's impact, it is important to remember that it is not limited to one year only. An example of the scale of the impact, which is generated by the platform's operation for several consecutive years, is provided by the sum of CIT paid by the entities forming Allegro's operations in Poland. **Since 2018, these companies have contributed more than PLN 1.5 billion in CIT**, which contributed to the central budget and the budgets of local government units.

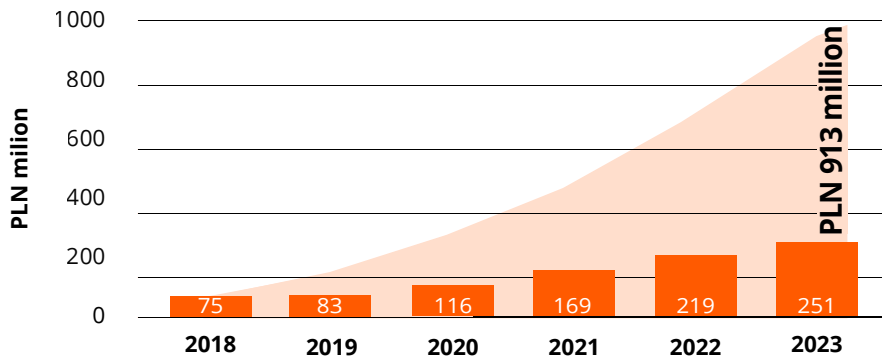
CIT paid by the entities forming Allegro's business in Poland – historical overview (m. PLN)



■ Total value of CIT paid during last 6 years
■ CIT paid in given year

Rounded values, presented in million of PLN

Contributions to Social Insurance Institution (ZUS) paid by entities from Allegro Group in Poland (m. PLN)



■ Contributions paid to Social Insurance Institution in a given year

— Total value of contributions paid during last 6 years

Rounded values, presented in millions of PLN

Allegro's entities also pay significant sums to the Social Insurance Institution. **In 2023 alone, the amount of contributions paid exceeded PLN 250 million.** It is PLN 30 million more than the value of social welfare expenditures planned in the Poznan city budget for 2024²⁴. In total, over the past six years, entities forming the Allegro Group in Poland have provided ZUS with contributions of over PLN 913 million.

The impact on the state budget related to the operation of the Allegro platform is not limited to taxes and fees directly from the entities that create Allegro's operations in Poland. As already indicated, the platform enabled to sell 1.15 billion products last year. Based on the allocation of VAT rates to product categories on the Allegro platform, the VAT associated with the sale of goods on the platform has been estimated and in 2023 it amounted to approximately PLN 8.2 billion.

The VAT related to sales on Allegro amounted in 2023 to approx. PLN 8.2 billion.



Allegro's biggest investments

Apart from the economic impact resulting from the platform, it is also important to note the significant investments that Allegro is undertaking. In recent years, some PLN 123 million has been invested in a new logistics center - One Fulfillment. More than PLN 56 million has also been invested in building Allegro's own logistics competence - Allegro One Courier.

Based on estimates and analysis, the logistics service business enabled by Allegro's Smart! Programme over the 4 years of the programme has generated over PLN 5.7 billion gross value added of which approximately PLN 1.9 billion in salaries.

Allegro's biggest investment project is undoubtedly the Smart! loyalty programme. While part of the courier service fee comes from customer subscriptions, most of it is paid for by Allegro. **As part of the programme, logistics services with a total net value of more than PLN 6.8 billion have been provided since 2020.** In an analogous analysis to the impact at the delivery service providers level, the benefits of the additional deliveries made under the programme to the Polish economy were estimated. All of these were generated by the additional delivery service providers' activity enabled by services paid for under the Smart! Programme.



Fostering entrepreneurship

Merchants are at the center of the Allegro marketplace model. In 2023, there were almost 150,000 active merchants on the platform. Merchants from the VIP segment are responsible for the vast majority of the value of transactions carried out on the platform, but Allegro is also a place where small and micro businesses can start and thrive.

Since 2020, more than 20,000 Allegro users have switched from individual accounts to company accounts.

The platform offers merchants access to a customer base that is unique in its scale, and the tools and data to grow sales. The growth of entrepreneurship on Allegro is reflected in the statistics.

A significant share of companies operating in the form of sole proprietorships (JDG) in total sales on the platform is worth noting. In 2023, **the share of sole proprietorships (JDG) in the total value of concluded transactions amounted to almost 60%.**

Breakdown of sales value on Allegro by the form of merchant business and address of the company

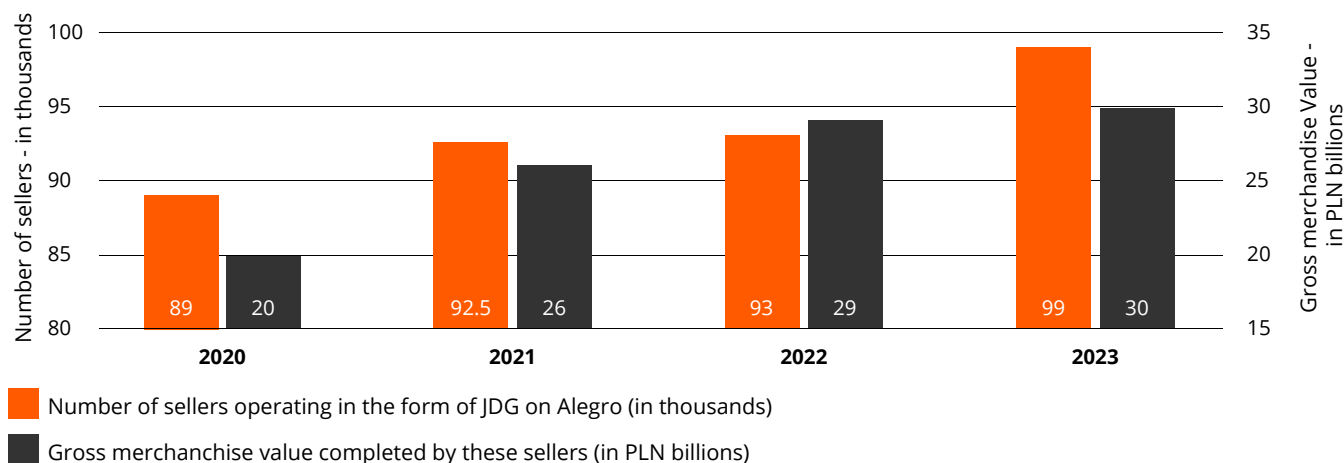


Rounded percentages have been applied. Location determined by company address.

By fostering entrepreneurship, Allegro is supporting the development of less economically developed parts of the country. As much as 57% of the value of realized sales in 2023 by JDG, more than PLN 17 billion, came from companies based in smaller towns, villages and other types of localities with a population of less than 50,000.

Year after year, the number of companies that are JDGs, conducting sales on the platform is increasing. The value of total sales made by these companies is also systematically increasing.

Development of sales by companies operating in the form of sole proprietorships (JDG)



Rounded values

Allegro's initiatives to support entrepreneurs at every stage of their development play an undeniable role in the success of merchants. They include: the welcome package, Allegro Smart!, Allegro Analytics, One Fulfillment by Allegro, Allegro Ads, Allegro API, Allegro Merchant Finance and Allegro Academy. The platform's tools and solutions provide merchants with the expertise and data to grow sales and maintain quality customer service at the highest level. Each of the aforementioned initiatives is described in more detail in the "Allegro for merchants" section.

In addition, **Allegro, as a socially responsible entity**, is aware of the great importance of technological education for the future of Poland and the economy, which is why **it supports the development of entrepreneurial and technological competence among early-stage domestic companies** through programs Szkoła Pionierów PFR and StartUp Asystemt.

PFR School of Pioneers

PFR School of Pioneers, supported by Allegro as its strategic partner, gives participants the opportunity to work on their own innovative startup projects. Nearly 300 people in total have graduated from the six editions of the project. The result of the participants' work was the establishment of 51 companies, 29 of which are still operating. Moreover, some of them have attracted external investors, raising a total of PLN 219.5 million in financing.

StartUp Asystem

Allegro supports aspiring entrepreneurs through its StartUp Asystem program, which offers free assistance from business registration to the launch of operations. Working with CashDirector, the program provides support in registering a business, setting up a bank account and registering as a VAT and Social Insurance payer. **Startup Asystem is the very first initiative of its kind established by an e-commerce platform in the world.**



Supporting foreign sales

In addition to supporting entrepreneurship and enabling the growth of sales for thousands of entities on the domestic marketplace, Allegro actively supports the development of foreign sales of Polish merchants active on the platform.

Allegro in 2022, acquired the Mall Group, a group of companies operating one of the largest e-commerce platforms in Central and Eastern Europe, and WE|DO, a logistics company based in the Czech Republic. The transaction increased Allegro's area of operations to six countries in Central and Eastern Europe, bringing the Total Addressable Market to approximately PLN 318 billion¹⁸.

Thanks to the merger, Polish merchants operating on the Allegro platform will gain access to a new, broad customer base and opportunities to expand their sales to other countries in the region.

With the recently launched Allegro.cz and Allegro.sk platforms, merchants have been given the opportunity to sell on the Czech and Slovakian markets.

Thanks to these platforms, as well as dedicated tools (automatic translation, currency converter) and training, Allegro offers unique support for Polish merchants in entering the international market with their business.



¹⁸ Euromonitor data for retail market in Poland, Czechia, Hungary, Slovakia, Croatia and Slovenia, 2023

Markets covered by entities from Allegro Group

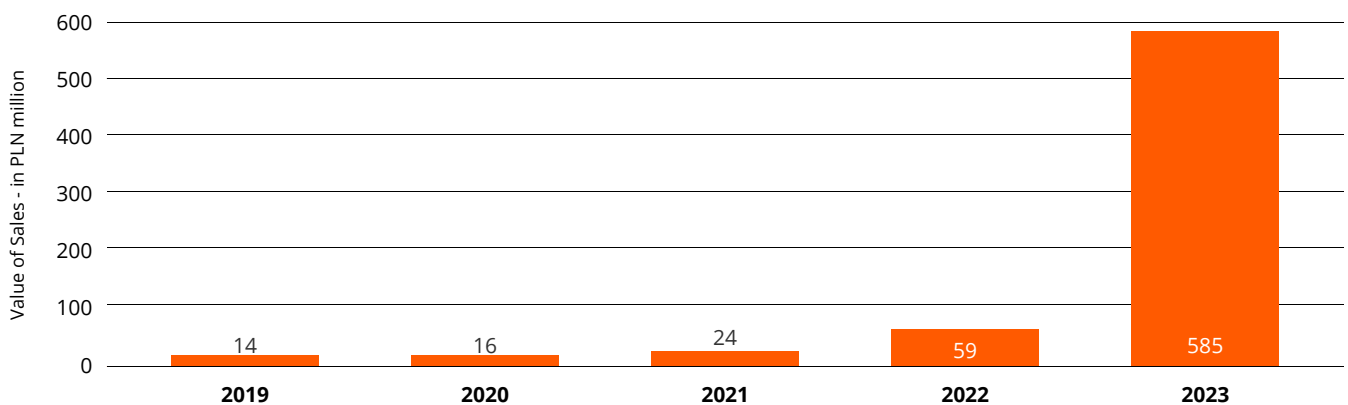


Allegro identifies at regular intervals (every quarter) the most important blockers and difficulties that Polish merchants see in selling goods to other European countries. In addition, as part of the surveys, merchants are asked about the help and support they expect when selling abroad. Based on the analysis of the surveys' results, Allegro develops tips, webinars and new functionalities to address the identified areas.

A sharp increase in foreign sales by Polish merchants occurred in 2023, thanks to the launch of the Allegro.cz platform in May that year. Compared to 2022, the value of sales increased almost 10 fold and amounted to approximately PLN 585 million.

Thanks to such a systematic approach to supporting sales to foreign markets, **the total value of sales from Poland to other countries through Allegro is increasing year by year.**

Overseas sales of Polish merchants through Allegro marketplaces

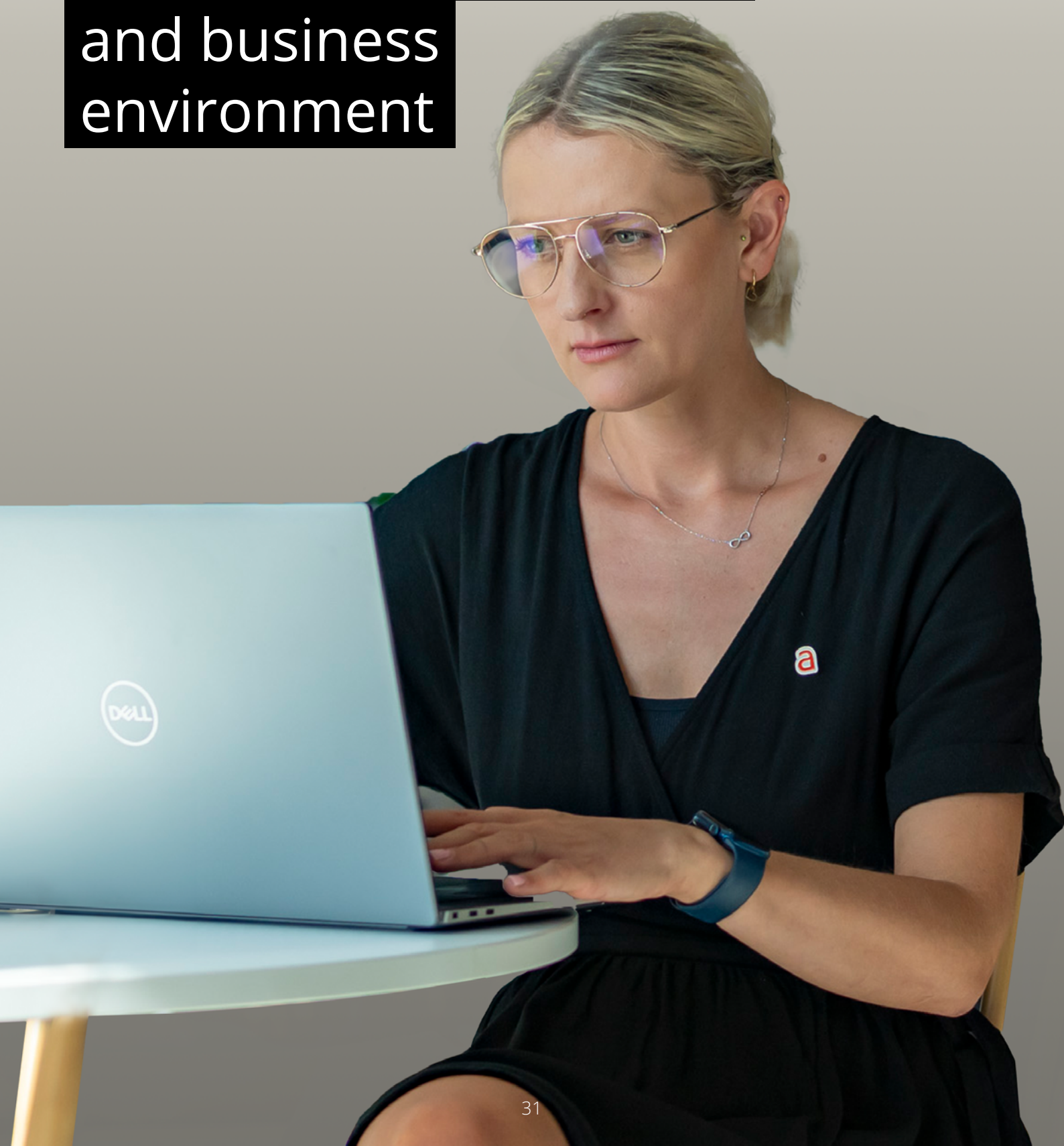


Gross merchandise value (in PLN millions)

Rounded values

Allegro for

the e-commerce market
and business
environment



Main Dimensions of impact on the Polish economy:



Development of industries dependent on the Allegro platform.



Development of the e-commerce market through Allegro's activities in institutions and associations.



Growth of e-commerce workforce skills thanks to events organised by Allegro – during which the organisation shares knowledge with the market.

Allegro has been present on the Polish e-commerce market since 1999, i.e. almost from the very beginning of its existence. Over the past 25 years, the platform has increased the scale of its operations by constantly growing and improving its business model. Thanks to the constantly increasing number of transactions, which are now counted in hundreds of millions annually, the entire e-commerce sector has grown together with Allegro, as well as the logistics, payment and marketing sectors, which are strongly dependent on it. **Today, more than one in three Poles are active buyers on Allegro, which is one of the strongest Polish brands. Moreover, which is a phenomenon on a global scale,** it is the largest e-commerce player of European origin¹⁹.

Allegro, aware of its role as a leader on the Polish market, stimulates the development of the entire industry, not only through the sheer scale of its operations, but also through numerous initiatives aimed at sharing knowledge and know-how, as well as through active cooperation with industry institutions and organisations. An organisation focused on innovation, continuous improvement and employee initiative, attracts the best talent, not only from the domestic market. The opportunity to work and acquire skills in a dynamic environment, carrying out projects of unique scale and applying the latest technologies, has helped to develop highly qualified employees, the best in the Polish e-commerce industry. Allegro is a driving force for the development of the Polish e-commerce market and its business environment. This chapter discusses in detail examples of the positive impact of the platform.



1.15 billion items sold on the Polish platform in 2023



More than **PLN 5.7 billion** of gross value added generated as a result of deliveries made through the Smart! programme in **the last 4 years**



Approximately **PLN 425 million** paid out in salaries thanks to customer spending on courier services, excluding the Smart! Programme, in 2023



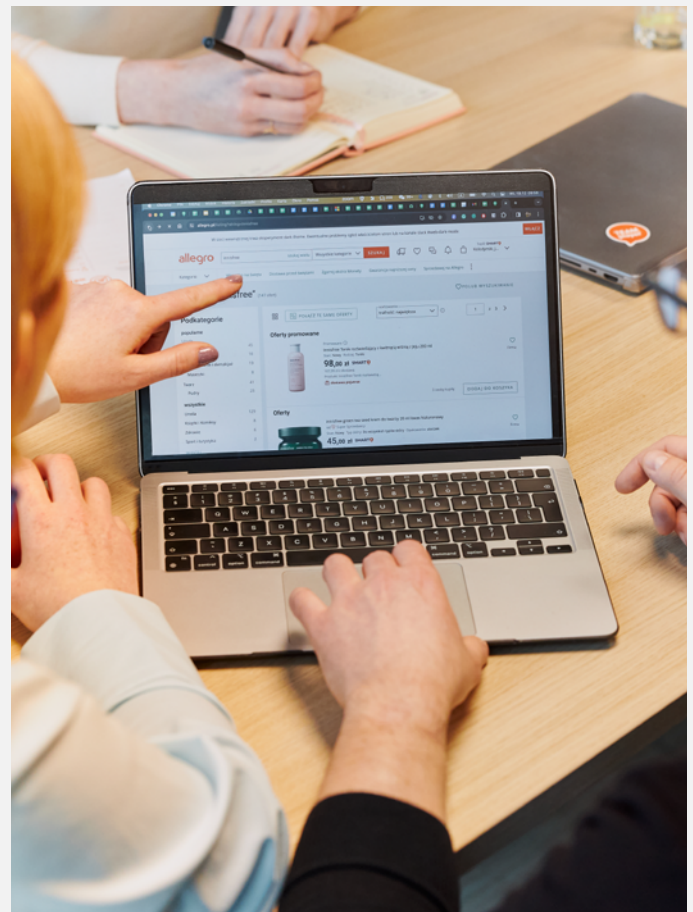
More than 92% of deliveries in 2023 met the estimated delivery time



127 repositories shared on GitHub

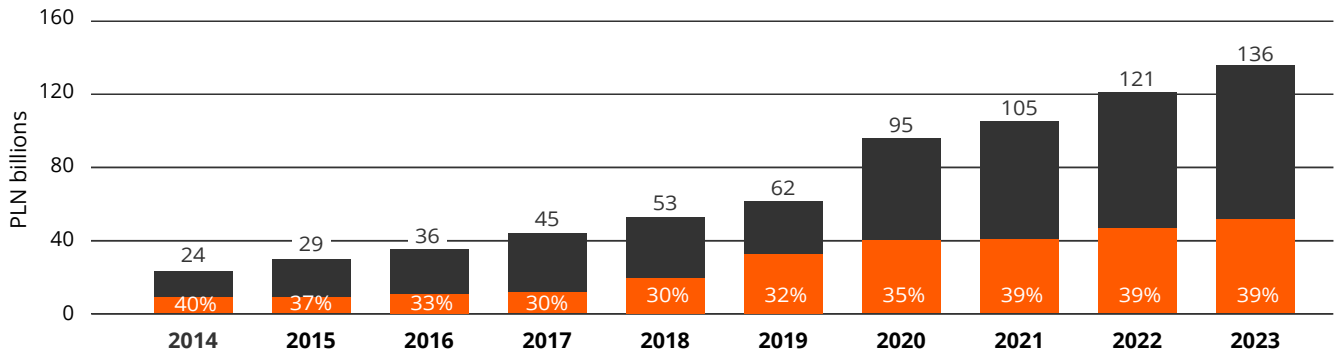


Almost **200 thousand Allegro podcast listeners**



19 Source: - SimilarWeb

Allegro's share in the total value of the Polish e-commerce segment²⁰



■ Value of other sales on the Polish e-commerce segment
 ■ Value of Sales on Allegro

Gross values, rounded, presented in billions of PLN

The chart above illustrates the dynamic development of the value of the e-commerce segment in Poland over the past 10 years. Despite the rapid overall growth.

Allegro's impact on the development of the digital marketing market

As the largest player on the Polish e-commerce market, Allegro plays an important role not only in shaping the e-commerce sector, but also in developing the advertising industry. Through the introduction of modern technologies and affiliate programmes, Allegro has a significant impact on generating value for merchants, brands and advertising companies, ensuring that they effectively reach a large number of potential customers.

Allegro Ads

Allegro Ads is an advanced advertising platform for merchants and brands. Thanks to the platform, merchants have the opportunity to increase GMV on the platform and reach new buyers. Through the use of Allegro Ads, the growth rate from ad spend in 2023 has reached 12. **This means that every PLN invested in advertising brings a twelvefold return on investment.**



²⁰ Source: Euromonitor

Allegro Ads Partner

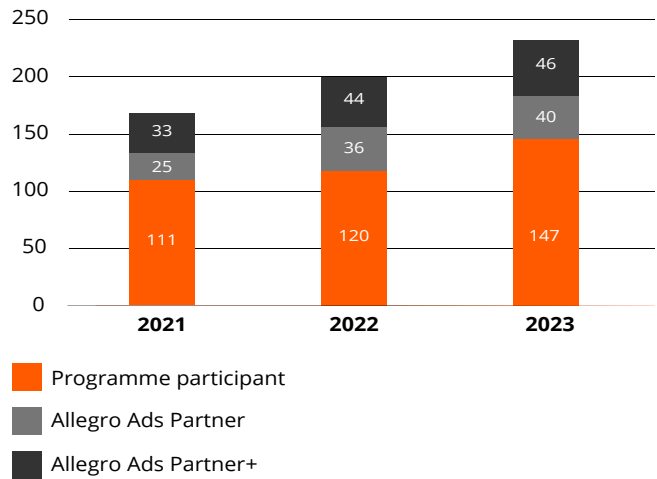
Allegro Ads Partner is an partnership programme aimed at selected agencies that professionally manage merchant and brand campaigns on behalf of merchants within the Allegro Ads platform.

The programme has a total of 233 partners and this number is steadily growing. These include not only well-recognised international companies, but mostly national companies that can be classified as small and medium-sized enterprises (SMEs). Within the framework of the Partnership Programme, numerous agencies achieve stability, operating in the market for many years.

These companies are not only maintaining their position on the market, but are also introducing, thanks to the vital cooperation with Allegro, a new type of agency specialising in dedicated services for merchants on marketplace platforms. Through consistent growth, they are achieving important goals,

scaling their business by increasing the number of clients and managed advertising budgets, resulting in greater visibility and competitiveness on the market. **Partner agencies collectively employ between 1,000 and 1,400 people²¹.**

Number of active agencies by partner status



The Partnership Programme is designed to comprehensively support advertising agencies in developing their business. From the moment of joining, each agency gains an individual mentor who facilitates understanding of the programme and provides the necessary training materials and PR information. The programme offers agencies a range of financial benefits, including quarterly bonuses that increase the economic attractiveness of participation.

Additionally, participants have the opportunity to promote their brand through exposure on Allegro's website and use of the affiliate logo. The programme also allows them to showcase their successes at various events, such as Business Speed Dating and Allegro Ads Masterclass, giving agencies the opportunity to enhance their reputation and attract new clients.

Another key element of the Partnership Programme is educational support, which includes access to regular 'Allegro Ads Talks' and Allegro Academy resources supporting continuous improvement of knowledge and skills in online advertising. From the technological perspective, agencies involved in the programme have access to advanced tools that facilitate campaign management, including automated reporting and campaign planners, which contributes significantly to the effectiveness of advertising efforts.

The Allegro Ads Partner Programme is therefore the ideal solution for advertising agencies looking to grow their business, improve the effectiveness of their advertising campaigns and build a strong brand on the market with the comprehensive support offered by Allegro.

In 2023, Allegro Ads has implemented a number of initiatives to educate the market and improve the competencies of merchants and advertising agencies:

Business Speed Dating: A webinar where 5 Partnership Programme agencies shared with Allegro merchants their expertise, case studies and best practices regarding running Allegro Ads advertising activities. Each agency offered participants the benefit of a consultation or sales account audit.

Allegro Ads Talks: Looking to expand and update their knowledge, all agencies were able to participate in regular Allegro Ads Talks. During these, experts from Allegro shared knowledge, trends, technology news and Allegro's future directions for development as a marketplace.

Allegro Ads Masterclass: In response to educational needs, a series of webinars - the Allegro Ads MasterClass - was created, dedicated to merchants who want to expand their knowledge of running advertising activities. The webinars were hosted by agencies with Partner+ status and provided practical knowledge and proven practices in both advertising and sales.

21 Based on a survey conducted among partners in April 2024.

Innovations

The ML Listing solution, developed by Allegro Advertising, won first prize in the Sales & Growth segment at the E-Commerce Germany Awards 2024. More than 350 companies competed for honours in 12 categories.

ML Listing, also known as Captain, uses machine learning technology to dynamically match ads in search results to current consumer preferences. The development of this technology was made possible by combining search mechanisms with advertising functions, **resulting in over 25% increase in ROAS (return on advertising spend) for merchants.**

The E-Commerce Germany Awards recognises the most ground-breaking and promising initiatives in the fast-growing e-commerce sector. ML Listing received an award precisely in the area of Sales & Growth, a category that focuses on tools from Marketing Automation to SEO that, among other things, increase revenue, influence business growth or improve customer engagement. The evaluation criteria were novelty, impact on revenue, quality of user experience and adaptability to changing market dynamics.

Allegro's impact on the development of the logistics market

Allegro's platform does not limit its role to acting as an intermediary and matching merchants and buyers. Allegro creates an entire back office facilitating online sales for its customers.

One of the key elements of the e-commerce back office is logistics. Allegro not only works with key courier companies and gives buyers access to a wide range of preferred delivery methods. **In November 2021, Allegro launched its own logistics brand Allegro One and has already rolled out 3,500 One Box parcel vending machines.**

Buyers want fast, safe and affordable delivery that best meets their individual needs. Merchants, on the other hand, need to provide their goods with storage space, stock and fulfilment service, have a wide range of delivery options and deliver the order efficiently to ultimately meet the customer's expectations.

With 1.15 billion items sold on the Polish platform, Allegro is aware and mindful of consumer market behaviour, which shows that customers strongly prefer fast delivery. Today, it is possible to receive a package ordered online on the following day, or even the same day.

Currently, the most common delivery method selected by buyers on Allegro is collection from parcel machines and pick-up points, followed by courier delivery. The transport time for

courier delivery is usually between one and two days. Speed of delivery is an important factor in convincing customers to buy online - Allegro data shows that offers with an expected next-day delivery time achieve sales on average up to 28% higher²²! For this reason, the speed at which products sold on Allegro reach the customer is increasing year on year. **In 2023, around 90% of deliveries of goods purchased on the platform were made within two working days.**

To improve customer experience in the delivery area, Allegro is developing advanced forecasting algorithms to give the most accurate estimated delivery time. With each passing year, the accuracy of the predicted time, in which the parcel will reach the consumer is increasing. **In 2023, more than 92% of deliveries were carried out according to the time that was estimated!**

Allegro's role as Poland's largest e-commerce platform, on which many first-time merchants start their e-commerce journey and then dynamically grow their sales, **is to make its merchants aware of the importance of logistics for e-commerce, providing them with many possible solutions in this area.**

Allegro's business partners include a number of companies offering support services for, among other things, warehousing of goods, acceptance of deliveries, fulfilment and dispatch of orders, handling of returns and management of multi-channel sales.

Allegro One

As the largest e-commerce platform in Poland, **Allegro strives to meet the business expectations of its merchants, as well as the needs of its buyers** by continually improving the standards of its solutions and increasing the competitiveness of delivery prices to ensure convenient and safe shopping. In line with these underlying principles, **Allegro decided to build out its own logistics network**. Allegro's logistics capabilities - operating under the name **Allegro One** - consist of a network of its own Allegro One Box parcel machines, the Allegro One Courier service, the One Punkt pick-up network and the Allegro One Fulfillment logistics centre.

Allegro's logistics centre has been equipped with a range of automation solutions that speed up and reduce order processing costs.

Allegro One Fulfillment is an end-to-end service for merchants that includes storing, packing and delivering orders, as well as providing customer service throughout the delivery process.

By using One Fulfillment, merchants can offer their customers a wider choice of delivery methods at Allegro-negotiated prices and ensure faster delivery - even on the same day.

Allegro's goal is to provide a high standard of delivery times both from its own logistics centre and directly from



merchants. Allegro allows merchants to use carriers without additional paperwork at negotiated rates. Merchants have the option to order courier pick-up twice a day, even on Saturday.

One of the carriers delivering parcels for transactions made on Allegro is One Courier. The service is fully integrated with the platform's sales service, handling all types of deliveries - whether to Allegro One Box Automated Parcel Machines (APMs), pick-up points or directly to the customer, offering competitive prices.

Setting the standards for low-carbon deliveries in the logistics industry using innovative solutions

Nowadays, the price of goods is not the only determinant for goods purchases. Also important for online buyers is the flexibility of the service at the so-called last mile, i.e. the transport logistics at the last stretch of the order path, which consists in offering various delivery channels, the possibility of rerouting the parcel or reducing the delivery time.

In designing its own last-mile solutions, Allegro has set itself the goal of environmental care and planning. The company's strategy is to reduce its carbon footprint.

The creation of the Allegro One Fulfillment logistics centre gives customers the opportunity to purchase from multiple merchants and the order is then shipped in one package, which is both more economical and environmentally friendly.

The One Fulfillment service has been designed with sustainability in mind. The warehouse that houses One Fulfillment and Allegro's Official Store is not only powered

by green energy (on an energy origin guarantee basis), but is also equipped with electric vehicle charging stations.

Allegro is also exploring low-carbon courier delivery methods through One Kurier and is testing low-carbon vehicles, including electric delivery vans and cargo bikes. These are major steps towards testing innovative solutions to minimise environmental impact.

Allegro One Box Automated Parcel Machines (APMs) are also powered by renewable energy under purchased energy origin guarantees. A distinctive feature of Allegro One APMs resulting from the company's approach is also its integration with the urban and natural environment - the vending machines are deliberately devoid of advertising, and equipped with facilities for people with limitations and disabilities, as well as air quality sensors, the data from which is made publicly available. More than 90 per cent of the APMs are encircled by greenery, intentionally blending in with the surrounding environment.

04. Allegro for the e-commerce market and business environment

The One Box machines are equipped with environmentally friendly lighting, featuring motion sensor technology that turns on LED lights only when necessary, minimising excess light.

A notable innovation is Allegro's approach to reducing light pollution. The One Box machines are equipped with environmentally friendly lighting, featuring motion sensor technology that turns on LED lights only when necessary, minimising excess light. Moreover, by 2023, **95% of the APMs are accessible to people with disabilities, which demonstrates Allegro's commitment to providing inclusive and convenient parcel delivery for all.** The Allegro One Box APMs network already numbers more than 3,500.

Allegro uses its logistics solutions to promote and undertake a range of social and environmental activities.

Every customer, after picking up their first package in the green APM, can send in a second-hand electronic device for free, which will gain second life.

The collection of parcels from Allegro One Box APMs is accompanied by a tree-planting initiative under the slogan ZasadzONE. The initiative has been launched in collaboration with the governmental organisation State Forests, whereby one tree bearing a dedication created by the customer is planted for every ten parcels delivered.

Allegro, in collaboration with Hop.City, has introduced an innovative battery swap service for electric unicycles - Swap&Go - to its APMs. This service allows users to deposit a discharged battery in the APMs and retrieve a charged battery within 30 seconds. The modules have been designed to charge different types of batteries - both for bicycle and scooters. The service has been designed and manufactured in Poland, as the first solution of this kind in the world.

An approach to sustainability and a sense of social responsibility drive Allegro to work with urban centres and undertake numerous partnerships to promote low-carbon delivery logistics and establish best practice for automated parcel machines.

In 2023, customers not subscribing to the Smart! programme spent approximately PLN 1.6 billion on the delivery of products purchased on the Allegro platform. The activity of the courier operators that took place as a result of these orders had a positive impact on the Polish economy, generating:



PLN 1.1 billion Gross Value Added
Of which PLN 425 million in salaries

Over the past four years, logistics services with a total net value of more than PLN 6.8 billion have been delivered under the Smart! programme. According to estimates, the additional business of logistics companies, made possible by these services, has generated since 2020:



PLN 5.7 billion Gross Value Added
Of which PLN 1.9 billion in salaries



Knowledge-sharing initiatives

In today's dynamic world, technological development is an integral part of social progress. As a leader in the e-commerce industry, Allegro understands very well the need to promote and disseminate digital skills among different social groups. For this reason, the company not only actively supports technological education, but also actively shares knowledge through initiatives such as producing podcasts, giving lectures and organising hackathons. Being part of Allegro is

an opportunity to work on large-scale, innovative projects and to show others what goes on behind the scenes. The Allegro Tech Community, which brings together Allegro employees and people interested in new technologies from outside the company's structures, is a forum for sharing knowledge, industry best practices and trends driven by, among others, the company's business units, such as the Machine Learning Research Lab, the Data Science Hub or individual teams responsible for particular subject areas.

Podcasts

Those interested in the IT industry have the opportunity to listen to the Allegro Tech Podcast, which regularly features Allegro experts from the technology teams. Meanwhile, for those interested in business aspects, there is the Allegro Podcast. Both podcasts total seven seasons, 86 episodes and almost 200,000 listens²³. In addition, the latest seasons have been translated into Polish Sign Language, expanding the accessibility of the content.

Allegro Tech Blog

The Allegro Tech Blog is a platform where Allegro employees actively share their experiences of working at the company. The blog features 218 valuable posts that have been continuously attracting new readers since 2014. Allegro publishes more than a dozen articles, which are in high demand. In 2023 alone, the entries accumulated a number of 150,000 views.

Allegro Tech Open Source

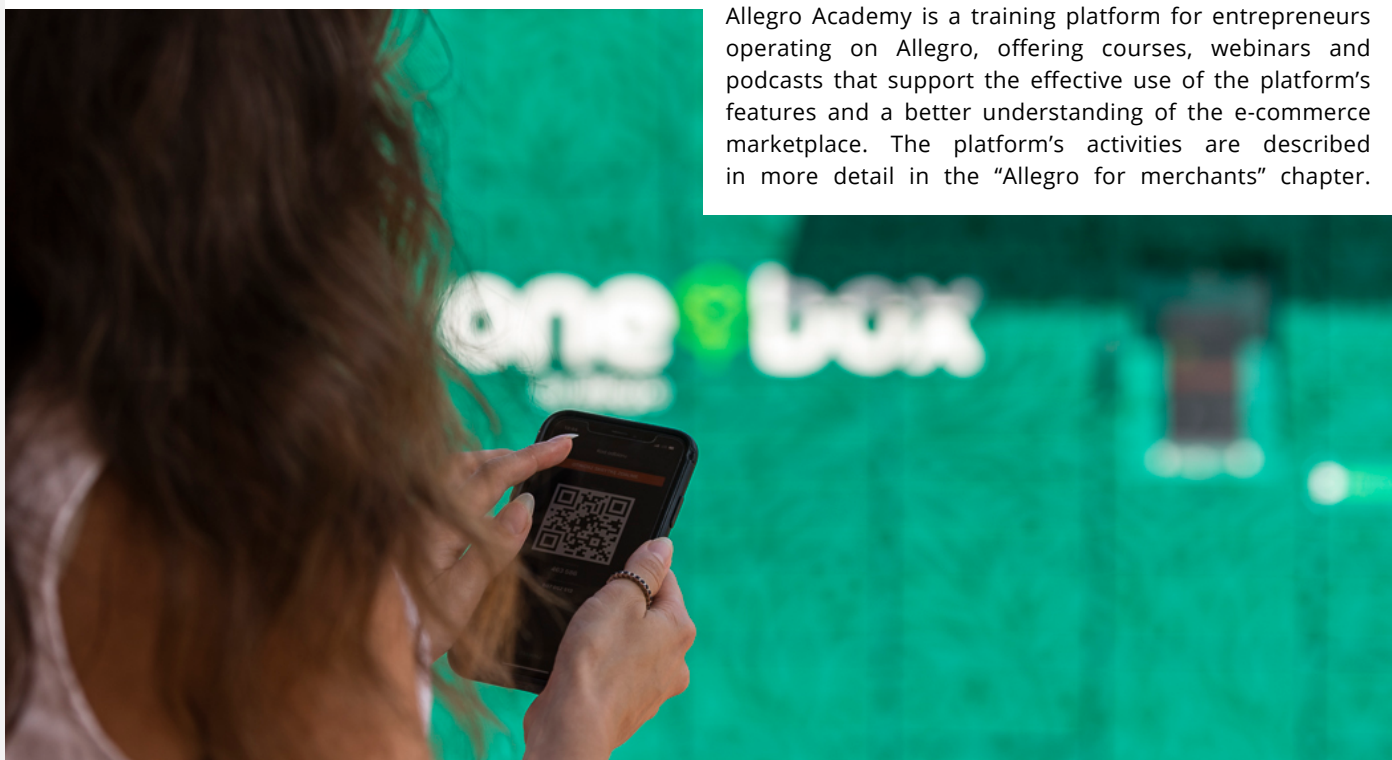
Allegro makes 120 projects available on Github. The repository of available projects is gaining more and more content, which is, among other things, the result of regularly organised hackathons.

Allegro e-Xperience

For those just starting their career path or those looking for a change, the Allegro e-Xperience Programme provides vital support in gaining new skills, practical knowledge and experience in the technology field that is difficult to gain elsewhere. In 2023, out of almost 2,500 applications, 24 participants were shortlisted for the 6-month programme. As many as 92% of last year's participants chose to stay on with Allegro after completing the programme.

Allegro Academy

Allegro Academy is a training platform for entrepreneurs operating on Allegro, offering courses, webinars and podcasts that support the effective use of the platform's features and a better understanding of the e-commerce marketplace. The platform's activities are described in more detail in the "Allegro for merchants" chapter.



R&D Unit - Machine Learning Research

The Allegro organisation uses machine learning solutions in many areas of its business. A testimony to the commitment and importance the organisation attaches to this topic is the establishment of Machine Learning Research, a research and development laboratory that focuses on the latest machine learning methods. Its aim is to foster innovation within the company through the use of artificial intelligence. The unit is also committed to furthering

knowledge in the field of machine learning through open collaboration with the scientific community, e.g. with the Institute of Mathematics of the Polish Academy of Sciences.

On their website, the Machine Learning teams publish blog posts and articles, as well as provide open source libraries and recorded speeches by Machine Learning Research members from scientific conferences, meetups and internal events.

PFR School of Pioneers

For more than six years now, Allegro has been a strategic partner of the PFR School of Pioneers. This is an initiative that enables participants to develop innovative startups under the guidance of experts. For some interesting data about results of this initiative, please see chapter "Allegro for the economy".

Organising and supporting events and conferences

UX Research Confetti is the first conference in Poland dedicated exclusively to UX research. The event provides a rich programme that includes talks, workshops, mentoring and networking. The conferences are very popular - 3 editions have been held so far, with a total of over 9,000 participants signed up.

Allegro supports both large and well-recognised events, but also small, local initiatives. As a community and own brand, Allegro Tech has supported more than 100 external events in 2023 alone.



Conferences where Allegro has been present in recent years:

- Big Data Technology Warsaw Summit
- Warsaw IT Days
- Ghost Day
- GeeCon
- Code Europe
- Perspektywy Women In Tech Summit
- Devoxx
- Data Economy Summit
- Data Science Summit
- IT Manager Of Tomorrow
- Confitura
- ML in PL
- Pozitive Technologies



Promoting cyber security awareness

Among the areas of knowledge and expertise that Allegro shares with the community, particular focus is put on cyber security. Employees of the platform participate in international conferences on cyber security topics - OhMyHack2023, Open Eyes Economy Summit 2023, EMSPower 2023, but also support local groups working on this topic.

As a result of the high priority given to cyber security in the organisation, a dedicated CERT team has been set up to raise awareness of cyber security among employees and users, in addition to ensuring the security of the platform's customers.

Cooperation with communities

Allegro also collaborates with a number of industry communities in various cities in Poland. These include, among others, the Java User Group (Polish Java User Group, JUG Poznań, JUG Toruń, JUG Trójmiasto) and the WarsawAI community, which has been supported by Allegro in the organisation of meetings in the area of Machine Learning for 2 years now. Allegro has also supported meetings organised by SysOps / DevOps Poland, the MLOps Community, or meetings in the Poznań Accessibility Meetups series.

Selected communities supported by Allegro:



- Java User Groups in various cities in Poland
- Warsaw AI
- SysOps / DevOps Poland
- MLOps Community
- Poznań Accessibility Meetups

As many as 84% of employees see Allegro as a great place to grow!

Knowledge sharing culture in the organisation

Continuous improvement and sharing knowledge with others are elements of The Allegro Way, a set of twelve behaviours that reflect the company's work culture. Allegro offers its teams a diverse range of training opportunities: subject matter, managerial and personal training. Employees also have the opportunity to develop as mentors, speakers and trainers at national and international conferences.

In 2023, as many as 337 Allegro employees attended more than 150 different events where they shared their knowledge and expertise.

In addition, as of 2021, 5 Allegro experts have already been recognised in the Cashless *"Most influential women in the Polish payments industry"* ranking.

Allegro organises internal hackathons, themed days dedicated to specific technologies, e.g. Mobile Dev Days, Accessibility Festiva and the annual Allegro Tech Meeting.

Hackathons

An important part of Allegro's event calendar are hackathons, which aim to develop innovative solutions that can be implemented into daily work. These events last from a few hours up to two days and are a great opportunity to integrate technology teams. Allegro organises a variety of hackathons, these include: Tester hackathon, hackathon focused on accessibility, Machine Learning hackathon or Hacktoberfest.



Allegro Tech Meeting (ATM)

Allegro Tech Meeting (ATM) is an annual conference organised by Allegro for the past 16 years. The main speakers at the event are Allegro employees. They talk about successes and failures in order to share their knowledge and experience with others. The last edition of ATM, held in September 2023, featured 76 speakers. Attendees were able to listen to presentations and lightning talks in 6 thematic blocks (Big Data & Analytics, Machine Learning, Engineering, Infrastructure & Security, Gaining Skills & Share Knowledge, PM & UX).

Cross-team tourism

The Cross-team Tourism Programme at Allegro is a mentoring and job rotation initiative that allows employees to explore different areas of the company. For a period of between one week to three months, employees have the chance to join another team where they can learn new working methods and strategies. At the end of this period, they have the opportunity to return to their original team or apply for a new position using the knowledge and experience they have gained.



#AllegroLife (Employee Advocacy Programme)

The #AllegroLife programme is a community of ambassadors, through which Allegro’s content reaches a wider audience and also potential candidates who would like to join the organisation. As part of the programme, ambassadors, among other things, talk about Allegro’s unique company culture and cover topics that are important to the company. The programme focuses on the development of the ambassadors. They are provided with a state-of-the-art tool (Content Hub) to track their progress and analyse their social media. In addition, those who want to build their personal brand can benefit from a training package.

The statistics since the start of the programme (from April 2021), rank as follows:

Publications: over 18.5 thousand
Estimated reach: almost 47 million
Clicks: around 200 thousand
Recommendations: around 209 thousand
Comments: over 16 thousand



In 2023, as part of the programme, **4,720 publications** were produced, which are estimated to have reached more than **10 million users**.

Allegro's collaboration with government and EU agencies and business organisations

Allegro actively engages with institutions and many business organisations at both national and European level, actively shaping the digital industry and its future. Through these forms of collaboration, Allegro not only has the opportunity to co-create EU regulatory policies that favour the development of European technology companies, but also effectively defends the interests of

consumers and merchants, including in particular those in the SME sector. Ensuring a level and fair playing field is also an important element. Allegro's activities also touch on the areas of the online advertising market, opportunities for SMEs to export/sell across borders or opportunities to develop new technologies in the area of payments.

Domestic cooperation

Cooperation with governmental bodies

Cooperation with public administration, including authorities such as the Office of Competition and Consumer Protection, aims to promote education and develop best market standards.

In addition, Allegro undertakes joint activities with the SME Ombudsman, aiming to ensure that the interests of local entrepreneurs are comprehensively protected.

Allegro in Polish business organisations

Allegro actively cooperates with Polish organisations, engaging in activities on the development of the domestic digital industry, legislative work and advocacy towards state institutions.

Allegro is involved in the work of the Chamber of the Electronic Economy, whose Council Vice-Chair, Marta Mikliszańska, is Head of Public Affairs & Sustainability at Allegro. The result of the work are the regularly published 'Books for Lowering Legislative Barriers in the Digital Economy', which are intended to facilitate cooperation between business and institutions of the Polish government administration for more efficient development of digitisation of the Polish economy. Legislative proposals included in the books aim to increase the competitiveness of Polish small and medium-sized e-enterprises compared to enterprises from outside the EU and to eliminate legal barriers, which are responsible for generating additional costs for e-entrepreneurs.

Furthermore, together with the Confederation of Leviathan, Allegro aims to create a competitive business environment, laws that encourage growth in the digital industry and high labour standards.

In addition, the company participates in the work of the Association of Internet Industry Employers IAB Poland on

setting high standards for personal data processing and developing a code of conduct and good practices for RODO in the online advertising industry. As part of this collaboration, Allegro co-authored the association's publication, 'Guide to Artificial Intelligence 2024', which describes the company's experience in implementing AI. The organisation is additionally particularly involved in the work of the Cyber Security Working Group, which shares experiences on security, and gives its opinion on regulations in this area.

Allegro is also a member of the following Polish business organisations:



- Union of Employers of Digital Technologies Lewiatan
- Union of Employers and Entrepreneurs (ZPP)
- Responsible Business Forum
- Association of Stock Exchange Issuers (Stowarzyszenie Emitentów Giełdowych)
- Polish Organisation of Non-Banking Payment Institutions
- Association of Financial Entrepreneurs.

International cooperation

Cooperation with EU institutions

Allegro is actively involved in the ongoing discussions on the future of the European digital economy and the regulations shaping it. It aims to maintain the competitiveness of European companies, with a particular focus on - technology scale-ups and small and medium-sized enterprises.

Allegro maintains close cooperation with the institutions of the European Union, in particular the European Commission, by actively participating in shaping the regulatory policy of the Digital Single Market. In 2020, Allegro has also engaged in dialogue on overcoming the economic crisis caused by the Covid-19 pandemic, focusing on protecting users from unfair commercial practices and creating optimal conditions for the development of digital business and competition in Europe. During this difficult time, the platform has enabled thousands of Polish entrepreneurs to move their sales to the online channel.

Memorandum of Understanding for Counterfeit Goods (MoU) and Product Safety Pledge (PSP)

As a platform, for which one of its highest goals is to provide consumers with a safe online shopping experience, Allegro is engaged in voluntary pro-consumer initiatives at EU level. Through these initiatives, coordinated by the European Commission, **Allegro offers consumers standards of protection that exceed the legal requirements for shopping platforms.** The MoU on the sale of counterfeit goods online is a voluntary agreement to prevent the listing of offers of counterfeit goods on online shopping platforms. The PSP, on the other hand, engages online trading platforms to cooperate on the safety of consumer non-food products sold online. As part of the aforementioned initiatives, **Allegro is working with authorities and trusted organisations to enhance consumer safety and educate both buyers** and merchants about the potential risks of trading counterfeit goods and products deemed unsafe. Involvement in these initiatives has also strengthened cooperation between their signatories, which involves sharing knowledge and experience, as well as jointly developing and participating in pilot projects, from which the European Commission draws conclusions on the direction of e-commerce regulation.

The European Tech Alliance (EUTA)

Allegro was one of the founders and leaders of The European Tech Alliance (EUTA). From 2018 to 2022, Magdalena Piech, Allegro's representative, served as the organisation's president; since 2023, she has been a member of the board of directors.

Allegro plays an active role in EUTA, an organisation of leading technology companies in Europe. EUTA strives to create optimal conditions for innovation, merchant support, consumer safety and a level playing field for all market participants.

Allegro in international business organisations

As a member of international industry associations, Allegro regularly engages in public consultations on legislation, both at national and EU level.

As a member of E-Commerce Europe and IAB Europe, Allegro supports initiatives to ensure the competitiveness of European businesses on the global market.

Allegro is a member of the following international organisations:






- UN Global Compact
- Ecommerce Europe
- The European Tech Alliance (EUTA)
- Mobile Native Foundation
- IAB Europe
- Trusted Introducer










Allegro for merchants



Main Dimensions of impact on the Polish economy:

-  Active involvement of Allegro in the development of merchants by implementing solutions that support the growth of their businesses.
-  Utilizing Allegro's scale and capabilities to stimulate and support entrepreneurship in the Polish economy.
-  Increasing access to innovation and technology through Allegro.

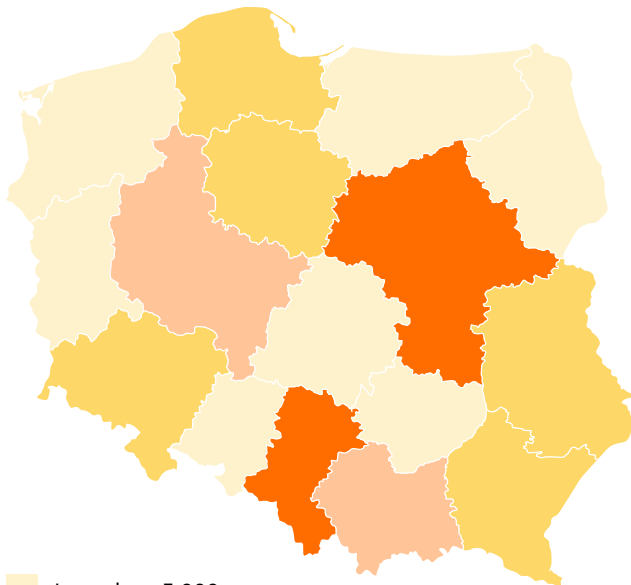
-  **22 million monthly visitors**
-  With **ADS** showing that they can accelerate in development through services
-  **19.6 million active buyers in 6 countries**, including **14.6 million in Poland**
-  **Nearly 150,000** merchants
-  Average revenue of **PLN 23,000** within the first 3 months of selling on Allegro
-  Thanks to Smart!, merchants grow **5 times faster**
-  **Approximately 85%** of merchants on the platform are actively selling



Allegro plays a key role in the business development of nearly 150,000 entrepreneurs in Poland and Europe, offering access to over 19 million buyers

Allegro supports merchants in their growth in the Polish and European markets. With **access to nearly 20 million active buyers in the region**, advanced technologies, and business education support, Allegro becomes not only a **place for selling**, but also a **business development centre for nearly 150,000 merchants**.

Number of Active Merchants in Each Voivodeship



- Less than 5,000
- Between 5,000 and 10,000
- Between 10,000 and 15,000
- Above 15,000

In cities with **more than 50,000** inhabitants, there are almost **60,000 merchants**



Over 88,000 merchants in smaller towns and villages.

The platform enables efficient commercial growth for merchants across the entire country, offering the opportunity for growth in less urbanised areas of Poland.

Allegro, as one of the leading online trading platforms in Poland, offers new merchants a range of opportunities that enable them to easily start and grow in the e-commerce market. Understanding the challenges faced by new entrepreneurs, **Allegro continuously works to minimise entry barriers by offering simple and intuitive solutions for merchants at every stage of their business.** The introduction of tools and resources by the platform, such as comprehensive guides, online training, and technical and analytical support, aims not only to facilitate the first steps of novice merchants in e-commerce, but also to ensure they can effectively compete and grow their business in an increasingly competitive market and beyond Poland's borders.

Cross-border

Allegro actively supports merchants in expanding to international markets by offering a range of tools and materials that facilitate sales beyond Poland's borders. These efforts are particularly significant in the Czech and Slovak markets, where the platform is gradually gaining popularity and building trust among both buyers and merchants.

One of the key aspects of this support is the automatic conversion of product prices into local currencies, allowing merchants to adjust prices to the target market. Additionally, Allegro offers automatic translation of sales descriptions and dynamic translation of correspondence with customers, eliminating language barriers and significantly improving customer service quality. This enables merchants to quickly and efficiently respond to the needs and inquiries of buyers from various countries.

The platform also provides comprehensive logistical support, including cash-on-delivery options popular in the Czech Republic and the Allegro Smart! system, which is attractive to buyers due to favourable shipping prices and easy return procedures.

These solutions allow merchants to offer international customers convenient and secure delivery and return options, which are often crucial factors in purchase decisions.

Moreover, Allegro heavily invests in merchant education through the Allegro Academy, offering courses, webinars, and training materials that cover topics related to international trade, law, taxes, and Extended Producer Responsibility (EPR). **In 2023, the Allegro Academy conducted 35 webinars, attracting 8000 participants, and the export-related courses recorded 7,000 visits. Approximately 60,000 merchants visited the dedicated page for merchants, finding essential information to start or expand international sales.**

Through these initiatives, Allegro becomes an increasingly merchant-friendly platform for those interested in international expansion, offering not only technological support in the form of translations and currency conversions, but also advanced logistical solutions and a rich educational package. All these efforts aim to lower the barriers to entering new markets and maximise the sales potential of merchants on the platform.

Allegro Smart!

The Allegro Smart! loyalty programme plays a crucial role in increasing sales, enabling merchants to achieve up to a 20% increase in turnover. Participation in Allegro Smart! is associated with five times faster sales growth compared to merchants not participating in the programme, highlighting the importance of offering customers additional benefits to enhance their loyalty and purchase frequency.

Smart! offers are approximately three times more popular compared to other offers available on the platform, emphasising the significant impact of the programme on consumer purchasing decisions. For merchants, participating in Allegro Smart! not only provides the opportunity to boost sales, but also a chance to stand out in the market. Buyers appreciate free shipping, which motivates them to more frequently choose offers marked with the Smart! symbol.



5 times faster sales growth using Allegro Smart!



Smart! offers are 3 times more popular



Welcome Package

The Allegro welcome programme is aimed at new merchants who have registered a company with a new VAT ID that is not associated with other accounts on the platform. The programme lasts 3 months from the invitation to join and includes numerous benefits. Merchants benefit from no sales commission and receive a 50% discount on the commission for highlighted offers, with the possibility of obtaining up to PLN 10,000 in discounts throughout the programme duration. The programme also offers a package of 100 highlights for better offer visibility and free access to the Professional Subscription, which increases company visibility, enables market and competitor

- 01 0% commission for the first 3 months up to 10,000 PLN
- 02 Access to the Professional Subscription for free during the package duration
- 03 100 featured listings + 100 additional featured listings for completing the Allegro Academy "Welcome Package" course

Allegro Analytics

Allegro Analytics is an advanced analytical tool designed for merchants, enabling them to customise and optimise their assortment and sales strategy based on detailed data and market trends. It offers a range of functions to support merchant growth by providing precise sales reports. Merchants can monitor changes in their assortment on Allegro, including the availability of offers on a specific day and identifying the top 1,000 offers on the platform.

One Fulfillment by Allegro

One Fulfillment by Allegro is a comprehensive logistics service that allows the delivery of products to customers even on the same day. This service offers cost optimisation for merchants and supports their business growth. As part of the service, Allegro handles storage, packaging, and shipping of products within 24 hours. Over 60% of orders through One Fulfillment are delivered the next business day. Additionally, the service includes returns management and customer support for these orders, providing comprehensive logistical support.

Allegro Ads

The Allegro Ads advertising system enables merchants to quickly and effectively reach a larger group of buyers. Through the Allegro Ads panel, users can independently configure their advertising campaigns, deciding on content, price, and advertising duration. Advertised offers are displayed in the most visible places on the platform, in the mobile app, and even within Google Ads.

A significant aspect of using Allegro Ads is the high return on investment, averaging around 12 times the GMV value generated from each invested zloty. This result not only underscores the system's effectiveness as a marketing tool, but also has a direct impact on merchants' turnover growth. This helps them increase their market competitiveness. Moreover, the Allegro Ads panel allows detailed analysis of campaign results, enabling the optimisation of marketing strategies and maximising effects. 25% of merchants are already using Allegro Ads.



Allegro API

The Allegro API enables the automation of the sales process. With Allegro API, online store owners can automate the entire sales process on the Allegro platform, from listing offers to fulfilling orders and payments, to arranging shipments, issuing invoices, and monitoring sales.

Allegro Merchant Finance

Allegro has introduced an innovative programme called Allegro Merchant Finance, aimed at supporting entrepreneurs with quick access to capital necessary for their business growth. This initiative reflects the platform's commitment to supporting small and medium-sized enterprises by offering a revolving credit limit of up to PLN 150,000, which enables financing of new investments and managing current expenses. This programme is designed to meet business needs, offering an efficient financial tool that supports entrepreneurs in expanding their sales activities and managing funds tied up in inventory. Key benefits of the programme include quick financing decisions, availability of revolving credit limits, and an integrated management panel that allows easy withdrawals and repayments. Additionally, regular repayments can result in an increased available limit.

Allegro Academy

Allegro Academy is a training platform created by Allegro specialists and independent e-commerce experts, offering entrepreneurs the tools and support necessary for effective growth in the rapidly changing e-commerce market. The platform provides courses, webinars, and podcasts designed to help merchants make more effective use of Allegro's functionalities and gain a better understanding of the e-commerce market.

Data for 2023:

139	Number of Allegro Academy courses
169	Number of guides for merchants and buyers
56 700	Number of unique users (according to tax identification numbers)
65 700	Number of webinar participants
451 000	Number of views of the Allegro Academy panel

Quality of merchant support

Allegro maintains an exceptionally high standard of support for merchants, reflected in key satisfaction and efficiency indicators. The Net Promoter Score (NPS) reached 65 points for 2023, indicating a high level of satisfaction with the service, loyalty, and merchants' willingness to recommend the platform for sales support. The first contact resolution rate stands at 72%. Additionally, the response time rate is at 80% within 12 hours, highlighting the Support Department's quick response to merchants' inquiries. These indicators demonstrate Allegro's commitment to providing effective and efficient service, which is fundamental to building lasting business relationships with merchants.



Success stories



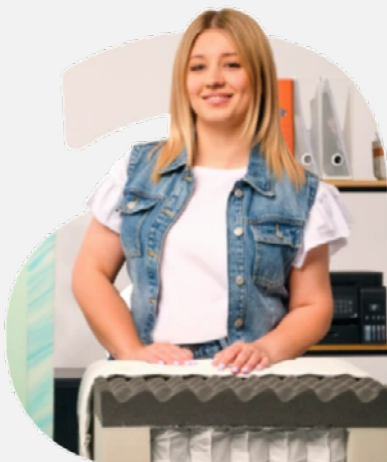
KOL-POL

„Allegro was the first online sales channel we launched. Today, we also use our own online store and other marketplaces, but Allegro accounts for 90% of our online turnover.

We generate over 1,000,000 PLN in turnover per month here! Together with Allegro, we also want to expand our international sales.“

ZOOART

„In the Polish market, we utilize various sales channels, but Allegro enjoys the most interest. We continually expand our assortment and increase the number of offers to provide customers with everything their pets need. We see potential in Allegro - last year, we practically doubled our turnover.“



FABRYKA DOBRYCH MATERACY

„Tools such as Allegro Ads, Smart!, Strefa Okazji, and Allegro’s own marketing campaigns help us generate sales. By joining Allegro, we have gained greater reach for our products, customer trust, and increased sales. Allegro accounts for 20% of our online sales.“

Allegro for buyers




Main Dimensions of impact on the Polish economy:


- 


By providing small and medium-sized enterprises with easy access to a wide customer base, Allegro supports the growth of local businesses.
- 


Allegro has become the platform of choice for many Poles, increasing customer loyalty and stabilizing the online shopping market
- 


By providing small and medium-sized enterprises with easy access to a wide customer base, Allegro supports the growth of local businesses.

- 

14.6 million active buyers in 2023
- 

Around PLN 8.6 billion saved by customers through the Smart Programme
- 

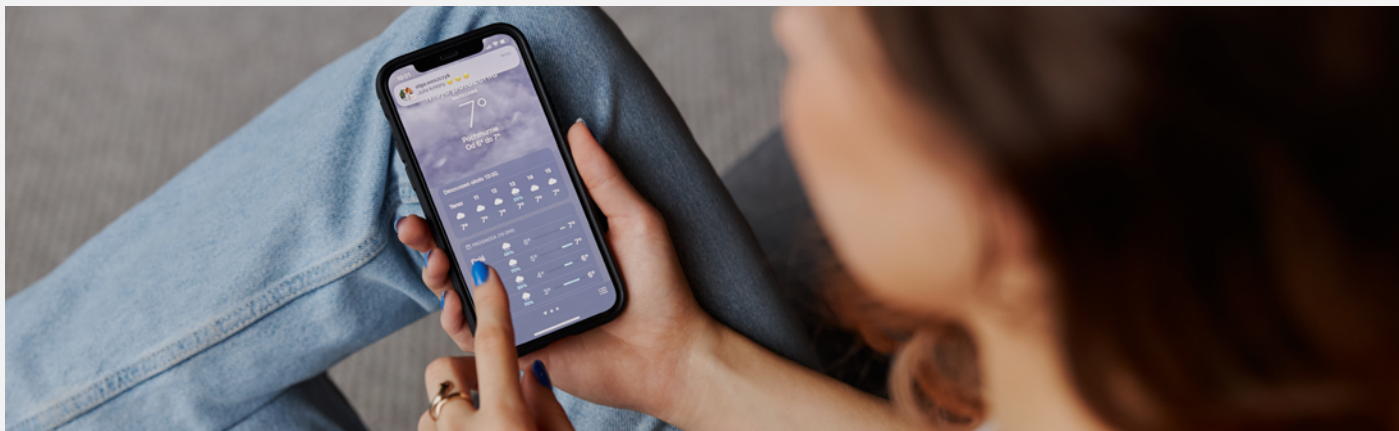
Over 200 million listings on the platform are marked with the Smart! symbol
- 

Approximately **45% of shipments** reach customers the next day
- 

Almost **500 million offers** at attractive prices on the Allegro platform

The e-commerce customer is a key figure in the dynamic world of online shopping. Diverse in needs, expectations, and shopping preferences, this modern buyer is unified in the pursuit of convenience, speed, and security throughout the purchasing process. Buyers expect not only a wide range of products, but also an intuitive and efficient search engine that allows them to quickly find what they are looking for.

According to a study conducted in 2023 on behalf of Allegro, the most important aspects of online shopping are product price (45%), product quality (30%), and shipping costs (26%)²⁴. In response to these needs, the Allegro platform evolves, adapting its services to fully meet the expectations of modern consumers, making shopping fast, convenient, and safe. Allegro aims to become the most loved shopping destination in Poland and throughout Europe.



²⁴ The study "Online Shopping Preferences" was conducted by SW Research on behalf of Allegro. A total of 1,015 surveys were carried out with a sample of Polish men and women who shop online, using online interviews (CAWI). The study was conducted from June 16 to June 22, 2023.



Allegro's mission focuses on providing a safe and wide selection of products at attractive prices, offering access to nearly 500 million listings.

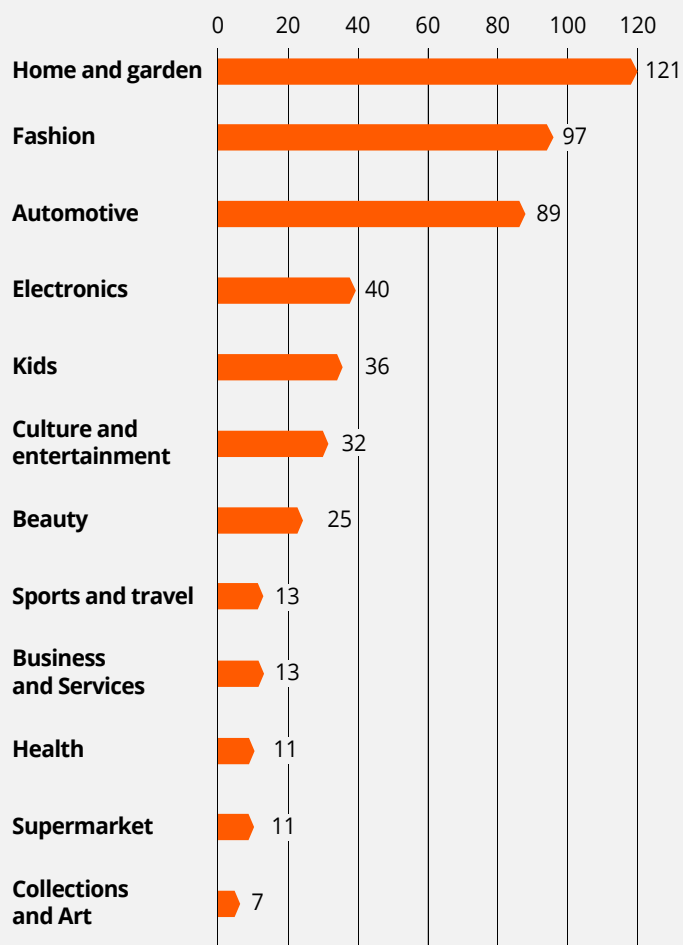
Availability and diversity of offerings

The company's mission focuses on providing a safe shopping environment with a wide selection of verified products at attractive prices. Allegro stands out among other platforms by offering access to over half a billion unique listings. The vast selection of products across various categories, from everyday items to specialised goods, ensures users can find everything they need, regardless of their location in the country. Each year, Allegro expands its product offerings, with a cumulative annual growth rate in the number of listings on Allegro reaching 40% from December 2018 to December 2023. To meet customer expectations, Allegro employs innovative solutions in its search engine, allowing for the quick discovery of specific products.

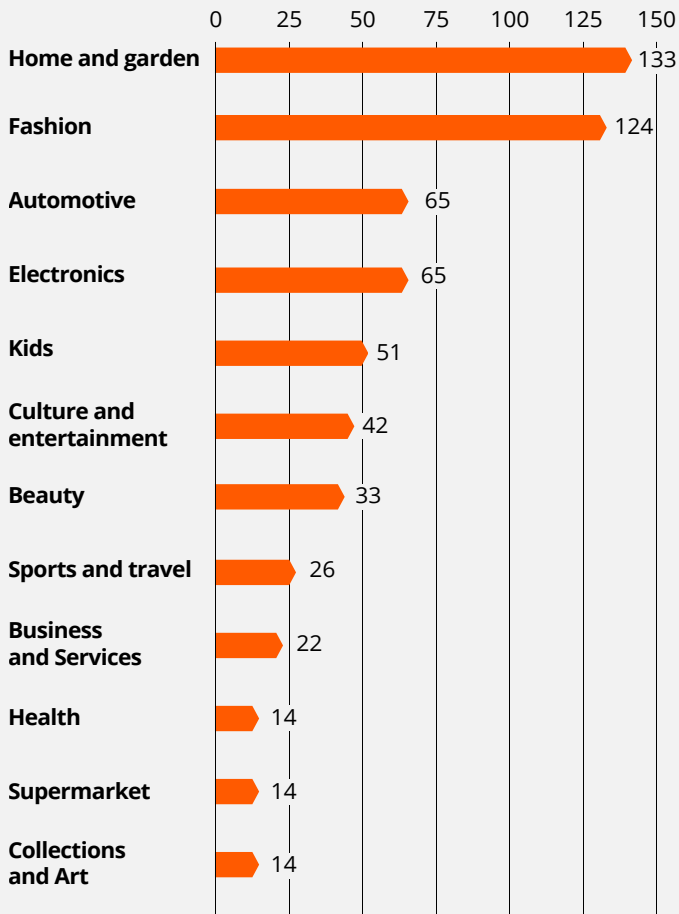
As many as 65% of consumers prefer to minimise expenses by comparing prices and selecting the most attractive offers. In response to these expectations, Allegro has introduced the "Best Price Guarantee" initiative. Through this initiative, customers shopping on the platform can be confident that products marked with a special symbol are offered at the most competitive prices.

In the twelfth edition of the Best Price Guarantee initiative, conducted from March 1 to March 31, 2024, nearly 600,000 offers were marked with the symbol.

Number of offers on the Allegro platform in Poland at the end of 2023 (millions)



Number of offers covered by the Best Price Guarantee (thousands)



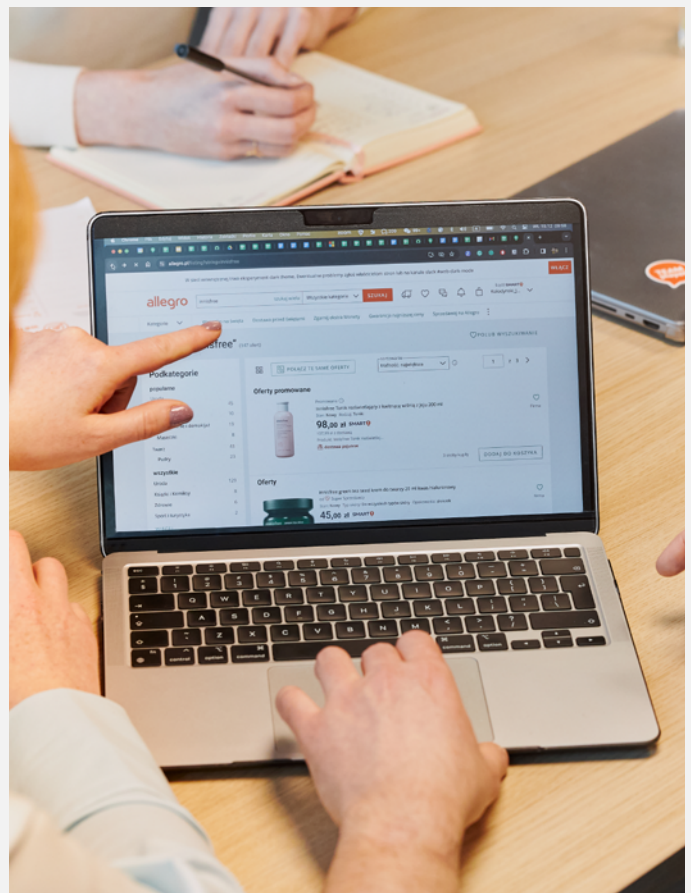
Allegro enables shopping from anywhere in Poland, providing exceptional convenience for all customers, including those who are disabled or elderly. With the option of home delivery, shopping becomes simpler and more accessible. Additionally, Allegro offers buyers a dedicated mobile app that allows for quick and easy purchases from a phone. Both the platform and the app are characterised by reliable performance, ensuring smooth and seamless shopping experiences and the ability to order products from millions of listings. This makes Allegro feel like a local store – close and accessible to everyone.

Over 90% of orders are fulfilled within 1-2 days, and nearly 45% of shipments reach customers the next day.

Price competitiveness

In addition to offering the widest selection of listings and shopping convenience, Allegro is often chosen as a shopping destination by customers because of its competitive prices. This aspect has become particularly important, especially in recent years when inflation has significantly impacted the prices of consumer goods available on the market.

Allegro is a place where, due to natural competition among numerous merchants, customers can often find products at lower prices than in most other stores. Statistics confirm this – according to Allegro’s internal research, the price increase on the platform over the past year has remained on average lower than the general level of inflation. This phenomenon is beneficial not only from the consumers’ perspective, as it means greater purchasing power, but also has some significance for the entire economy – limiting the average rate of price growth in the market.



Delivery

In today's fast-paced world, where time is a precious commodity, Allegro consistently emphasises timely deliveries. Through continuous improvements in fast and efficient product delivery and precise delivery time predictions, Allegro strengthens its market position. Fast and effective delivery is a key element that influences the company's success and customer satisfaction. **Over 90% of orders are fulfilled within 1-2 days, and nearly 45% of shipments reach customers the next day. Additionally, Allegro maintains an impressive level of accuracy in meeting delivery deadlines, hovering around 90-95%.** This confirms not only the reliability, but also the high efficiency of Allegro in logistics, ensuring the highest quality of customer service.

According to an analysis conducted by SW Research, free deliveries and the ability to return goods have gained importance among consumers over the past year. In response to the growing demand, Allegro continues to expand its Smart! programme, which celebrated its five-year anniversary in 2023. Since its introduction in 2018, the programme has fundamentally changed the way customers approach deliveries. Allegro Smart! has established itself as a symbol of savings and convenience in online shopping, offering unlimited free deliveries and returns, as well as access to exclusive promotional offers. **Users of the programme have already saved over PLN 8.6 billion on shipping costs²⁵.** Currently, nearly 200 million products available on the platform are marked as Smart!, with a dominant presence in categories such as Automotive, Culture and Entertainment, and Home and Garden.



Transaction security

Customers using the Allegro platform have access to a wide range of reputable and verified products offered at attractive prices. Allegro prioritises delivering high-quality products, which is a key aspect of every transaction and contributes to creating a secure shopping environment highly rated by users. To enhance transaction security, Allegro introduced the Allegro Protect programme, which safeguards buyers against issues such as delivery delays, product damage, or discrepancies between the product and its description. The programme guarantees a refund within 48 hours of reporting a problem, providing protection for up to two years from the purchase date. The maximum compensation amount for transactions that do not meet customer expectations is PLN 20,000. **The effectiveness of Allegro Protect is confirmed by the fact that 98% of users are satisfied with the speed, at which their issues are resolved.** This demonstrates Allegro's strong commitment to building trust and ensuring customer safety.

98% of consumers are satisfied with issue resolution through Allegro Protect.

25 Data from the start of the program until the end of August 2023. The amount does not include the cost of purchasing the Allegro Smart! package.



Over 1.4 million people have already used Allegro Pay. According to a satisfaction survey, 94% of users would recommend this service to their friends.

Innovation in payments

Understanding the importance of secure and intuitive financial transactions, Allegro introduces intuitive fintech solutions designed with the daily needs of buyers in mind. These advanced solutions are crafted to seamlessly integrate into customers' daily lives, providing ease of use without compromising transaction security. In response to growing expectations for safety, Allegro introduced Allegro Pay – a ground-breaking payment solution that allows customers to order and review products from the comfort of their own homes. The programme offers the option to defer payment by a month or split it into convenient instalments – 2, 3, 5, 10, or even 20 months. This functionality allows buyers to better manage their finances and make secure purchases. Allegro Pay has quickly gained consumer trust – over 1.4 million people have used this service, with 94% expressing their readiness to recommend it to friends.

Dynamic growth and buyer engagement

By continuously introducing customer conveniences, the platform consistently expands its base of active users, contributing to its success and growing dominance in the e-commerce industry. A strategy focused on consumer needs and comfort, combined with investment in technology and logistics, is key to maintaining its leadership in the online shopping market. By the end of 2023, the platform saw an increase in the number of active buyers to 14.6 million, marking continuous growth over the past few years. This development reflects growing trust and customer satisfaction with the services provided by Allegro. This trend is confirmed by the exceptionally high Net Promoter Score (NPS) achieved by Allegro, which reached 71 in 2023. This significant customer loyalty indicator shows that most users are not only satisfied with the services offered, but also actively recommend the platform to their friends and family. Such a score strengthens Allegro's position as a market leader, highlighting its effectiveness in building positive relationships with customers. Additionally, there has been an observed annual growth in the value of purchases made by individual users of 6.4%, reaching an average value of PLN 3,739 per person in 2023. These data underscore customer loyalty to the platform and their willingness to make more purchases on a single platform.



14.6 million active buyers in 2023





The average GMV per buyer in 2023 exceeded **PLN 3,700**


Allegro for employees




Main dimensions of impact on the Polish economy:

- 

Allegro as a key company shaping digital competence on the Polish market.
- 

Allegro's organisational culture based on innovation and efficiency, supporting development and investment in human capital.
- 

Allegro's organisational innovations as a benchmark for other organisations in the region.
- 

Numerous Allegro initiatives supporting diversity and inclusion.

- 

1st place in the ranking of the best employers in the retail industry in Poland and **18th** in the overall ranking of the best employers in Poland
- 

86,5% are employed directly by Allegro under employment contracts
- 

44,6% of Allegro's employees in Poland are women, **more than 30%** management team are women²⁶
- 

More than 1,700 IT specialists, which is nearly 40% of the entire Allegro organisation in Poland
- 

6,624 of the total workforce in Allegro Group, including **4,794 working** for Allegro in Poland
- 

26,7% of the technology team members are women
- 

Less than 3% gender pay gap in Poland

Starting its operations in 1999, Allegro began with a 5 members team. **25 years later Allegro Group has the largest e-commerce team** in the Central and Eastern European Region with 6,624 of the total workforce, of which as many as **4 794²⁷ work in Poland, in offices in Warsaw, Poznan, Cracow, Torun, Katowice, Gdansk and Wroclaw**, as well as in the logistics centre in Adamowo, near to Warsaw.

Allegro's goal as an employer is to be a place where diverse talents can thrive, a workplace of first choice for the best professionals in the market as well as a place whose employees can say **#it's good to be here.**

The organisational culture at Allegro is based on innovation and efficiency to ensure the highest level of satisfaction, both for merchants and buyers.

The common goal of Allegro's employees is to provide the best possible, fastest and most innovative e-commerce services. Hence, they are driven by the need for constant development and finding new solutions and opportunities. This approach develops not only the organisation as a whole, but also the employees as individuals, in line with the principle that the success of an organisation is built by people looking in the same direction, having a similar system of values.

²⁶ Senior and middle management positions

²⁷ Allegro's workforce in Poland consists of contract employees (4,148 people), contract employees under B2B agreements (456 people), and people employed by employment agency and outsourcing services (including people providing work under civil law contracts) (190 people)

Allegro's values are reflected by a set of behaviours cherished within the organisation, called **The Allegro Way**. The Allegro Way behaviours promote a **culture of respect, responsibility** and **continuous improvement**, focusing on four main dimensions: how employees develop, how they engage, how they work and how they collaborate.

According to **The Allegro Way**, development is based on understanding customers, setting high standards and looking boldly into the future. Engagement refers to treating the company as one's own business, taking responsibility for achieving goals and a culture of delivering results. Working at Allegro is about exploring facts, striving for simplicity and shared goals. Allegro is about collaboration focused on attracting, hiring and developing the best talents, daring to disagree, and applying a solution-oriented approach.

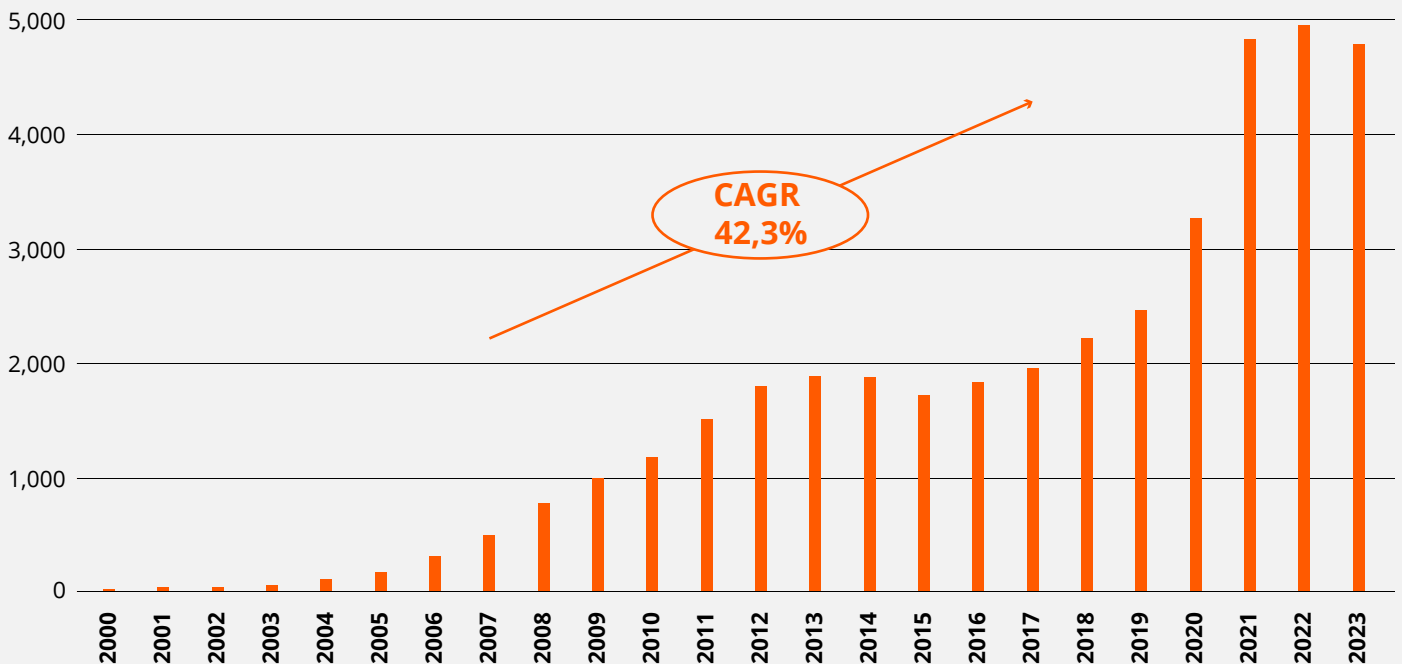
Allegro as an organisation brings together a group of professionals who take a deep look at the reality around them and make thoughtful decisions, and form a diverse, strong team open to challenges and continuous improvement.

Multifaceted continuous development requires a range of diverse competencies. At Allegro, employees can develop and gain experience within six main areas: **Tech&Data**, **Commerce**, **Customer Experience**, **Delivery Experience**, **Warehouse&Couriers** and **Corporate Functions**. Each of these areas is divided into several specialised departments or teams.

There are as many as 6 areas within the organisation, and each is further divided into specialised teams.



Growth of Allegro Polish Operations' workforce



Nearly 40% of the entire Allegro organisation in Poland are IT specialists.



Teams in Allegro

Allegro, being an e-commerce leader, employs the best experts in Poland. From the very beginning, **technology has been the backbone of Allegro's operations** and it requires having an appropriately sized and effective technology team. **Allegro has one of the largest technology teams in this part of Europe, the Allegro Tech&Data Team**, which consists of more than 1 700 IT experts from various specialisations. **The technology team accounts for about 40% of the entire organisation in Poland.**

Being part of Allegro Tech&Data provides an opportunity to work on large, innovative projects, to be up to date with the latest technologies and to work on large volumes - **on average, every day there are more than 100 software implementations and 1.5 thousand tests of new solutions, and more than 10 thousand servers are supported.** The team is responsible for building Allegro's solutions and services. Technology teams include groups working on artificial intelligence, machine learning or UX.

Allegro is a leading shopping platform in Poland and a significant e-commerce player of European origin. As a leader and market trendsetter, Allegro strives to continually bring e-commerce solutions to a new, higher level.

The main goal of the **Allegro Commerce Team** is to support the development of the Allegro platform and merchants - to help maximize their sales. Specialists from Allegro Commerce Team expand individual components of the platform such as Allegro Locally, develop services and solutions, create advertising products, or constantly expand the network of business partners.

Allegro is a shopping platform where more than 14.6 million consumers make purchases from nearly 150 000 merchants. Allegro's mission is to provide users with the best possible experience of using the platform. **Allegro Customer Experience** department, which consists of six dedicated and specialised teams is responsible for carrying out Allegro's mission. These teams' task is to support customers in their shopping journey, help business partners develop their brands, develop communication channels, support employee engagement, carry out satisfaction surveys, as well as ensure the safety and quality of offers on the platform.

The **Delivery Experience** department is responsible for developing the entire supply chain, enabling order fulfilment on the Allegro platform. Allegro's goal is to position itself as the platform of choice for convenient delivery while developing environmentally friendly solutions. Delivery Experience consists of dozens of experts from different areas: real estate, logistics, business development, analytics, CSR and product management. The outcome of the efficient work performed by these specialists is the rapidly growing service Allegro One.

Another area of Allegro's operations is the delivery of a comprehensive logistics service. Allegro's logistics specialists from the **Warehouse&Couriers** department, are responsible for collecting orders, preparing them for shipment and delivering them to customers.

Allegro's **Corporate Functions** department consists of nine business support teams, such as legal, communications, human resources, finance, purchasing, strategy and administration.

Allegro offers extensive growth opportunities for technology professionals in Poland.

16 years ago Allegro took the initiative to build **its community of engineers and IT professionals - Allegro Tech**. Its original purpose was to share knowledge within the organisation. Over time, it has evolved into a space for integrating professionals also from the broader IT community and sharing best practices with the market. As part of Allegro Tech, Allegro experts present ongoing projects, biggest challenges and implemented solutions through articles and blog posts, as well as webinars and podcasts. Conferences and meetings are also organised.

On a daily basis, Allegro employees have the opportunity to participate in many external events and conferences, both as participants and speakers. Moreover, since the founding of the Allegro Tech community, there is an internally conference Allegro Tech Meeting, at which Allegro's employees are both speakers and participants. During this event, employees have the opportunity to share their knowledge, talk about projects, successes and at times failed ventures. All this provides an opportunity to learn from each other, develop, but also celebrate. Usually, the event takes place around the Programmer's Day and is a kind of festival of technology at Allegro. The program for the 16th edition of the conference in September 2023 included 59 presentations and meetings divided into 6 thematic blocks (Big Data & Analytics, Machine Learning, Engineering, Infrastructure & Security, Gaining Skills & Share Knowledge, PM & UX). A total of 76 speakers were involved in the preparation of the event.

Some of the materials presented at the internal conference are also publicly available on the Allegro Tech platform.

Competencies in Allegro

Allegro is driven by technology, as evidenced by the significant share of technology teams in the overall organisation. Continuous development of technological competencies drives Allegro's growth.

All technology products developed for Allegro are created locally, so employees in Poland on a daily basis face many technological challenges and have **a direct impact on the shape of the platform**. The unique scale and complexity of the problems that the technology teams at Allegro solve on a daily basis provides employees with growth opportunities on a wide variety of projects.

In creating Allegro's products and services, the organisation provides freedom to find solutions and unlimited access to the necessary technology, and in case it is not available, technology teams design and build technology solutions internally.

A way of gaining knowledge by practicing, seeking and implementing improvements in technology departments are regularly organised hackathons. Additionally, employees share their knowledge during internal conferences, thematic meetings, cross-team tourism workshops or meetups.

Allegro supports its employees in creating and implementing innovative solutions by offering two incubation programs. The Innovation Marathon programme is intended for IT professionals, and Innovation Booster is for any employee, who has an interesting and innovative idea to implement in e-commerce. As part of the programmes, Allegro provides practical training, individual support and contact with experts - mentors, and employees gain real life experience of how ideas are turned into products that can revolutionise the market.

Allegro plays a key role in shaping digital competencies in the Polish market. Knowledge sharing is written into Allegro's DNA.



Allegro develops respected market leaders.

Allegro managers are also present at a prestigious event dedicated to modern leaders, managers and IT professionals - the largest conference of its kind in Europe - IT Manager of Tomorrow. In addition to the conference, the IT Manager of Tomorrow Awards competition is also organised. This is an initiative to promote the best IT managers in Poland responsible for transformations at their companies. The competition is an opportunity to present their success story and inspire others. For years now this initiative has been supporting the career development of IT managers. The IT Manager of Tomorrow Awards is not just about the competition itself, but about being part of the most active community of IT managers in Poland. In 2022, two leaders from Allegro were among the TOP10 IT managers in Poland.

Allegro's female leaders, specialising in the area of payments, have also been recognised in the market for several years now and are ranked among the most influential women in the payments industry in the Cashless ranking.

An integral part of Allegro's activities as a high-tech company in the e-commerce industry is technology education.

As part of its efforts to spread competence in the market, Allegro participates in more than a dozen industry conferences during the year and organises its own conferences offering workshops, mentoring and networking to participants.

Public speaking skills are one of the competencies Allegro is developing among its employees. 337 Allegro employees were speakers at all kinds of events in 2023.

Allegro also enjoys being involved in organising thematic meetings initiated by many industry communities. In 2023, Allegro hosted 30 such events.

Allegro is also shaping competencies in the Polish market through initiatives aimed at students and those interested in working for Allegro, such as hackathons, lectures and speeches at universities. Allegro's experts, programmers and project managers act as mentors and speakers who share their knowledge and experience on how to start a career in technology and create diverse teams and solutions in IT areas.

For those interested in a career in IT, whether they are just starting on this path or looking to make changes, Allegro offers an e-Xperience internship program. Allegro's e-Xperience program allows people to develop new skills, apply theory to practice and gain experience. Since the start of the program, 409 people have completed it, and 269 participants have been hired at Allegro after completing their internship.

Since 2018, Allegro has also been a partner of the Polish Development Fund's education and mentoring program - PFR School of Pioneers. The program is dedicated to young entrepreneurs, taking their first steps in the technology industry. Since 2019, Allegro has also been a partner of the Central House of Technology (CDT), in which, together with the PFR Foundation, it provides education and shares practical knowledge, based on the STEAM (Science, Technology, Engineering, Arts, Mathematics) method.

Read more about Allegro's initiatives for schools and universities in the Allegro for society chapter.

Read more about Allegro's activities shaping the technology industry in the Allegro for the e-commerce market section.



About 27% of Allegro's technology employees are women.

Allegro supports the development of women in technology areas.

For years, Allegro has supported the Perspektywy Women in Tech initiative carried out by the foundation Fundacja Edukacyjna Perspektywy. The initiative aims to promote women's empowerment, improve career development, develop technology and positively impact the future. The annual Women in Tech Summit is the largest women in technology event in Europe²⁸. Allegro employees are among the 150 speakers and people involved in preparing 60 workshops and more than 500 individual mentoring sessions. During the conference Allegro also has its branded stand where everyone interested can discuss career opportunities within the organisation.

Allegro, as one of the most technologically advanced companies in this part of Europe, is a forge of technology specialists in the Polish market.

Large development opportunities, unique experience, agility in creating solutions and products, knowledge sharing, a wide network of contacts and the development of a range of corporate competencies help open many professional doors for Allegro employees in the Polish market. Former Allegro employees are employed at technology institutions, as well as in charge of technology start-ups or hold lectures at universities. It is worth highlighting that the culture of knowledge sharing, deeply rooted at Allegro, is common among former employees as well. This is evidenced by the fact that they continue to serve as speakers at industry conferences and at events organised by Allegro.



28 <https://womenintechsummit.pl/>

Development in Allegro

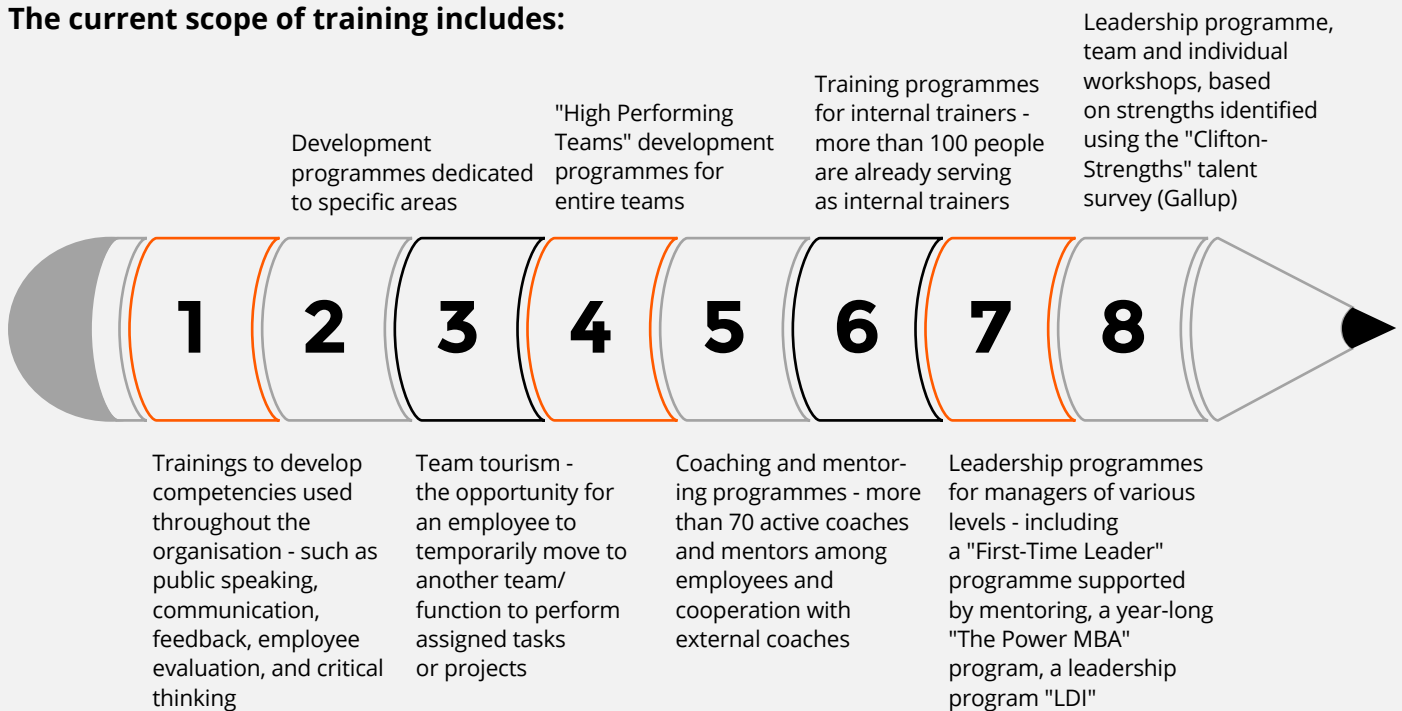
Allegro's goal is to create the e-commerce of the future and provide people with the best and most innovative platform services. **And the development of the brand and the platform is coupled with the development of employees.** Being the most popular shopping platform in Poland and one of the largest e-commerce companies in Europe, Allegro is also a demanding employer, but equally supportive in the development of its employees. Allegro provides its employees with both practical and theoretical development opportunities, basing its approach to learning on the 70/20/10 model. The model involves holistic development through participation in formal programmes, gaining knowledge from others, and applying skills in real-life situations, such as projects or new tasks.

As part of development activities, Allegro employees can participate in workshops, webinars, e-learning, conferences, coaching sessions. In 2023, 2,094 development activities were conducted in Polish branches with a total of 13,821 participants (2,884 unique participants). 70% of Allegro employees participated in at least one training session during the year. On average, one employee completed 48.8 hours of training.

Allegro's training offerings are constantly updated and expanded according to the needs of the organisation and its employees.

The highest rated trainings by employees (NPS from participants) include leadership programmes, such as workshops on the art of communication, persuasion, public speaking, as well as a development programme for leaders who are just starting down their managerial path and want to develop their competencies.

The current scope of training includes:



Allegro offers employees many challenges and opportunities, provides each of them with support for professional development and guarantees equal opportunities in all aspects of employment. In return, it expects professional ambition and a desire for growth, the ability to cope with a fast-changing and complex environment, as well as an awareness that their work, innovation and solutions affect the daily purchases of millions of consumers. By investing in employee growth and development, Allegro develops a talented and committed workforce capable of driving innovation.

The organisation has implemented effective performance and talent management processes. They consist of three components: goal setting, calibration and evaluation of individual performance in relation to corporate strategy and individual employee goals.

As part of talent management practices, a bi-annual promotion process is carried out, top talents are identified within the organisation, directions for leadership development are determined, and potential career paths and employee development activities are defined.

The defined development paths and managers' needs are translated into both leadership development programmes and individual development.

Employees have the opportunity to define their career aspirations in their talent cards. Leaders use them to share their experience, skills and career aspirations, which enables the organisation to create a comprehensive picture of career aspirations and serve as a basis for further development discussions.

Allegro strives to be the best possible workplace for its employees in many aspects. Wanting to nurture a sense of security and comfort among employees, the organisation offers, in addition to extensive development opportunities, stable employment, competitive salaries and a range of benefits. Allegro also focusses on transparent and regular communication and places emphasis on promoting diversity, equity and inclusion (DEI).

The predominant form of employment at Allegro is the employment contract, with as many as 86.7% of employees providing their services on this basis, 9.5% of employees working with Allegro under B2B contracts, and 4.0% through employment agencies.



As of the end of 2023, there were 1,848 women and 2,300 men working at Allegro based on an employment contract.

Women at Allegro hold more than 21% of senior management positions and account for more than 30% of middle management.

In the area of diversity and equal treatment, Allegro distinguishes four priorities for its activities - these relate to efforts to close the gender pay gap and unify career opportunities, diversification of nationalities and age representation with regard to neurodiversity activities.

Allegro's priority is to ensure that the organisation's work environment is free of discrimination and prejudice and that all employees are treated fairly.

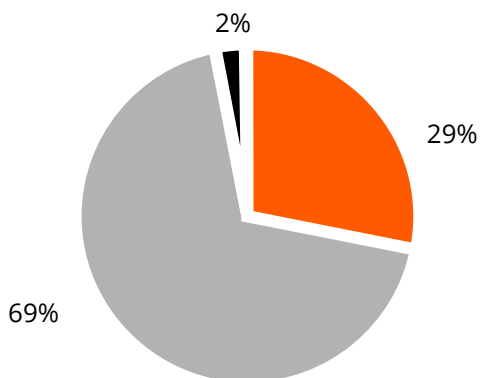
Since 2022, the organisation has been implementing a Neurodiversity Programme to raise awareness in the organisation about neurodiversity and how best to respond to the different needs of neurodiverse employees. In 2023, strategic DEI directions were developed for Allegro, existing practices were thoroughly analysed from a DEI perspective to identify potential barriers, and awareness-raising and support activities were intensified.

Allegro was among 850 European companies recognised in the fifth edition of the report Diversity Leaders 2024 prepared by the Financial Times in cooperation with Statista, an independent market research company. Allegro received a score of 74.24 out of 100 and was the highest rated company based in Poland. It ranked first in the retail category in Poland and 4th overall.

A diverse environment provides opportunities for growth, facilitates innovation and creativity and therefore Allegro is taking steps to diversify its workforce to represent different generations. In 2023, the largest group of employees, 69.5%, included people aged between 30 and 50, 28.6% were under 30, and 1.9% were over 50.



Age structure of employment at Allegro in Poland



- Under 30 years of age
- Between 30 and 50 years of age
- Above 50 years of age

One of Allegro’s strategic goals is also to strive for equal treatment of its employees.

Currently, the pay gap between men and women for the same job on the same position is less than 3%²⁹.

The foundation of building relations and a healthy atmosphere is communication, which is why Allegro uses a number of different channels and tools to effectively reach its various employee groups. Monthly employee meetings are held with the Board of Directors and Managers, as well as webinars, newsletters are sent out regularly and news is published on the intranet. A dedicated space has also been created where employees can ask questions related to the organisation.

Allegro’s efforts to create the best work environment are appreciated by both employees and the business environment.

For years, Allegro has been featured in Forbes’ ranking of best employers. **In 2023, Allegro was ranked 1st among employers in the retail sector** and 18th in the overall ranking of best employers in Poland³⁰.

One of the reasons behind Allegro’s success as an employer can be linked to two-way communication within the organisation. Employee engagement surveys are conducted twice a year. The purpose of these is to gather opinions and suggestions for improvements.

Another important aspect for Allegro is employee health and wellbeing. For years, Allegro has been running the campaign ‘Akcja Zdrowie’, which includes a series of workshops, consultations and webinars to promote overall wellbeing and a healthy lifestyle. Allegro employees have access to Mindgram, an innovative platform that is part



of a comprehensive benefits package focusing specifically on mental wellbeing. Mindgram aims to help employees maintain their mental health and overall wellbeing by offering personalised content such as articles, exercises and webinars tailored to improve mental health, covering a broad spectrum of topics such as dealing with work-related stress and developing positive coping strategies for personal challenges. In 2023, 1,669 users were registered and active on the Mindgram platform. There were 1,630 different types of consultations with specialists via chat and video per month. In addition, every year during the summer period, Allegro also organises a campaign called ‘Kręć kilometry’ to encourage physical activity.

29 Adjusted pay gap -Allegro used an adjusted gender pay gap prepared by calculating weighted averages per career level in each job group. A Company-wide weighted average was then calculated. This method is more precise when determining salaries by position. For details, please refer to the Allegro 2023 ESG Report.
 30 “Poland’s best employers”–2023 survey by Forbes and Statista

Employee stories #dobrzetubyc

The development of an organization is closely correlated with the development of its employees. The effectiveness of Allegro's efforts to support its employees and create the best conditions for them is confirmed by employee stories.

Several employees have shared their multiyear development stories within the organisation.



**MAŁGORZATA
ELSZYN-BOCIEK**

*Senior Manager,
Product & Engineering,
17 years at Allegro*

„In the spring of 2007, I saw an ad in the newspaper that Allegro was looking for specialists for User Support. It made me curious and I sent an application by traditional letter. After a two-stage interview, I received the job. This is how I found myself among Allegro employees.

I started my adventure by providing first line general support to customers and merchants in need. However, my constant need to look for improvements led me to an internal recruitment to join the Security Department - where I had the opportunity to work on developing mechanisms to ensure safe shopping conditions for our customers.

Thanks to supportive, open-minded and committed leaders who I met along my career path at Allegro, I had the opportunity to continue growing. The path I followed led me to the Product Department and then to the Technology Department, where I initially took on the role of Product Owner, with time Product Manager and Product Team Manager, and now I hold the position of Product & Engineering Senior Manager.

Practically from the very beginning of my work at Allegro, I have been building customer experience so that making purchases is convenient, safe, and customers receive comprehensive post-purchase support whenever they need it. Despite the passage of many years, the dynamically changing business environment, and the development of modern technologies, the experience of the early years has stayed with me to this day. Just as my first leader at Allegro once did, I strive to create an environment that is friendly, welcoming, safe and innovative for my team, where everyone is important, has opportunity to grow and discover the path they want to follow.”

„I started working at Allegro in 2008 as a technical infrastructure engineer. The scale of challenges, the high level of team expertise and training paths allowed me to constantly expand my knowledge, technical competence and teamwork skills. In the following years, I moved through the stages of my career, serving as leader of the team responsible for site infrastructure, and finally held the position of senior manager responsible for building a modern technical platform to enable Allegro's data analytics.

Since 2024, in my role as director, I am leading strategic initiatives related to the development of the data platform to enable the construction of innovative functionalities for our users.

At Allegro I see first and foremost the great potential in its people - their commitment, knowledge and openness towards teamwork makes every day at work inspiring. We invest in the development of our employees by offering training, professional development programmes, participation in innovative projects and diverse paths for promotion. This dynamic environment guarantees continuous development and constantly presents us with new challenges that mobilize us to create new and innovative solutions. Working with such a talented team allows us not only to achieve our business goals, but also to create value for our users through Allegro's development.”



**BARTŁOMIEJ
RYMARSKI**

*Director, Data Platform,
16 years at Allegro*

Employee stories #dobrzetubyc



**MAGDALENA
WIŚNIEWSKA**
*Product Manager,
13 years at Allegro*

„In December 2011, I started my adventure with Allegro in the Customer Experience department as a Junior Specialist. The first conversations with customers were challenging, but at the same time I was able to provide help and support, and this gave me the greatest satisfaction. I supported Allegro customers directly for 4 years and following a small break, it was time to create and develop quality. As Quality and Development Specialist, I was part of the team that built, verified and developed the quality of service at Allegro. After a few years, I knew that the next goal in my career would be to manage a team, and a few months later it happened. I became a leader in the back office area, which supported customer care processes. Working with people gave me great satisfaction and thus the opportunity for continuous development. I was the leader of 5 teams and supported several processes. I was responsible for building the Back Office quality department. After more than 12 years, I began to expand my knowledge in the area of product management and product development. The next professional goal that I set for myself was to become a Product Manager in the Technology area. I have now achieved this and since April 2024 I have been fulfilling my new professional role.”

Allegro for the society



Main dimensions of impact on the Polish economy:



Volume of Allegro's in-kind support for charitable campaigns.



Using Allegro's scale and brand recognition to expand charitable activities and social campaigns.



PLN 47 million has been raised for charity through Allegro Charytatywni in 2023, and over **PLN 213 million** since it was launched³¹



PLN 214 million collected for WOŚP³²



603 employees involved in volunteer work



4,824 hours dedicated to volunteering in 2023



Allegro uses the scale of its operations to support a number of social and charitable activities, being an active partner or organiser of many campaigns, both national and local.

Charitable activities are carried out across Allegro, with the active involvement of employees, merchants and buyers, and business partners.

The support provided by Allegro takes many forms, from direct financial support, providing tools and organisational facilities for collecting contributions, promoting and extending the reach of activities and campaigns, well as providing subject matter related and physical support for the initiatives themselves.

31 As of the end of 2023

32 Including the results of the 32nd WOŚP Finale (2024)

Charity campaigns

Using the power and recognition of its brand, Allegro engages numerous social initiatives. One of the pillars of the company's social responsibility strategy is to invest in the community and show that it is possible to support the solution of human problems through technology.

Allegro Charytatywni

In 2014, Allegro launched **Allegro Charytatywni**, which allows customers to help by shopping online and getting involved in social campaigns, with merchants listing items for good cause and NGOs running charity drives on it, while gaining access to a wide range of loyal Allegro users.


All funds collected from the sale of charity listings are transferred directly to the account of the organisation running the fundraiser. Allegro does not charge any fees for listing an item or commission on sales, while providing all the tools known from commercial activity, including a wide selection of payment methods, delivery prices negotiated by the platform, transaction security or the Allegro Smart! service.

In 2023, Allegro Charytatywni provided support to 762 charitable causes, helped organise 351 NGOs charity drives and 929,000 of the listings were for charity. **Last year's activity on Allegro Charytatywni made it possible to raise a total of nearly PLN 47 million.**

Allegro promotes philanthropy in Polish society through its reach and technological tools.



Allegro Charytatywni - 2023 summary

762 


supported charitable causes

PLN million **47** 

raised for charitable causes

351 

NGOs

929 thousand 

charity offers

Allegro Charytatywni is a tool used both by large and well-known NGOs to extend their reach, as well as small organisations, for which the Allegro Charytatywni platform is a key source of funding from donors.

Charity auctions are very popular among the Polish society, they are one of the most sought-after forms of supporting charitable activities on Allegro. It is worth remembering that Allegro began its activity by organising auctions.

The annual auctions organised for WOŚP break records in terms of popularity and value of donations. It was their phenomenon and extraordinary popularity that led to the creation of the Allegro Charytatywni initiative in 2014.

Substantial sums are also raised during auctions for the benefit of other entities.

In 2023, the most popular auctions included the UNICEF Poland auction in cooperation with Iga Świątek, who donated her outfit and shoes from Australian Open 2022 and the US Open 2022, as well as the auction of Depeche Mode concert packs organised by the CARE Foundation.

For the past 10 years, through Allegro Charytatywni, Allegro has been joining forces with the Mam Marzenie Foundation. As part of the cooperation, auctions are organised where it is possible to bid for an evening meal with a star - the Dinner of Dreams (Kolaćja marzeń). The last edition involved as many as 55 well-recognised persons and many restaurants in Krakow, Warsaw and Poznań. A total of almost PLN 220,000 was raised, and over the 10 years of cooperation - almost PLN 1.2 million.

All the funds were used to make dreams come true for the Foundation's charges - children suffering from life-threatening diseases.



PLN 151,611 donated to help children affected by war in Ukraine, collected as a result of Iga Świątek's auction for UNICEF Poland.



PLN 66,000 raised by auctioning Depeche Mode concert packs to support access to education and psychological help for Ukrainian children and youth.



An example of an organisation for which the Allegro platform is a key tool for raising funds from donors is the Wspieranie Rozwoju Dziecka Foundation. It holds fundraising events both by enabling contributions on Allegro Charytatywni and by selling second-hand items, the proceeds from which are donated to charity. The Foundation's activities show that Allegro's charitable support and access to a broad customer base has real impact on the development of such organisations. It is thanks to the platform that the Foundation was able to finance the construction of a modern playground, organise a festival for children and parents and, most importantly, open a high school, for which previously lacked funding. Youths entered the school's hallways for the first time in 2023.

Allegro for WOŚP

Allegro's commitment to charity, however, goes back further than the launch of Allegro Charytatywni. Almost from the start of its activity, Allegro has been a continuous partner of the WOŚP Foundation.

Each year, during the WOŚP finale, hundreds of charity auctions are carried out on the platform.

In addition, Allegro customers can support WOŚP, while shopping on the platform, by adding a contribution (a so called brick) of PLN 5, 10, 20, 30, 50 or 100 to their cart. All funds from the purchased bricks are then transferred to the Virtual Donation Box (Wirtualna Puszka) at Allegro's headquarters, and then transferred in full amount to the Foundation.

By 2023, 24 years of cooperation had resulted in PLN 178 million of funds raised.

In 2023, as many as 132,963 auctions for the WOŚP were listed on Allegro, 14,489 people put items up for sale to support this noble cause, and 167,802 people participated in auctions.

In 2023, the highest-bid Allegro auctions for WOŚP were:

- ✓ A magical weekend with Omena Mensah and Rafal Brzoska - auctioned off for PLN 302,200
- ✓ A walk and dinner in Gdańsk with Donald Tusk - auctioned off for PLN 301,100
- ✓ Tickets for the 2023 Roland Garros tournament and a tennis racquet put up by Iga Świątek - auctioned off for PLN 300,300



Wielka Orkiestra Świątecznej Pomocy – 2023 Summary



In addition, during the 32nd WOŚP finale in January 2024, more than PLN 36 million was collected via Allegro auctions, bringing the total since the beginning of cooperation up to more than PLN 214 million.

Allegro for Szlachetna Paczka

For the past six years, Allegro has also been the main partner of Szlachetna Paczka. As part of the Szlachetny Koszyk campaign in November and December, while shopping on the platform Allegro customers can add a Szlachetna Cegiełka contribution worth PLN 10, 20, 50, 100 or 200 to their cart. Thanks to the Allegro Charytatywni enabled mechanism, all funds collected through these means go directly to a WIOSNA Association account and allow the organisation to act and provide support on an even larger scale. Combining the association's and Allegro's efforts steadily increases the outreach to donors, and thereby broadens the possibility of collecting funds for the new campaigns, recruitment, volunteer training and development of organisational and logistical aid facilities.

Since 2017, the Allegro team has been implementing a volunteering project to which Allegro employees are invited. Among them are the Leaders and Volunteers of the Szlachetna Paczka, who coordinate the employees' contribution in providing aid. In 2023, 28 leaders and more than 520 Allegro volunteers and donors were involved in volunteering. Not only employees form teams preparing the donation packages - their families, neighbours or friends are often also involved in the campaign.

Allegro's commitment to supporting charitable showcases the meaningfulness of collaboration between business and NGOs as it changes the world for the better.

Szlachetny koszyk – 2023 Summary

Szlachetny koszyk 2023 | Results



allegro CHARYTATYWNI

PLN 1 237 545

raised thanks to Allegro customers

83 784 units of "Szlachetna Cegiełka" purchased by Allegro users

67 404 units of "Szlachetna Cegiełka" worth PLN 10 each purchased by Allegro users

65 231 of Allegro customers engaged in "Szlachetna Paczka" charity action

Education of NGOs

Allegro's culture of knowledge sharing, years of experience in organising charitable events and its own technological tools result in numerous collaborations and trainings. Allegro is keen to engage in training for organisations in the sector. Examples of such activities include numerous training courses on fundraising methods organised in cooperation with the association Polskie Stowarzyszenie Fundraisingu.

Allegro representatives have acted as speakers during the International Fundraising Conference and the Professional Fundraising Course. Allegro also organised, in cooperation with the PISOP Center Association, a dedicated conference for NGOs from Poznań, and in cooperation with the City of Warsaw, a workshop for organisations operating in Praga-Południe.

Allegro develops fundraising competencies among NGOs.

Employee volunteering at Allegro

In August 2022, Allegro introduced an official employee volunteering initiative. That same year, as many as 272 people got involved, devoting 2,176 hours to charitable activities. Volunteering is part of the Allegro Foundation, a unit that has been operating in its current form since 2022, but with origins dating back to 2008 and the All for Planet charity initiative, which focused on pro-environmental activities. Currently, the scope of Allegro Foundation's ongoing initiatives also includes social and educational aspects. Following the launch of its volunteering activities, Allegro has introduced an extra day off for volunteers.

In the past Allegro employees have been keen to get involved in various relief efforts, both nationwide campaigns and local activities.

As part of their volunteering activities, Allegro employees launched the **#pomagamy_bo_umiemy** campaign, the first two editions of which were dedicated to the fight against the pandemic and its effects.

To support these activities, Allegro set up a special charity fund worth PLN 2 million in 2020, which helped to finance two editions of the campaign. The two editions included 78 projects involving more than 200 employees. The third edition of the campaign was dedicated to supporting the Ukraine.

In 2023, as part of their voluntary work, Allegro employees were involved in various social activities, such as cleaning up the Dębiński forest and its surroundings, where almost 90 Allegro employees collected nearly 300 bags of rubbish, cleaning up the Sopot beach, greening Poznań's Wilda district, cleaning up at the Poznań Zoo or visiting and organising activities for children from the Centrum Pomocy Humanitarnej.

At the end of 2023, 603 Allegro employees were involved in employee volunteering, that's almost 9% of the entire organisation. In total, in 2023, Allegro employees devoted 4,824 hours to charitable volunteering activities, supporting as many as 140 organisations.

Responses to world incidents

Allegro is not indifferent to sudden world events and their consequences. The actions taken by the organisation in the face of the COVID-19 pandemic, the war in Ukraine or the earthquakes in Turkey and Syria are testimony to this.

Allegro against the pandemic



Facing the pandemic, Allegro initiated a number of activities to counter the negative effects of COVID-19 on multiple levels.



Beneficiaries of Allegro's support included both direct members of the platform and the healthcare system as a whole.



The total value of support for the fight against the COVID-19 pandemic, donated by Allegro on behalf of itself, its customers and business partners, amounted to **almost PLN 490 million**.



Allegro for customers and merchants

Allegro's priority was to keep employees, customers and business partners safe.

Following the introduction of restrictions, when most activities moved to the online world, Allegro's platform was the place where customers could do their shopping quickly and safely.

To meet the needs of seniors, for whom online shopping is not always an everyday occurrence, Allegro launched a free dedicated helpline, where consultants advised and supported the process of shopping on the platform. Communication regarding the helpline was supported by the National Institute of the Senior Economy (Krajowy Instytut Gospodarki Senioralnej).

As a means of support, Allegro has provided its customers with the Allegro Smart package free of charge! for 3 months. It allowed customers to conveniently shop with free delivery to a pick-up point or by courier.

Allegro did not leave its merchants without support either - payment periods were extended in the first half of 2020 and new businesses were not charged any fees during the first 3 months.

In the special "Local Marketplace" category on Allegro Lokalnie, merchants could sell "necessities" for free, which was important mainly for small, often local entrepreneurs.

In addition, Allegro undertook a number of educational activities to support the first steps on Allegro and in the world of e-commerce.



Allegro for Polish Healthcare

In the face of the pandemic, Allegro also got involved in supporting Polish healthcare by organising a **charity fundraiser** for the **Intervention Fund of the WOŚP Foundation**. The campaign raised **PLN 213,865** which was used to purchase much-needed equipment for Polish healthcare.

Allegro purchased and delivered 365,000 masks and 8,000 litres of disinfectant fluids to more than 40 hospitals and medical facilities across Poland. In addition, Allegro also made a donation of **PLN one million** to the Lekarze Lekarzom Foundation, which enabled the purchase of personal protective equipment for 31 hospitals and mobile disinfection systems for hospital rooms at 16 facilities.

In total, Allegro donated almost PLN 3 million to equip hospitals with personal protective equipment.

In support of the treatment and diagnosis of the virus, Allegro made a donation of PLN 2 million to the WOŚP Foundation, which was used to purchase 24 respirators. In addition, Allegro funded 2 complete COVID-19 testing laboratories in Warsaw and Poznan for PLN one million.

The company also purchased 10 3D printers for Sopot secondary schools, enabling the production of 400 visors per day for doctors and nurses.

Despite working remotely, Allegro continued to purchase fresh vegetables and fruit that was delivered to offices before the pandemic, and decided to donate it to hospitals in Poznan, Warsaw, Krakow, Piastow, Torun and Wroclaw, as well as to the SOS food bank in Warsaw. A total of 31 tonnes of fruit and vegetables were delivered to doctors and patients as part of this initiative.



Allegro for the arts community

Allegro actively supported industries affected by the pandemic, including publishing sector and theatres.

In total, Allegro donated more than PLN 300,000 to support the literary community.

As part of the Book of the Year 2020 plebiscite, which Allegro co-organised with the lubimyczytac.pl website, Allegro donated a total of 250,000 PLN to five non-governmental organisations that actively supported the literary community during the pandemic.

In addition, Allegro made a donation of 50,000 PLN to the Wisława Szymborska Foundation and organised charity auctions, which raised 24,000 PLN for the Unia Literacka to help writers.

In aid of theatres, Allegro, together with eBilet, organised auctions of the so-called golden tickets, i.e. vouchers for performances, premiere plays or meetings with actors, organised by theatre managers and artists, not available in their standard offer. The campaign raised 45,000 PLN.

Allegro in the face of war in the Ukraine



Nearly **PLN 3 million** in Allegro donations



More than **PLN 7.5 million** in contributions (purchase of bricks) by Allegro customers during their everyday shopping



The total value of **PLN 11.7 million** in aid organised by Allegro

Since the very beginning of Russia's invasion of Ukraine, Allegro has supported organisations providing aid to war victims. Allegro provided both in-kind assistance in the form of food, cleaning products or vouchers for shopping on the platform, as well as financial assistance in the form of donations.

The Allegro Group has supported NGOs operating in the Ukraine with donations worth more than PLN 2.9 million. Allegro Foundation also donated nearly 84,000 PLN to the Warsaw Medical University to purchase essential training equipment for Ukrainian paramedics.

To increase the scale of its relief efforts, Allegro also used the technological capabilities of its platform to enable its customers to easily and quickly join in the support. Allegro launched charity bricks contributions, known from many campaigns, which customers added to their shopping carts. Funds from the purchase of bricks went directly to the accounts of selected organisations.

In March 2022, donations from the bricks amounted to more than 6.5 million PLN credited to the account of

the Polish Centre for International Aid. The funds were used for humanitarian aid, evacuation of the Ukrainian population and psychological support for children. In April and May 2022, customer donations amounting to more than PLN 1 million went to the Święty Mikołaj Foundation, supporting relief efforts for Ukrainian children in Poland and Ukraine, as well as contributing in the reconstruction of damaged educational infrastructure.

At the same time, more than 50 NGOs used the Allegro Charytatywnii platform to organise fundraisers to help Ukraine.

Allegro employees have also become actively involved in helping Ukraine. Their enthusiasm for developing grassroots campaigns has resulted in numerous local fundraising activities and involvement in volunteering. Building on the enthusiasm of its employees, the Allegro Foundation dedicated the third edition of the charity grant competition **#pomagamy_bo_umiemy** to, among other things, support for Ukraine. Employees selected 19 local aid events to be funded from the dedicated grant pool. The maximum grant for a selected local organisation that Allegro employees could apply for was PLN 15,000.

Another example of employee support was participation in the kręć kilometry campaign. The 2022 campaign was dedicated to helping animal shelters in Ukraine. In total, by cycling, running or walking, Allegro employees collected 30,000 PLN.

The total value of the aid organised with Allegro's support amounts to PLN 11.7 million.

In opposition to Russian aggression, Russian and Belarusian products cannot be listed on the Allegro platform from 14 March 2020, and the accounts of Russian and Belarusian merchants have been blocked by Allegro.

Allegro as a key partner for aid activities

Allegro and Foundation Polish Centre for International Aid (PCPM)³³

Allegro is one of the key partners of the Polish Centre for International Aid (PCPM) Foundation. As part of the “Brick for Ukraine” campaign, thanks to the involvement of the platform’s customers, more than PLN 6.5 million was collected in March 2022.

In summarising its activities, the Foundation emphasises the importance of Allegro’s participation in the aid campaigns’ success.



Allegro’s support enabled us to fund part of the evacuation from eastern Ukraine, including: renting buses, buying fuel for cars carrying refugees, purchasing humanitarian aid for the evacuation centre in Krzemienieczuk (food, candles, batteries, utility costs); providing humanitarian aid (e.g. socks, blankets and torches) to the needy in Kherson and surrounding villages; covering the costs of humanitarian transport to Zaporozhye and other locations in eastern Ukraine; covering the logistical and storage costs of humanitarian aid to Ukraine; purchase of bullet-proof vests and ballistic helmets for PCPM Foundation staff and associates; purchase of a refrigerated trailer for Dnipro..



Allegro’s support allowed us to fund part of the medical evacuations from Ukraine, as well as the purchase of one fully equipped ambulance; purchase medical equipment (sheet stretchers, covers, cricothyroidotomy kits, which are used to clear airways in case of emergencies and in emergency conditions, a battery for the AED, medicines - including covering the costs of transport, field beds, a surgical saw and a set of blades).



Allegro’s support has helped fund the work of Ukrainian translators employed at the Transit Centre.

Allegro’s support has made it possible to fund financial relief for refugees arriving in Poland after the outbreak of war (May-June 2022); financial aid for vulnerable people (the elderly and those with disabilities in early 2023); rental of flats for refugee families who have arrived in Poland and the purchase of essential equipment and food.



Allegro’s support enabled the purchase of some of the equipment for the Creativity Education Centre and the Education Centre, as well as funding of some of the full-time positions for the nationwide ‘Cash for Work’ project - these were refugee women employed in Warsaw to work with young people at cultural institutions and refugee women who supported children at school facilities - a total of 68 full-time positions.



33 PCPM Fundacja Polskie Centrum Pomocy Międzynarodowej, Jak pomagamy Ukrainie, Statement 2023

Allegro and the Święty Mikołaj Foundation

Allegro, is a partner of the Przystanie Świętego Mikołaja initiative organised by the Święty Mikołaj Foundation following the outbreak of war in Ukraine. Przystanie Świętego Mikołaja are places created for children who fled the war to live in Poland.

In support of the initiative in 2022, Allegro made a PLN 800,000 donation and more than PLN one million was raised through the sale of charity bricks.

In 2022, as many as 28 Przystanie Świętego Mikołaja were operating under Allegro's patronage throughout Poland, where children from Ukraine could take part in summer camps and prepare for the next school year in their new country, as well as learn the Polish language or receive psychological support.



Allegro's help for earthquake victims in Turkey and Syria

Allegro was also not indifferent to the effects of the earthquake in Turkey and Syria. Allegro customers could financially support the Polish Medical Mission by buying bricks worth PLN 5, 10, 50, 70 or 100 when shopping on the platform, or directly support the organisation's fundraiser on Allegro Charytatywni. Thanks to the support of its customers, Allegro raised more than PLN 545,000.

In addition, Allegro multiplied the amount of support by independently donating another PLN 500 thousand.

The donated funds covered the costs of, among other things, setting up an emergency room and trauma surgery facilities at a local hospital, providing essential medicines to healthcare centres, ready meals for displaced people and fuel for healthcare facilities in need.

Allegro for students

As a socially responsible entity, Allegro is committed to the educational development of the younger generation.

As a partner of the innovative **Smart Kids Planet Smart Fun Centre**, Allegro is contributing to developing good habits and future competencies among the youngest citizens. As part of the cooperation, Allegro has developed a space dedicated to the topics of recycling, upcycling and ecology, while presenting the process of sending and receiving parcels and the advantages of parcel vending machines.

In 2020, Allegro, together with the **Zwolnieni z Teorii Foundation**, launched the Mam swoje Alle mentoring programme dedicated to high school students, which aims to develop and promote entrepreneurial competences and actions in support of making positive changes in local communities. Teams choose project themes to identify social problems and then create an action plan to address them.



A total of **45 projects supported** by Allegro mentors over the **3 editions of the programme**



A total of **84 young people** implementing projects



More than PLN 40 thousand collected for the implementation of activities



More than 160 thousand beneficiaries of the outcomes

As part of the programme, each year Allegro employees provide mentoring support to social projects undertaken by young people. Their task is to provide expert support to young people, who often for the first time in their lives are undertaking a social project. Mentors and mentorees pass on knowledge in such areas as project management, marketing, cooperation with partners, budget management or acting in crisis situations. With expert support, young people organise projects, acquiring skills that are very valuable on the labour market and making a positive impact on their local environment. Thanks to the programme, young people improve their projects and mentors learn about the young generation's view of the world.

It is also worth mentioning that during the evaluation conducted at the end of the programme, the teams rated the cooperation with Allegro employees at 4.8 on a 5-point scale, acknowledging that it significantly contributed to the success of the projects.



Since 2019, Allegro has been a partner of the **Centralny Dom Technologii (CDT)**, in which, together with the PFR Foundation, it provides education and practical knowledge transfer, based on the STEAM (Science, Technology, Engineering, Arts, Mathematics) method. Since 2020, the company has also been a subject matter partner of the educational pathway "Digital Entrepreneurship", whose main objective is to introduce young people to the world of business and e-commerce. As part of the partnership with CDT, a total of 101 workshops have been delivered, with as many as 2,093 students taking part. In addition, Allegro is also a partner of the Education Tomorrow competition and many events for children at CDT, and the company's employees are involved in educational projects and expert debates.

Allegro actively collaborates with many Polish universities and academic communities, as well as numerous student organisations, willingly sharing practical knowledge and experience. Allegro employees often participate in guest lectures and act as mentors and speakers at various student events and conferences. Allegro's aim is to **support the education and development of the next generation of professionals**, as well as to build its reputation as a leading employer attracting the brightest students to the workplace.

Among the more than a dozen universities with which Allegro has cooperated in the past years are: Poznan University of Technology, Poznan University of Economics, Adam Mickiewicz University in Poznan, Warsaw University of Technology, Warsaw School of Economics, Leon Koźmiński Academy in Warsaw or Stanisław Staszic University of Science and Technology in Krakow.

An example of an initiative implemented by Allegro aimed at students and those interested in working at Allegro are the cyclical Heckathon events. Participants gain competence and experience in programming under the guidance of mentors, programmers and Allegro project managers, who share, among other things, their knowledge and experience on how to start a career in technology and create diverse teams in IT areas.

Allegro for our planet



Sustainability and commitment to caring for the environment are embedded in Allegro's business model. For years now, the company has been undertaking numerous well thought through and conscious initiatives to consistently reduce its negative impact on the environment and engage in green transformation, supporting increased public awareness

In 2020, Allegro joined an international group of companies and institutions affiliated with the UN Global Compact. Allegro's commitment to the initiative confirms the organisation's serious approach to sustainable development and its obligation to take actions in support of implementing UN policies and global initiatives, particularly in the areas of environmental protection and addressing the climate crisis.

Allegro's goal is to systematically reduce its environmental footprint and become a leader in sustainable development in the Polish market

To this end, in 2022 Allegro developed and adopted a comprehensive Climate Policy for the entire organisation, which focuses on 5 pillars:

- **renewable energy,**
- **low-carbon logistics,**
- **low-carbon deliveries,**
- **circular economy,**
- **education across the value chain.**



A 10% reduction in greenhouse gas emissions in Allegro's operations in Poland in absolute terms, comparing 2023 to 2022.



A total of 3,500 Allegro One Box parcel vending machines, including nearly 1,000 installed in 2023.



Lower carbon footprint of using parcel vending machines or pickup points compared to the courier delivery option, **on average 1/3 less greenhouse gas emissions.**



64% reduction in warehouse waste comparing 2023 to 2022.



49% sustainable shipping in Allegro Group's own operations.



18% of electricity from renewable sources at Allegro Group.



Allegro decarbonization strategy

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

In 2021, Allegro became the first e-commerce and technology company from Poland to set its climate goals in accordance with SBTi (Science Based Targets Initiative) guidelines, an initiative that defines and promotes best practices in setting goals based on scientific methods. In 2022, Allegro's compliance of targets with SBTi standards was approved.

The targets adopted in Allegro's strategy are to reduce greenhouse gas emissions by 38% until 2030 (from a base year of 2021) and to engage 73% of key contractors in setting their own climate targets by 2027.

With its responsible approach and multifaceted activities, Allegro is driving environmentally friendly actions throughout its environment. As the shopping platform of choice for millions of active buyers, Allegro sets high pro-environmental standards for packaging and delivery methods, thereby shaping consumer habits.



Allegro commits to reducing greenhouse gas emissions from Scope 1 and 2 by 38% compared to the baseline level of 2021.



Allegro also commits to engaging 73% of its largest suppliers and subcontractors to set their own science-based climate targets by 2027.

Allegro's climate policy defines a 3-step approach to greenhouse gas emissions - avoiding, reducing and offsetting emissions that cannot be reduced.

- ✓ In **avoiding emissions**, the priority is to exclude emissions through strategic innovation and increased energy efficiency.
- ✓ To **reduce emissions**, Allegro is focusing on reducing GHG emissions by improving operational processes, incorporating green energy solutions and increasing overall operational efficiency.
- ✓ Allegro's assumptions are to begin **offsetting emissions** that cannot be reduced after the reduction process is complete.

Major milestones towards the sustainability of Allegro's environment have included investments in renewable energy and the implementation of logistics solutions - Allegro One Fulfillment, building a network of pick-up points (Allegro One Punkt) and parcel machines (Allegro One Box), as well as adopting a sustainable approach to packaging.



Renewable energy

One of the steps toward decarbonisation is to maximise the use of energy from renewable sources. Allegro's key move in this regard is the signing of a 10-year vPPA (Virtual Power Purchase Agreement) with an independent RES power producer. The agreement is an effective tool to ensure that energy prices remain stable, allowing for bank financing for the development of other energy projects. In addition, the agreement safeguards Allegro by providing guarantees of energy origin for the entire term of the agreement. The agreement underpins Allegro's long-term decarbonisation strategy, as it will significantly reduce the company's carbon footprint by about 15,000 tons per year. The move is particularly significant in the context of global efforts to curb climate change and achieve the goals of the Paris Agreement.

Allegro also purchases guarantees of origin for renewable energy to power its entire network of Allegro One Box parcel vending machines, its warehouse in Adamowo and several offices. Although the vending machines are powered by electricity as part of their connection to the traditional electric grid, Allegro purchases "green" energy, which is certified by guarantees of origin from the supplier. These guarantees indicate that an ordered volume of green energy has been supplied to the power grid to cover the demand necessary to power the One Box vending machines.

In addition, a pilot project of photovoltaic installations on parcel vending machines is underway. At the same time, Allegro has implemented efficient use of energy in lighting its parcel vending machines by reducing lighting power when the machines are not in use. This has reduced electricity consumption by 84% and also significantly reduced light pollution.

Low-carbon logistics

Centralising the order fulfillment process, from warehousing to delivery, in Allegro's logistics centre, in addition to shortening delivery times, has made it possible to consolidate orders from multiple suppliers into a single shipment.

As a result, the negative impact on the environment is reduced. Allegro is developing a parcel distribution model from the logistics centre, improving the infrastructure for low-emission transportation methods for parcel delivery..



Low-carbon deliveries

Allegro is also focused on promoting sustainable forms of parcel pickup among its buyers, educating and actively promoting point-of-purchase or parcel vending machine pickups.

The results of Allegro and industry analyses show that the carbon footprint of using parcel machines or pick-up points is lower compared to the courier option, as they emit on average 1/3 less greenhouse gases than direct shipments (i.e. courier services).

This is due to the fact that with parcel vending machines, the distance travelled in the final stage of delivery to the customer is much lower compared to courier operations.

The courier leaves many parcels in one place, instead of visiting many addresses, which results in fewer kilometres travelled and less gasoline or diesel fuel consumption. In addition, both the parcel vending machines and the warehouse in Adamowo are powered by renewable energy based on purchased energy origin guarantees.

Allegro is making every effort to ensure that parcel machines are not only bring the least possible harm to the environment, but also support the community in their pro-environmental attitudes. An example of such action is Allegro's cooperation with Hop.City and the introduction of a service that allows bicycle and scooter batteries to be recharged by depositing them in the parcel machine's lockers. The service aims to support the development of sustainable means of transportation that reduce CO2 emissions compared to traditional internal combustion engine-based vehicles. Another solution Allegro is working on is the development of charging stations for single-track vehicles, which will be located at OneBox parcel vending machines.



Circular economy

In addition to reducing greenhouse gas emissions, Allegro is focused on reducing its environmental footprint by increasing the use of sustainable packaging. In 2022 Allegro introduced sustainable packaging³⁴ and by 2028 it plans to implement 100% sustainable shipping in its own operations.

Allegro's approach to sustainable packaging is based on three actions - reduce, reuse and recycle.

Allegro's goal is to avoid unnecessary packaging and generate less waste. Therefore, where possible, packages are shipped without additional packaging, as well as packaged using materials derived from recycling or ultimately recyclable.

The platform works to ensure that all products shipped through the Official Allegro Store are packaged using cardboard boxes, paper fillers and tape. The packaging that the platform uses is internationally certified to prove that the raw materials used in its production are recycled, sustainably sourced throughout the supply chain, and recyclable. The use of sustainable packaging³⁴ by the Official Allegro Store in Poland in 2023 increased by 27% compared to the previous year.

³⁴ Sustainable packaging means shipping without packaging, in reused packaging, in packaging consisting of a minimum of 70% recycled materials, in certified compostable packaging, or in 100% recyclable packaging. Each part of sustainable packaging (box, tape, fillers or film) must meet at least one of the criteria described above.

In an effort to promote sustainable packaging, since 2021 Allegro is offering merchants the opportunity to purchase recycled packaging and biodegradable fillers in its store (Allegro_Pack). By ordering large quantities of packaging and materials needed to pack shipments, Allegro offers its customers very attractive prices. **Moreover, Allegro makes no profit from their sales. Since this packaging has been introduced, Allegro has sold a total of 2.4 million, including 399,000 in 2023.**



In 2023, Allegro **reduced the amount of waste in warehouses by 64%** compared to 2022.

Allegro is also **promoting a circular economy among buyers** through a pro-environmental action accompanying the development of Allegro One delivery methods, i.e. delivery to pick-up points (One Punkt) and parcel vending machines (One Box). The initiative relates to e-waste returns. Under this campaign, Allegro is giving a second life to electronic devices no longer used by buyers, the improper disposal of which poses a major threat to the environment. For receiving the first shipment during a year using One Box or One Point, the buyer receives a special code from Allegro, thanks to which it is possible to send the unwanted equipment by means of a parcel vending machine.

Noteworthy, **all of Allegro's offices and warehouses have recycling-based waste management.** The company monitors and reports on the management of used packaging put on the market and the management of waste generated by operations. Measures are being taken to reduce waste and reuse of electrical equipment.

In 2023, Allegro reduced the amount of waste in warehouses by 64% compared to 2022.

With the aim of reducing carbon emissions, a smart energy management system has been installed in Allegro's offices. In addition, all Allegro offices are located in well-connected locations, allowing employees and stakeholders to reach them by alternative means of transportation.

As a member of a number of organisations and associations, Allegro is involved in numerous sustainability and climate initiatives at the national and international levels, including the Green Transformation Council of the Lewiatan Confederation, and the Climate Positive Committee of the UN Global Compact Poland.



Allegro's efforts are aimed at supporting merchants in complying with environmental standards, operating sustainably and shaping responsible businesses, and promoting environmentally friendly practices in e-commerce.

Education in the value chain

The role of such recognisable entity is also to share good practice through education. Allegro is taking action to educate both merchants and customers, as well as the society.

Allegro's primary tool for sharing experience and disseminating knowledge is its own educational platform **Allegro Academy** intended for merchants. This is where publicly available, free webinars, courses and materials on sustainable packaging, climate change and environmental trends are posted.

Allegro, in turn, targeted buyers with a campaign dedicated to upcycling, presenting creative ways to transform received packaging. The campaign also touched on the principles of proper waste segregation, which is important in the context of basic pro-environmental activities.

By promoting deliveries to parcel machines, Allegro takes into account ecological aspects and therefore spreads awareness among the society of the advantages of this form of delivery over other methods. This topic is, among others, one of the leitmotifs in the interactive centre Smart Kids Planet, of which Allegro is one of the partners.

For more details on Allegro's sustainability, see [Allegro's annual publicly available ESG reports](#) and [Allegro's Climate Policy](#), available at [Allegro.eu](#).

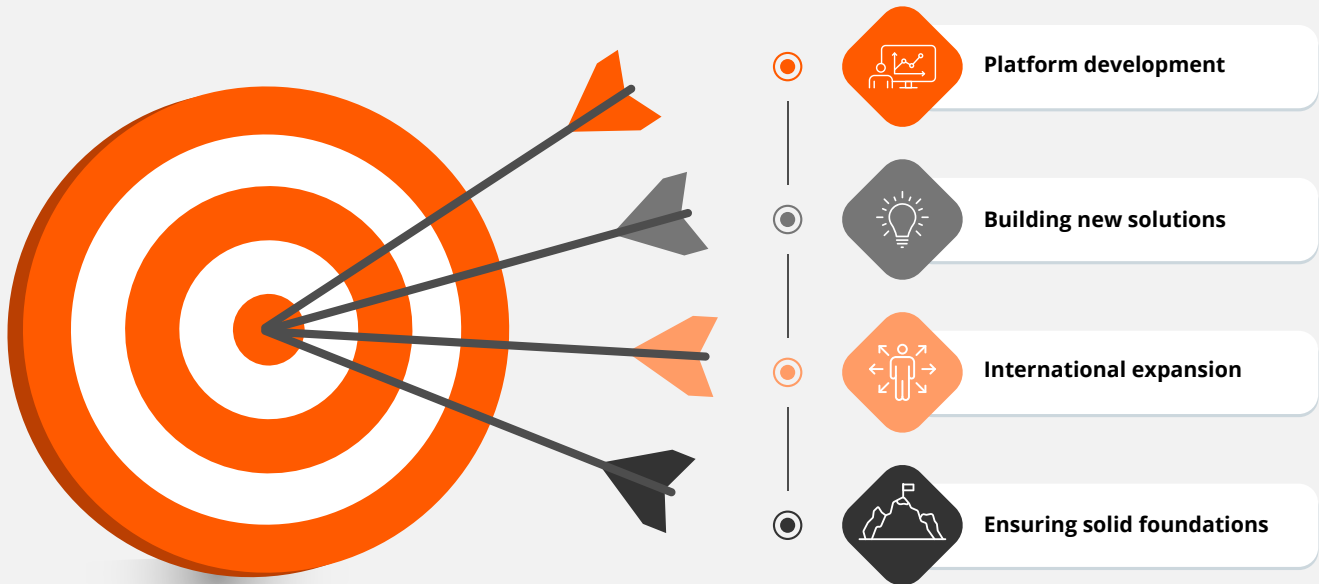


Allegro for the future



Allegro's development plans

Allegro is a constantly growing, most popular shopping platform in Poland and one of the largest e-commerce companies in Europe. Allegro's development plans are based on four pillars: platform development, creation of new solutions, international expansion and ensuring a solid foundation for the business.



The development of the platform involves continuous improvement in order to constantly enhance the feeling of security, convenience and ease, both in shopping and selling. Allegro's goal is to continue to build loyalty and a strong and long-lasting brand relationship with its customers.

By providing innovative solutions, Allegro develops tools that directly improve customers' shopping satisfaction. In turn, sellers are enabled to grow and build strong brands. Allegro places particular emphasis on improving its delivery offerings, making them cost-effective, fast and reliable. One of the advancements to enhance the delivery experience is the programme introduced in June 2024 - Allegro Delivery.

Allegro Delivery – convenience for customers, simple delivery terms for merchants

Allegro launches Allegro Delivery, an innovative programme that combines delivery services from multiple logistics partners with maximum convenience for both customers and merchants, One by Allegro and Orlen Paczka as its first partners. Through this new programme, all critical aspects of the purchase and delivery process can be managed in one place with a single partner – Allegro. This addresses the challenges faced by merchants who use multiple logistics services, such as the need to sign multiple contracts and adapt to many different requirements.

Thanks to the introduction of uniform conditions, pricing and process across various logistics service providers Allegro Delivery will be a great simplification for merchants.

Customers will have access to all important delivery-related information from one familiar Allegro app, already used by 15.5 million Poles. **Regardless of which logistics partner handles the delivery, Allegro remains the primary support point for both buyers and merchants throughout the process.** Allegro Delivery will ultimately be available with all Smart! listings on the platform.

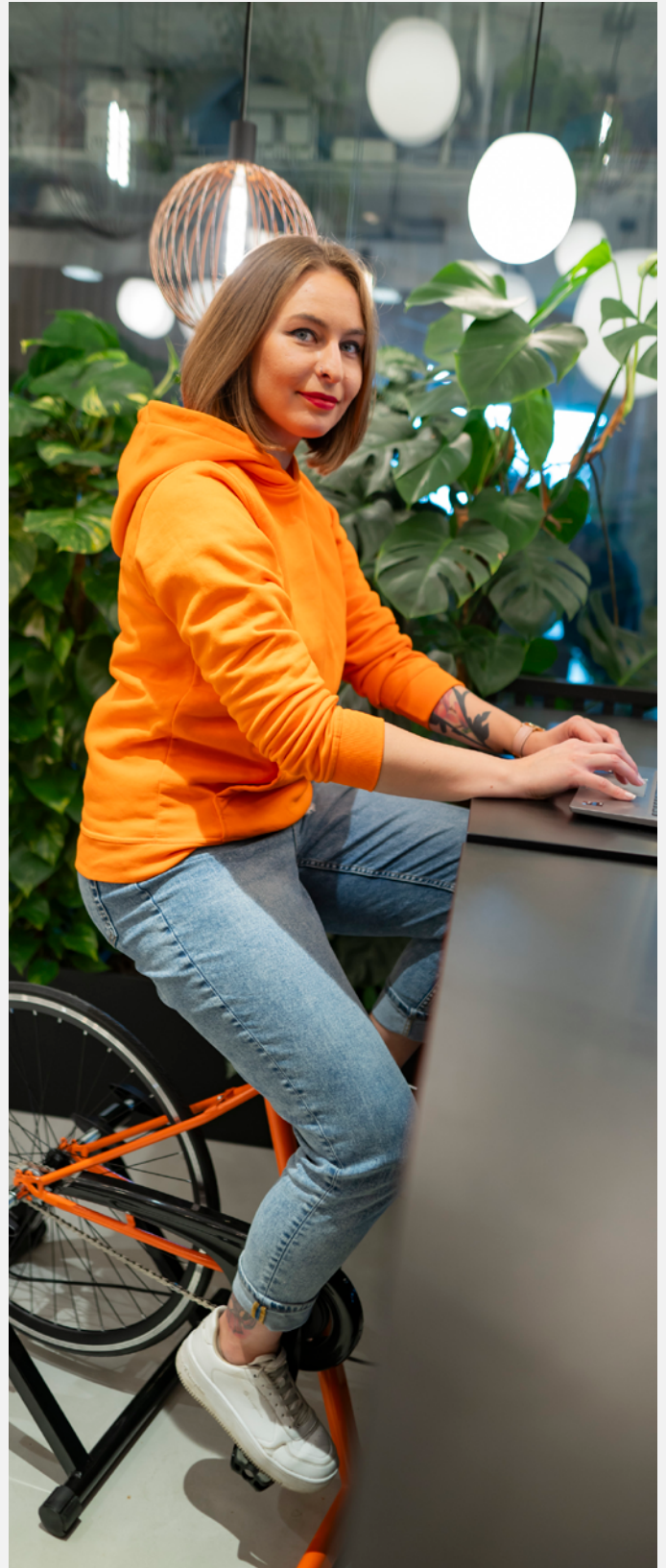
Using the extensive cooperation model that is Allegro Delivery, Allegro is set to enhance its logistics services, leveraging the existing partner APM network available in cities even more effectively. The platform plans to gradually increase the number of programme partners to work together on improving the quality and efficiency of deliveries.

Other development plans include the further development of various advertising tools to support sellers in building awareness and reaching new customers. In addition, further development of fintech tools is assumed.

The launch of the Allegro.cz platform in the Czech Republic in 2023 started **the process of developing the Group's marketplace model outside Poland**. The success of the platform in the Czech Republic paved the way for the Group to expand further and become a significant international player in the region. Since March 2024, Allegro has also been active in the Slovak market on the Allegro.sk platform. The Group's plans include launching the platform in further markets in the region. Allegro's expansion will benefit consumers as well as sellers, who will be able to offer their products internationally. After all, by displaying their offer in one place, they will have the opportunity to reach tens of millions of consumers in the European Union.

Aware of its position in the market and the scale of its business, Allegro aims to **continue to share best practices and business standards**. Being a technology-driven company, Allegro is constantly **improving its platform infrastructure** in an effort to provide customers with the best possible buying and selling experience. Allegro is proving that business and technology development can go hand in hand with environmental sustainability. Among its numerous environmental activities, Allegro is constantly seeking low-carbon delivery methods and testing and promoting various types of green solutions. The aim of these innovative actions is to minimise the negative impact on the environment.

The future of Allegro is to continue making a significant contribution to the Polish economy!



Methodical annex

and reservations and limitations



Methodical annex

In order to comprehensively assess the benefits arising from the functioning of the platform for the Polish economy, the concept was divided into three levels::

- Impact of operations of entities forming Allegro's Polish Operations
- Impact of merchants' operations enabled by sales on the platform
- Impact of the operations of courier service providers made possible by additional orders from customers who are not part of the Smart!

At each level, based on the assumptions made, calculations and estimates were carried out to estimate the direct impact. For the indirect and induced impact, the input-output model developed by Nobel laureate Wassily Leontief was used in all three levels. The main dimensions through which the impact on the economy is shown are gross value added growth, gross wages paid and employment.

The tables below show the main assumptions made and the range of analyses carried out to estimate impacts at the three levels.

Level 1 – operations of entities forming Allegro's Polish Operations

Type of impact	Method description
Direct	<ul style="list-style-type: none"> • Value added as defined by Morley M.F.: The Value Added Statement in Britain, based on Allegro data for 2023 • Employment and wages based on Allegro data
Indirect	<ul style="list-style-type: none"> • Use of the Leontief model, fed by Allegro's operational expenditure targeting the Polish economy
Induced	<ul style="list-style-type: none"> • Use of the Leontief model extended by households and wages to estimate the impact of consumption, made possible by additional wages in the supply chain and Allegro employee wages

Level 2 – merchants' operations enabled by sales on the platform

Type of impact	Method description
Direct	<ul style="list-style-type: none"> • Value added as defined by Morley M.F.: The Value Added Statement in Britain, based on Allegro data for 2023 • Estimation of reference P&L structures for the main merchant segments resulting from the GMV for 2023, based on assumptions using data from Statistics Poland and Allegro.
Indirect	<ul style="list-style-type: none"> • Estimation of the value of goods sold on the platform based on the mapping of Allegro's product categories to PKD and PKWiU categories. • Estimation of the value and structures of merchants' remaining operating costs. • Use of the Leontief model to estimate the impact of merchant spending that has been directed at the Polish economy.
Induced	<ul style="list-style-type: none"> • Use of the Leontief model extended by households and wages, to estimate the impact of consumption made possible by additional wages in the supply chain and wages paid directly by merchants.

Level 3 - operations of delivery service providers made possible by additional orders from customers who are not part of the Smart!

Type of impact	Method description
Direct	<ul style="list-style-type: none"> Value added as defined by Morley M.F.: The Value Added Statement in Britain, based on Allegro data for 2023 Development of a revenue relationship to key elements of the P&L for entities in the courier industry Development of a revenue relationship to key elements of the P&L for the market average for the PKD (NACE) division postal and courier activities Calculation of the value added, wages and employment based on the indicators developed
Indirect	<ul style="list-style-type: none"> Calculation of operating costs based on the indicators developed. Calculation of costs that have been directed to the Polish economy Use of the Leontief model to estimate the impact of operational expenditure on the Polish economy
Induced	<ul style="list-style-type: none"> Use of the Leontief model extended by households and wages, to estimate the impact of consumption made possible by additional wages in the supply chain and wages paid directly by courier service providers.

Key data sources

Selection of data provided by Allegro:

- Financial statements for 2023
- Data on taxes and contributions paid
- Data on employment and salaries paid
- Data on the breakdown of operating expenses incurred by the entities comprising Allegro Polish Operations in 2023 by industry, including the ratio of domestic and foreign expenses
- Data on the value of completed courier services related to sales on the platform, broken down by major entities
- Data on transactions carried out on the Allegro.pl and Allegro.cz platforms in 2023 and historically, by Allegro categories and subcategories, country of shipment and merchant segments
- Results of Allegro's merchant survey
- Structure of merchants according to the address given upon registration on the platform

Selection of publicly available data:

- Latest available Input-Output table (Statistics Poland)
- Yearbook of Labour Statistics (Statistics Poland)
- Statistical Bulletin (Statistics Poland)
- Financial results of non-financial enterprises (Statistics Poland)
- Value chains of national enterprises (Statistics Poland)
- Supply and use tables (Statistics Poland)
- Financial reports of entities in the courier industry

Reservations and limitations

Pursuant to the agreement between Allegro Spółka z ograniczoną odpowiedzialnością ("Customer") and KPMG Advisory Spółka z ograniczoną odpowiedzialnością sp.k. ("KPMG") (the "Agreement"), a "Report on the impact of Allegro on the Polish economy" was prepared, hereinafter referred to as the Report. The Report, as well as all analyses and conclusions presented therein, are subject to the conditions and reservations described below, in the Report itself. The Report may be publicly displayed, published and made available on digital platforms, with the following reservations. The use of the Report in any manner, including its sharing, is tantamount to consent to all conditions and reservations listed in the Report.

Report Date

The report was prepared in the period between February and June 2024 and reflects the state of KPMG's knowledge at the time of its preparation. The analyses and conclusions presented in the Report are valid as of the date of their preparation and are subject to change after the Customer provides further documents and materials or after new information is made public. In the Report, KPMG refers to historical data only to the extent of data publicly available or provided by the Customer that is relevant to the Report. The conclusions and results of KPMG's analyses presented in the Report have been prepared in good faith and with professional diligence, using the experience and knowledge of KPMG. Nevertheless, there may be information and facts that KPMG was not aware of, which may have a significant impact on the conclusions, opinions or analyses presented.

Verification of provided data

KPMG bases its analyzes and conclusions on documents information and assumptions provided by the Customer. We have assumed that all information provided to us by the Customer is factually correct and corresponds to the best knowledge of the Customer's regarding the Customer's situation and planned future operations from an operational and financial point of view. As part of the work commissioned to us, we also used information generally available from recognized sources of information (including, among others, the Central Statistical Office). None of this information was subject to audit, verification or confirmation by KPMG.

Scope of works

The Report was prepared using the information and assumptions presented in the Report and contains certain limitations and exclusions. The figures presented in the Report may have been rounded in some cases in relation to the detailed data. KPMG did not perform legal, technical and environmental analyses - in terms of the above aspects KPMG relied on information provided by the Customer. The work performed by KPMG did not constitute financial auditing activities performed by a statutory auditor or similar services performed in accordance with any standards applicable to financial auditing activities. The Report and its conclusions do not constitute or contain investment advice. It does not constitute an offer, invitation or inducement to enter into any transaction, including transactions relating to the purchase or sale of financial instruments or other investments, nor will it be construed as such an offer, invitation or inducement. The economic impact of Allegro's activities on the Polish economy was estimated using the Input-Output model. Allegro data as well as data from the Statistics Poland Office were used to develop the model, including: Input-output tables and data on employment in the national economy.

KPMG's responsibility

KPMG shall not be liable for any damages incurred by the Customer or third parties as a result of KPMG's receipt of false, incomplete information or output, factually inconsistent statements or withholding of information relevant to the Report or relating to the Report or required by KPMG, and KPMG shall not be liable for the content of any documents, materials or statements received from the Customer. Possible limitations in the availability of information and output data may affect KPMG's conclusions presented in the Report. KPMG is not obliged to update the Report as a result of receiving new information. The report was prepared to the extent possible taking into account the quantity, timeliness and quality of the information received. KPMG employees shall not be liable in any way for any damages incurred in connection with the use of the Report, analyses with conclusions or recommendations or information contained therein. KPMG assumes no liability with respect to the interpretation of the provisions of law or agreements. Regulations, court rulings and agreements on which KPMG bases its conclusions may change after the date of the Report, which may affect the conclusions contained therein. Pledges and encumbrances have not been taken into account, unless otherwise noted. We have assumed that all licenses, permits, etc. required by law are fully valid, and we have not conducted any independent tests as to the existence of risks associated with negative environmental impacts. KPMG shall not be liable for the use of the Report for any purpose other than those agreed by the Parties, as well as for the admissibility of the Report as forensic evidence or for other purposes specified by law. KPMG's liability towards the Customer is limited, and KPMG's liability towards third parties is excluded.

Lack of assurances from KPMG

KPMG makes no assurances as to the possibility of their future fulfillment, the accuracy or completeness of such statements, estimates or forecasts, or other materials contained in the Report. Although we have exercised due diligence, KPMG cannot assure the accuracy of these statements, estimates and forecasts. KPMG, on its own behalf and on behalf of other KPMG affiliates, all of its partners, employees and agents, declares that neither KPMG nor any of the entities specified above shall have any liability to any person in connection with any decisions or actions taken on the basis of the Report or the conclusions and analyses contained therein. The Report, conclusions and analyses contained in the Report do not constitute any guarantee, security or assurance that we have determined or foreseen future events or circumstances, or a recommendation to carry out or not to carry out a particular transaction plan or a similar activity. The Customer remains fully responsible for the decisions regarding activities, strategies, plans and actions.

KPMG Advisory sp. z o.o. sp. k., on its own behalf and on behalf of other KPMG affiliates or related entities, all of its partners, employees and associates, declares that neither KPMG nor any of the entities specified above shall have any liability to any person in connection with any decisions or actions taken on the basis of this document or information contained herein.

KPMG Advisory sp. z o.o. sp.k. is a Polish limited partnership and a member of KPMG's global organization consisting of independent member companies affiliated with KPMG International Limited, a private English company with liability limited to the amount of the guarantee

KPMG International and its affiliates do not provide services to customers. No member company shall have the right to assume liabilities towards any third party on behalf of KPMG International, its affiliates or any other member company, and KPMG International and its affiliates shall have no right to assume liabilities on behalf of any member company.

The KPMG name and logo are trademarks used under license by independent member companies of the global KPMG organization