INPOST GROUP

ANOTHER YEAR BETTER

ANNUAL REPORT 2023

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Integrated Annual Report includes projections, business expectations, trend analyses, and other statements classified as "forward-looking". Such statements can typically be identified by terms such as "may", "will", "could", "should", "project", "believe", "anticipate", "expect", "plan", "estimate", "forecast", "potential", "intend", "continue", and variations or synonyms of these words.

These forward-looking statements are interspersed throughout the report and encompass our anticipated trends, strategies, corporate priorities, goals, industry trends, market trends, including e-commerce growth, financial projections, including volume, profitability, capital expenditure, and the outlook for 2024. Statements under sections like "Risk Management", "Future Outlook", and those related to trends, potential innovations, inflation impact, ESG strategy, including sustainability targets, goals and strategies, environmental, diversity and sustainability strategy, ambitions, goals and targets, including circularity goals, targeted greenhouse gas emissions reduction, recycling and refurbishment initiatives, investments and goals and energy-saving strategies and targets, including statements on targeting zero carbon emissions and indirect emissions from energy use across operations and reducing intensity of all other emissions in the value chain and the goals for timing thereof, cash return and dividend policy, statements with respect to the expected impact of accounting standards and other non-historical statements, are all forward-looking in nature.

It's important to note that these forward-looking statements are not factual records but are based on current predictions, estimates, assumptions, and projections about our business and anticipated financial and non-financial results. Consequently, they should not be overly relied upon as they do not guarantee future performance, and actual outcomes may significantly vary from these projections due to various risks and uncertainties. These forward-looking statements are relevant only as of the date of this Integrated Annual Report. We do not commit to update or revise the forward-looking statements, whether due to new information, future events, or any other reason. Additionally, InPost will continue with the actions taken on circularity and biodiversity resulting from the analyses carried out on the impact of its operations on these areas.
This report also contains data on InPost's Scope 1, 2 and 3 emissions. Scope 1 and 2 emissions relate to emissions under InPost operational control from own activities and supplied heat and electricity. Scope 3 emissions relate to indirect emissions from different organisations (suppliers, service providers, customers) and is therefore subject to a range of uncertainties, amongst others due to various methodologies applied. International standards and protocols governing emissions calculations and categorisations evolve, as do accepted norms regarding terminology such as 'carbon neutral' and 'net zero'.

MANAGEMENT RAPORT

MESSAGE FROM THE CEO
MESSAGE FROM THE CHAIR OF THE SUPERVISORY BOARD
2023 HIGHLIGHTS
ORGANISATIONAL CHART OF INPOST GROUP

MESSAGE FROM THE CEO

> "We embed customer-centricity in everything we do, building on the passion and energy of our teams. This, combined with our successful business model, helps us continue to deliver exceptional growth as we become Europe's leading e-commerce logistics platform."

GRI 2-22

Dear Stakeholders,

We are delighted to say that 2023 was another successful year for the InPost Group, with once again record-breaking results. We handled 892 million parcels, a 20% year on year volume increase, with revenue growing by 25% to PLN 8.9 billion. This demonstrates the strength of our business, which is redefining e-commerce delivery across Europe. We are building on past investments and initiating new ones to accelerate even further. Despite the challenging landscape of 2023, we delivered growth significantly above the underlying market levels in all our key geographies, and we continue to maintain our positive momentum.

Expanding our international presence

As a Group, we substantially extended our Pan-European presence, strengthening our market leading position for out-of-home deliveries. As a result, we currently have over 66 thousand out-of-home delivery points, with over 60% of those located outside Poland. We have also seen a shift in how we function as an organisation, with greater emphasis on cross-market and functional cooperation.

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In Poland, despite holding a leading position, we continued to grow our market share, further expanding the network and increasing volumes while still achieving record NPS score for parcel sending and collecting at the level of 80. In Poland 93% of e-commerce customers use InPost APMs as their most frequent delivery method. We are capitalising on our expertise in customer services by diversifying and expanding into new offers, like InPost Pay.

At Mondial Relay, we prioritised operational excellence to improve customer quality while maintaining our commitment to expanding coverage and network growth. Within just two years, we have become the number 1 APM network in France. This, combined with PUDO points, helps us generate more customer and merchant traction going forward. The Mondial Relay geographies are on track with our strategic plans, with a particular highlight being our B2C volumes increasing by over 20% in full-year 2023 and by over 30% in the last quarter alone.

In the UK, we successfully achieved the primary goals for 2023, which were to strengthen our logistic backbone and reach EBITDA breakeven. Given our strong volume growth our ambition for this year is to rapidly expand the network in the UK.

Bringing customers and employees together for a positive impact

In addition to our business success, we made positive contributions to communities through various actions across the Group, many involving our employees. Distribution to our APMs significantly reduces carbon emissions and we continue to pursue multiple additional ESG initiatives towards our goal of achieving net-zero by 2040. We are immensely proud of our teams for taking responsibility for the future and for educating our customers about these initiatives.

Our employees have played a key role in helping us grow, which led to developing and acquiring new skills. We have further invested in them, providing an environment in which they can thrive and develop. We believe that our business growth creates unique opportunities for employees from different countries to work and grow together.

As we look towards the future, we remain confident in our ongoing journey as the top European company for convenient and inherently green out-of-home delivery. As we progress, we will maintain our focus on sustainable practices and user-friendly technology, positively impacting the world around us.

In conclusion, we want to thank our shareholders, employees, and customers for their continued support. We will keep working to bring value to all of them.

RAFAŁ BRZOSKA
Chief Executive Officer

MESSAGE FROM THE CHAIR OF THE SUPERVISORY BOARD

GRI 2-22, 2-12

Strong business momentum

"2023 was another year of very encouraging performance for InPost, with rapid top line growth, improved margins and strong generation of operating cash."

Whilst the macroeconomic landscape of 2023 was challenging once more, I am delighted to report that InPost has had a very successful year, making significant strides in the key aspects of our strategy. Our relentless focus on customer-centricity, operational quality and product innovations once again enabled us to grow faster than our underlying markets across all geographies. In addition to delivering impressive volume growth of 20% as a Group, we also drove strong improvements in our bottom line and in operating cash by leveraging our scale and operating efficiencies. In Poland, we continued to strengthen our lead in the market whilst also launching exciting complementary new services such as InPost Pay. Of particular note was the strong volume growth of 28% year on year in our international businesses, which now account for 40% of total Group revenue.

Building upon the progress delivered in 2022, InPost has continued to develop rapidly as a truly Pan-European e-commerce enablement business, offering an industry-leading customer experience combined with a low-cost yet high-quality, environmentally friendly out-of-home parcel delivery service.

Broadening our international footprint

2023 was a year in which we substantially increased our pace of APM deployment outside Poland, with a 56% year-on-year growth in our international locker network, adding close to 5,000 new locations. This meant that we deployed almost twice as many APMs internationally as we did within Poland itself in 2023. In the UK, we successfully deployed almost 1,600 new APMs, meaning than InPost now has the largest parcel locker network in the country. In parallel, one of the biggest highlights and enablers of the year was the acquisition of a 30% equity stake in Menzies. This investment has brought significant advantages to our business in the UK, extending our national network coverage and providing us the logistics capacity that will allow us to handle strong growth in the volume of parcels handled.

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Our customers now enjoy access to a more comprehensive delivery network, resulting in faster and more convenient out-of-home parcel receipt. With increasing critical mass in the UK, we saw extremely strong traction from both merchants and consumers, a point underscored by the year-on-year volume growth of 127%. 2023 was also a significant strategic milestone for InPost in the UK, with the business becoming profitable on an EBITDA basis by Q4 of the year. As we look ahead to 2024, we expect to continue to grow the UK locker network size substantially whilst continuing to broaden out our UK product offering with the addition of a new B2C proposition for merchants.

For our Mondial Relay business in France, we have also made considerable strides in our expansion efforts and now, within only two and half years of the Mondial Relay acquisition, we already have the country's largest APM network. We are continuing to invest in the Mondial Relay business to build network scale and nationwide depot coverage, as we see these as key strategic assets needed to strengthen our competitive position and, in particular, to create the infrastructure we will need to target a greater share of B2C business in France.
Moreover, we continue to strategically extend our footprint in other markets, fostering the growth of our presence and operations in Italy and Iberia in particular.

ESG at the heart of InPost's business model

InPost is passionate about driving carbon reduction in the logistics industry. Our consumers not only get convenience, service quality and great value when they use our lockers, but they also substantially reduce carbon emissions compared to traditional door-to-door delivery. The fact that our couriers handle multiple parcels at the same stop when delivering to an APM, and fewer when delivering them to the consumer's door, means that on last mile CO_2 emissions per parcel on delivery to APM are significantly reduced.
Our commitment to ESG is evidenced by our adoption of the Science Based Targets initiative (SBTi) with InPost being the first logistics sector company in Poland and one of only five companies worldwide on an ambitious journey to achieve carbon neutrality by 2040. Furthermore, as of 2023, we are now building ESG metrics into management compensation plans and have created a dedicated Group function to drive InPost's many ESG initiatives. These include the Green City Programme, which now covers 54 cities in Poland and was expanded in 2023 with the launch of the first French cities. We are also investing significantly in electric delivery vehicles with the largest EV fleet in Poland, in EV charging structures in our depots and in innovative new solutions such as solar-powered parcel lockers.

Changes to the Supervisory Board

During 2023, we are delighted to have welcomed two additions to our Supervisory Board. Jiří Šmejc, the Chief Executive Officer of PPF Group, which is now a sizeable shareholder of InPost, has an impressive track record and experience of scaling businesses across multiple geographies. Magdalena Dziewguć, who serves as Head of Google's Cloud business in Poland, brings with her both deep knowledge of the Polish market, as well as highly relevant expertise in technology and digital business. In addition to her role on the Supervisory Board, Magda takes on the Chair of the Remuneration, Appointment and Selection Committee from 1st January, 2024. Whilst Jiri and Magda have joined the Supervisory Board in 2023, it has also sadly been time to say goodbye to Nick Rose, who stepped down from the Supervisory Board in December 2023. On behalf of both the Supervisory Board and the wider business, I would like to extend our sincere appreciation to Nick for the many valuable contributions he has made over the last six and a half years in helping bring InPost to where it is today.

A big thank you to all InPost's employees

As we reflect on the sizeable progress made in 2023, I would like to acknowledge our exceptional employees who, through their unwavering passion and commitment, have fuelled our growth and strategic development throughout 2023. We sincerely thank each member of our dedicated InPost Group family across Europe for their continued efforts in driving our business performance and in contributing so extensively to our dynamic and entrepreneurial company culture.

MARK ROBERTSHAW
Chairperson, Member Of The Supervisory Board

2023 HIGHLIGHTS

Revenue

PLN **8,862.7m**
+25% YOY

* with other operating income

Adjusted EBITDA

PLN **2,733.1m**
+39% YOY

Parcel volumes

891.9m
+20% YOY

Markets 9

OOH Network

66,064 points
+22% YOY

Turnover of environmentally sustainable activities (Taxonomy-aligned):

PLN **3,319.1m**
+33% YOY

APMs

35,449 +27% YOY

PUDO points

30,615 +17% YOY

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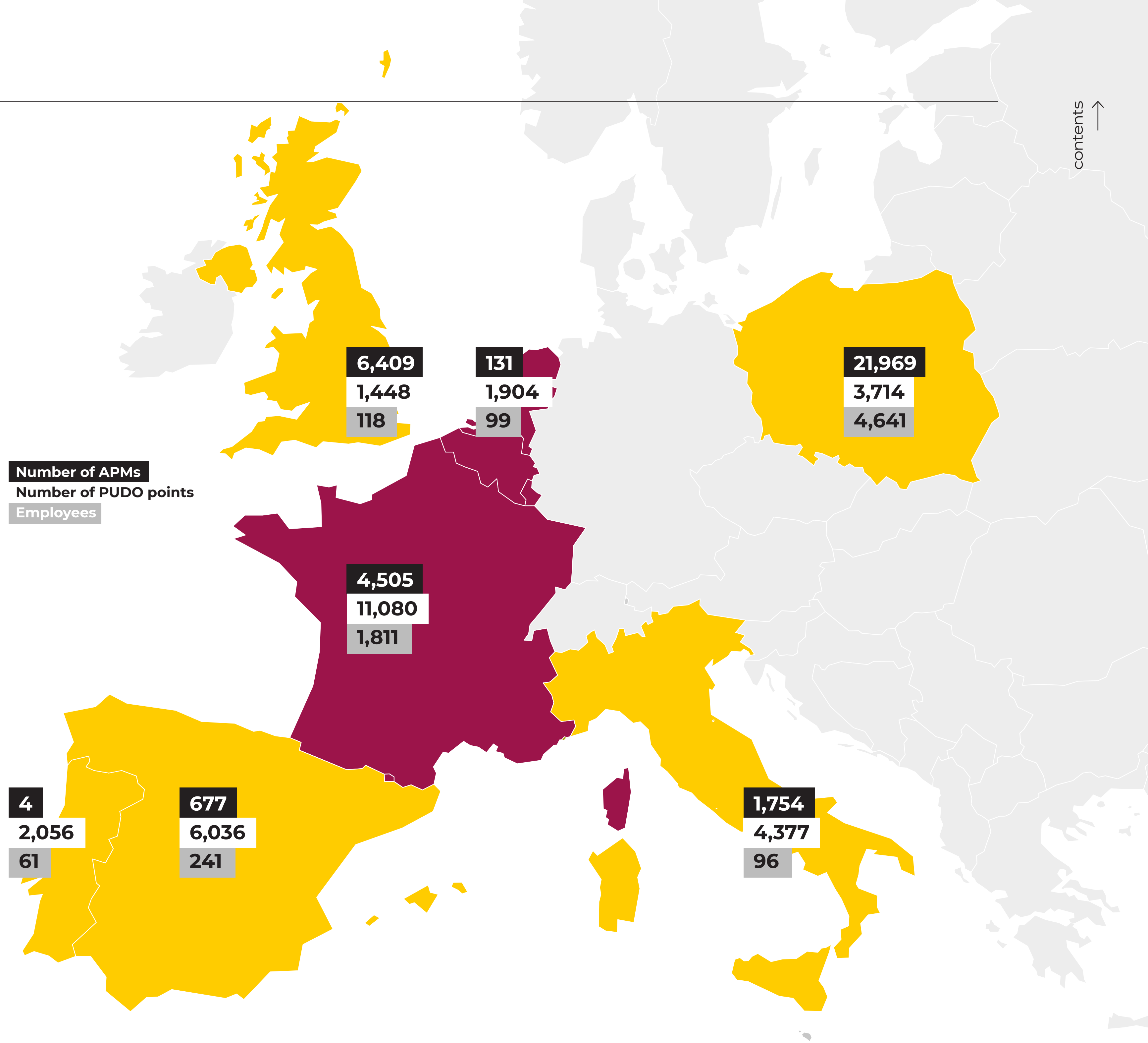
GRI 2-6, 2-7

WHAT WE DO:

We revolutionize last-mile parcel delivery with our Automated Parcel Machines (APMs) being the most convenient and sustainable solution for e-commerce in Europe.

OUR PURPOSE:
We amaze people, using the potential of technology for the good of the planet. We create sustainable services and products that make sending and receiving packages easier and more secure for customers every day. We are committed to harnessing the potential of emerging technology to tackle climate change and reduce our environmental footprint.

VISION:
To become Europe's leading out-of-home, environmentally-friendly automated solution for e-commerce, using data and technology to redefine the last mile in the most attractive markets in Europe, leveraging our unique experience and success in Poland.



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ORGANISATION CHART OF INPOST GROUP DATED 2023-12-31

GRI 2-1

INPOST S.A. (société anonyme)
Registration number: B248669 public company, date and jurisdiction of incorporation: 2020-11-17, Grand Duchy of Luxembourg , office: 70 Route d'Esch, 1470 Luxembourg, Grand Duchy of Luxembourg

INTEGER FRANCE SAS,
Registration number: 893 203 323 RCS, 215,000,001.00 EUR, 100% - InPost S.A. (215,000,001.00 EUR) jurisdiction of incorporation: 2021-01-21, France office: 3 boulevard de Sebastopol 75001 Paris, France

MONDIAL RELAY SOCIÉTÉ PAR ACTIONS SIMPLIFIÉE UNIPERSONNELLE,
Registration number: 385 218 631 RCS, (500,400.00 EUR) 100% - Integer France SAS (500,400.00 EUR) office: 1, Avenue de l'Horizon, 59650 Villeuneuve d'Ascq, France

MONDIAL RELAY SASU BRANCH IN SPAIN
Registered office: Camí de les Oliveres, 1. 08800 Vilanova i la Geltrú (Barcelona) - NIF: W0015130H

MONDIAL RELAY SASU BRANCH IN BELGIUM
Registered office: zoning Tubize II – 15 Rue François Englert 1480 Tubize – Branch number : 0897.708.175

MONDIAL RELAY SASU BRANCH IN NETHERLANDS
Registered office : Kamerlingh Onnesweg 2, 4131PK Vianen - Branch number : 000044142269

MONDIAL RELAY SASU BRANCH IN PORTUGAL
Registered office: Rua Coronel Edgar Pereira da Costa Cardoso, n.º 3, fração E, Quinta das Drogas e da Verdelha - NIPC (Collective person/ Registration identification number): 980682835

INPOST TECHNOLOGY S.A.R.L
Registration number: B244859, 12,000 EUR, 100% InPost S.A. (société anonyme) jurisdiction of incorporation: 2020-06-22, Grand Duchy of Luxembourg , office: 70 Route d'Esch, 1470 Luxembourg, Grand Duchy of Luxembourg

INPOST TECHNOLOGY S.A.R.L. SP. Z O.O. BRANCH IN POLAND
Registered Office: Pana Tadeusza 4, 30-727 Cracow, Poland

INTEGER.PL S.A.
Registration number: 0000276519, 17,541,213 PLN, 100% InPost S.A. (société anonyme), date and jurisdiction of incorporation: 2007-03-19, Poland office: Pana Tadeusza 4, 30-727 Cracow, Poland

INPOST PACZKOMATY SP. Z O.O.
Registration number: 0000418380, 31,675,000 PLN, 100% - Integer.pl S.A. (31,675,000 PLN) date and jurisdiction of incorporation: 2012-04-18, Poland office: Pana Tadeusza 4, 30-727 Cracow, Poland

INTEGER GROUP SERVICES SP. Z O.O.
Registration number: 0000543075, 547,639,050 PLN, 61.65% - InPost Paczkomaty (337,597,200 PLN) 38.35% - Integer.pl S.A. (210,041,850 PLN) date and jurisdiction of incorporation: 2015-02-10, Poland office: Pana Tadeusza 4, 30-727 Cracow, Poland

INPOST SP. Z O.O.
Registration number: 0000543759, 116,278,450 PL, 100% - Integer Group Services (116,278,450 PLN) date and jurisdiction of incorporation: 2015-02-13, Poland office: Pana Tadeusza 4, 30-727 Cracow, Poland

MODERN POSTAL SERVICES LTD (CY)
Registration number: HE 237823, 82.488 EUR, 100% - Integer.pl S.A. (82,488 EUR) date and jurisdiction of incorporaton: 2008-10-11, Cyprus office: 2 Sofouli Street, Chanteclair House, 8th Floor, Office 801, 1096 Nicosia, Cyprus
In liquidation

INPOST UK LTD (UK)
Registration number: 08090698, 100% - InPost Paczkomaty sp. z o.o. (1,000 GBP) date and jurisdiction of incorporation: 2012-05-31, UK, The United Kingdom office: Floor 2, 16 Dufour's Place, London, England, W1F 7SP

LOCKER INPOST ITALIA SRL (I)
Registration number: MI-2037066, 110,000 EUR, 100% - InPost Paczkomaty sp. z o.o. (110,000 EUR) jurisdiction of incorporation: 2014-02-27, Italy office: Viale Cassala, 30, 20143 - Milano, Italy

GRANATANA LTD (CY)
Registration number: HE 289319, 9,200.48 EUR, 100% - Inpost Paczkomaty sp. z o.o. (9,200.48 EUR) jurisdiction of incorporation: 2011-06-23, Cyprus office: Thasou, 3 Dadlaw House 1520 Nicosia, Cyprus
In liquidation

GIVERTY HOLDING LTD,
Registration number: HE 293289, 10,000 EUR 100% - InPost Paczkomaty Sp. z o.o. (10.000 EUR) jurisdiction of incorporation: 2011-10-07, Cyprus office: Thasou, 3 Dadlaw House 1520 Nicosia, Cyprus
Dissolved as of 24th February 2024

MENZIES DISTRIBUTION GROUP LIMITED (UK)
Registration number: 11407715,
29.3% Shareholding/30.0% - Voting Rights - InPost UK Ltd (UK) 1,000 GBP, date and jurisdiction of incorporation: 2018-06-11, UK, The United Kingdom office: Unit E Twelvetrees Business Park, Twelvetrees Crescent, London, England, E3 3JG

● Polish companies ● foreign companies ● branches

OUR STRATEGY

PRELIMINARY DOUBLE MATERIALITY
OUR BUSINESS MODEL
OUR STRATEGY
OUR BUSINESS ENVIRONMENT AND TRENDS
NAVIGATING 2023’S TECHNOLOGICAL LANDSCAPE: Q&A WITH CTO
VALUE CREATION MODEL
NAVIGATING FINANCIAL SUCCESS IN 2023: Q&A WITH CFO
FINANCIAL REVIEW

PRELIMINARY DOUBLE MATERIALITY

GRI 3-1, 3-2

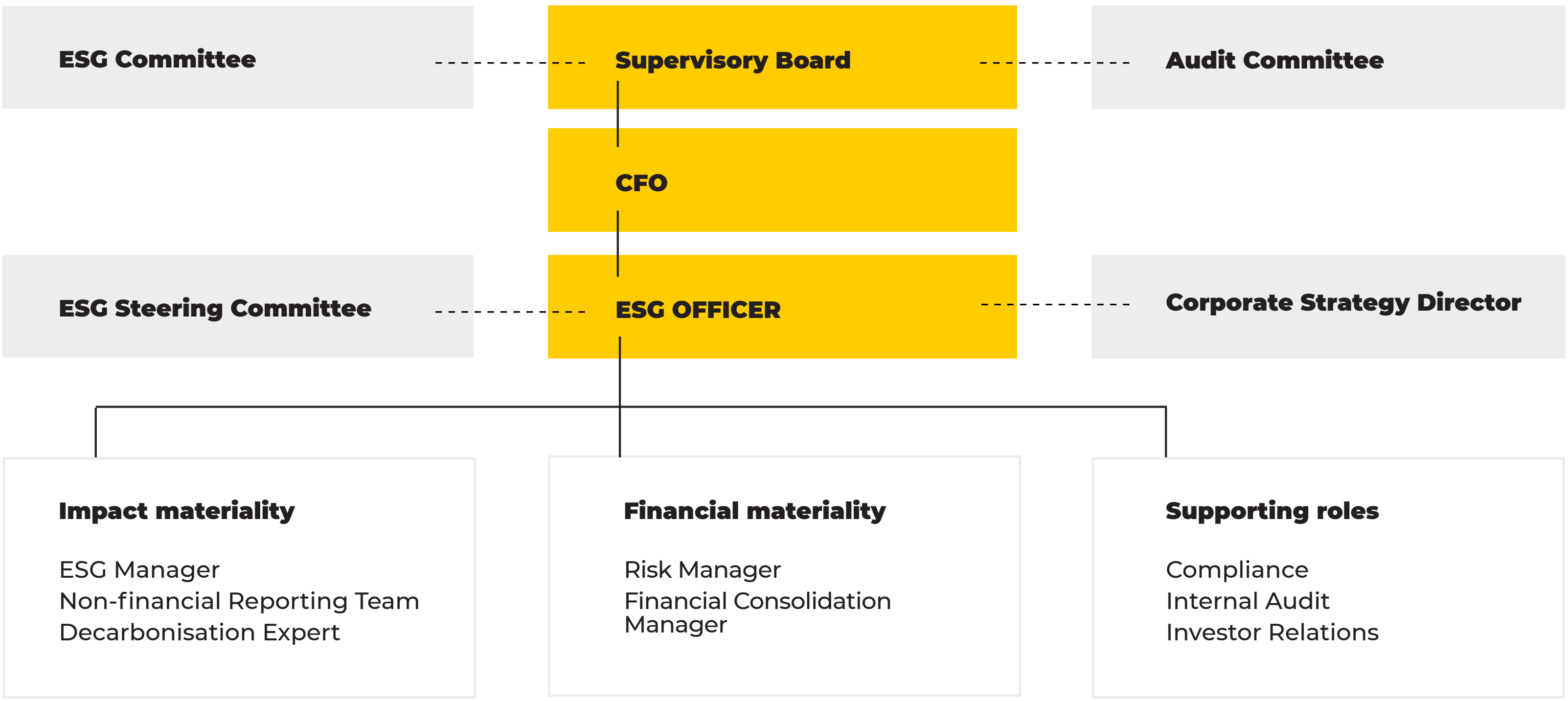
INTRODUCTION

In preparation for the EU CSRD reporting requirements, which will be mandatory from 2024, in 2023 we created a first approach to our double materiality assessment. The main conclusions from the initial assessment can be found in the pages that follow, with specific details on page 280. These conclusions confirm that InPost's current ESG Strategy is in sync with important topics, from both the impact viewpoint and the financial materiality standpoint.

Before this year, InPost had already incorporated materiality evaluations in its ESG reporting. The criteria set by the European Sustainability Reporting Standards introduce a higher level of thoroughness to the evaluation by establishing a unified set of requirements for conducting and documenting double materiality. This aligns closely with well-recognized standards, such as the OECD guidelines on Responsible Business Practices. As we move forward, we are committed to continuously improving, developing, and refining our approach in accordance with best practices and as more guidance emerges.

In 2023, we conducted an examination of the existing process, centered around the non-financial reporting disclosure in the 2022 Integrated Annual Report. During the initial materiality assessments, we identified and charted potential gaps with the intention of enhancing future reporting. As part of this process, we created a list of significant topics based on stakeholder engagement, ensuring that key concerns were adequately addressed and conveyed. We also carried out an activity to identify and evaluate the financial materiality perspective. For more details, please refer to page 284.

RESPONSIBILITY MATRIX



IMPACT MATERIALITY - 2022

In 2021, we conducted a survey, which was sent to stakeholders, to evaluate and prioritise important topics. We collected feedback from five stakeholder groups, both internal (employees) and external (investors, customers, management, and merchants), receiving over 2,700 responses. The survey was designed in accordance with GRI Standard 2021 – participants in the survey assessed the impact on a scale of 1 to 5. The results were presented on a Materiality Matrix, where we placed topics with the most responses indicating a high and very high impact.

PRELIMINARY DOUBLE MATERIALITY - 2023

In 2023, a cross-functional project team with the participation of ESG Strategy, Corporate Strategy, Risk Management, Legal and Finance was established to facilitate the preparation for reporting against the CSRD, including the double materiality assessment. To maintain comparability and a smooth transition from the 2022 process, we conducted surveys similar to those in 2022. This year, however, the surveys were expanded to include additional countries where we operate and extended to other stakeholder groups. In 2023, to further align with stakeholders needs, two dialogue sessions were conducted with stakeholders. For more, see section Stakeholder Management on page 264. The preliminary Double Materiality approach in 2023 was enhanced through the initial focus on financial materiality, coupled with consultations from both internal and external experts.

Along with the *Integrated Annual Report* a process gap analysis was conducted, based on which workstreams have been established to work on addressing disclosure gaps. ESG category owners, who are responsible for topics covered under the ESRSs will be participating along with subject matter experts from across the organisation.

DOUBLE MATERIALITY - 2024

In 2024, we will focus on improving the financial materiality assessment by examining in detail the risks and opportunities related to ESG factors, resulting in an updated list of ESG risks. We will facilitate cross-departmental collaboration through workshops with key internal stakeholders to share knowledge about ESG topics to be included in the assessment. To enhance our materiality assessment, we will engage external experts and perform a peer review. Lastly, following the double materiality assessment, we will evaluate the differences in impacts, risks, and opportunities across the diverse markets in which our Group operates.

This will lead to the identification of gaps in data points that must be addressed to achieve compliance with ESRS in the *Integrated Annual Report 2024* but will also create critical input to our Strategy review.

„During this fiscal year, we made substantial improvements in our reporting and overall disclosure levels. The successful introduction of preliminary Double Materiality is another key step in aligning our ESG commitments with the broader corporate strategy. These actions greatly increase transparency in our communication with shareholders as well as strengthen the voices of our stakeholders. Consequently, our focus on corporate responsibility and sustainable growth is further solidified."

FILIP ORLIŃSKI
Corporate Strategy Director

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INPOST MATERIAL ESG TOPICS

OVERVIEW

In the preliminary double materiality assessment for InPost 2024, we followed a seven-step process to evaluate the significant impacts and risks across our operations and value chain:

1. Understanding the context

2. Identifying the organization's list of impacts

3. Assessing the importance of topics through the engagement of stakeholder groups

4. Prioritizing the most significant topics for reporting

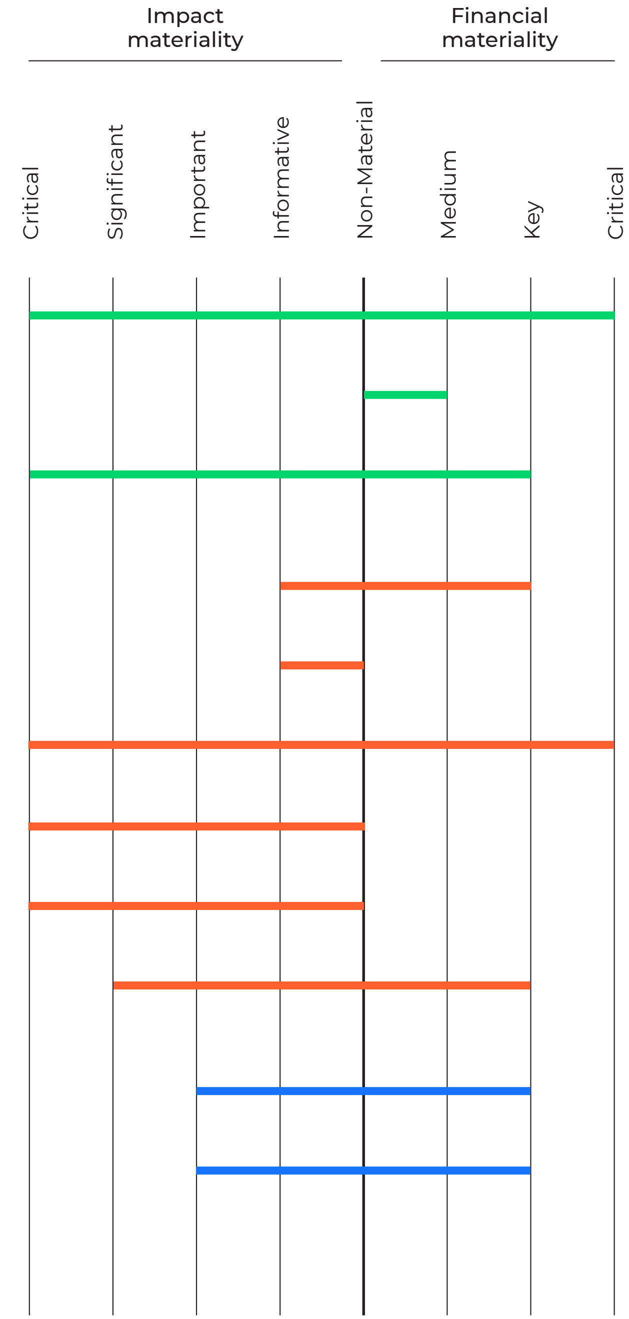
5. Assessing the financial material impact of topics

6. Review of material topics by key internal stakeholders, with oversight from the Supervisory Board

7. Results publication and gap analysis

For further details about the process and the assessment of each particular impact, please refer to Appendix on pages 280-287. To understand how these impacts are managed to minimize harm and mitigate risk, kindly refer to the appropriate chapters in the Sustainability Report.

ESG	ESG Category	Material topic	Impact description
ENVIROMENT	Climate change	Climate change mitigation	Impacts related to GHG emissions across our value chain and to our energy usage
		Climate change adaptation	Exposure of APMs to climate-related physical risks (weather phenomena)
	Enviroment and eco-systems	Resource use & circular economy	Consumption of materials and raw materials together with waste management, recycling (including return packaging)
SOCIAL	Safety and security	Occupational health and safety	Risks of work-related injuries or fatalities
	DE&I	Diversity & equity	Equal opportunities, non-discrimination (due to age, nationality, gender, etc.)
	Accessibility	Access to logistics services	Improving access to logistics services (price, location, accessibility for disabled persons)
	Citizenship	Citizenship	Developing local businesses, aiding persons in need, including persons who are ill and persons with disabilities
	Climate advocacy	Climate advocacy	Fostering environmentally-friendly consumer habits, environmental education of customers
	Employee relations and labor rights	Working conditions	Mental well-being of employees, working and wage conditions
GOVERNANCE	Business ethics	Corporate & data ethics	Compliance with the Code of Ethics
	Sustainable procurement	Supplier relations	Compliance with the law by subcontractors and suppliers, control over working conditions of service providers and product suppliers



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IMPACTS ACROSS OUR OPERATIONS & VALUE CHAIN

KEY STAKEHOLDERS We are taking into account 13 Stakeholders groups. You can find more how we engage with them on page 264.

- CUSTOMERS /END–USERS
- EMPLOYEES
- COURIERS*
- BUSINESS PARTNERS (ORGANISATIONS/ FOUNDATIONS)
- CITY'S INTERNAL DEPARTMENTS
- LOCAL COMMUNITIES
- MERCHANTS
- MUNICIPALITIES AND AUTHORITIES
- NGOs
- MEDIA
- NATURE
- SHAREHOLDERS AND INVESTORS
- SUPPLIERS (incl. Workers in the Value Chain)

IMPACT ACROSS OUR OPERATIONS – 2023 QUANTIFIED

In 2023, with a total delivery volume of 891.9 million parcels, only 3 instances of data breach necessitated reporting to the Personal Data Protection Office.

Share of women in total InPost Group employees: 42%.

0 fatalities in 2023. 80.8% of employees and workers covered by occupational health and safety (OHS) management system.

15 LNG-powered tractor units.

Average courier turnover level surveyed month to month below 10%.

80,260 daily tests, 393 workshops on the annual evaluation of couriers.

73m parcels +143% YoY delivered with EVs (1,000 EVs).

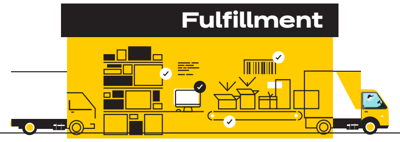
Population coverage in 7 min walking distance: 61% in PL, 32.9% in FR and 53% in UK Tier 1 Cities. 3.9m uses of Easy access zone.

100% of electricity from renewable energy sources in APMs in Poland.

Net Zero campaign in Polish cinemas, which reached 3 million recipients.

57 cities within Green City Program (54 in PL, 3 in France).

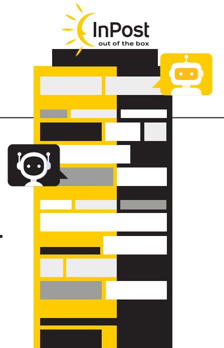
64,812 ECOreturns parcels in 2023 (+410% YoY).



100% share of recycled polyaimers at InStore (own store handled by Fulfillment).

97% of the procurement budget was spent on local suppliers.

147 social and environmental screenings performed, and we are working on Supplier Engagement program.



1.2% share of people with disabilities among employees in Poland. Share of women in Senior Management and Supervisory Board >30%.

99.5% completion of data privacy training. >99% of employees with communicated anti-corruption policies and procedures.

51% Employee Engagement Survey. 128,348 training hours in total.

900,000 beneficiaries of community involvement, 17.5m PLN voluntary donations.

More than 800,000 people reached by the educational campaigns (ie. Avalon campaign).

Scope 1 & 2 emissions decreased by 10.2% compared to base year.

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OUR BUSINESS MODEL

GRI 2-6

InPost Group is the leading Pan-European out-of-home delivery platform for e-commerce. We are the number 1 operator of Automated Parcel Machines (APMs) in Europe offering out-of-home solutions for e-commerce last-mile parcel delivery.

Our operations span the entire e-commerce value chain, establishing synergies in first- and middle-mile costs that significantly enhance the experiences of our merchants and consumers. Automated out-of-home (OOH) delivery forms the bedrock of our business model and consistently provides the most effective solution for both merchants and consumers.

OOH delivery is instrumental in reducing costs, improving delivery speed, and enhancing the overall customer experience. It exemplifies efficiency and eco-friendliness, emitting 98% less CO_2 than our traditional to-door deliveries in the crucial last mile of logistics (Poland, last mile transport).

Our range of services covers both business-to-customer (B2C) and customer-to-customer (C2C) deliveries. We offer three differentiated delivery methods: (1) delivery to an Automated Parcel Machine (APM), (2) delivery to a Pick-Up Drop-Off Point (PUDO), and (3) traditional to-door delivery. The practicality and cost-efficiency of APMs and PUDOs have established them as the favoured options for our clients.

APMs and PUDOs are strategically situated in high-traffic areas, such as local businesses, supermarkets, convenience stores, and transport hubs like train and metro stations. This ensures superior accessibility.

As a major player in the European market, operating in nine countries, including our home base in Poland, we play a crucial role in shaping the region's e-commerce and logistics landscape through our OOH solutions and dedication to innovation and quality service. With a significant portion of our business being international, we are transforming e-commerce delivery across the continent.

THE INPOST BUSINESS MODEL OFFERS A NUMBER OF MAJOR ADVANTAGES:

1.
COST-EFFICIENCY
by delivering to APMs, our service significantly reduces the need for home deliveries and associated operational costs.

2.
EXPEDITED DELIVERY TIMES
by delivering to an APM or PUDO point near the customer's location, our service reduces transit time, facilitating quicker deliveries.

3.
ENHANCED CUSTOMER EXPERIENCE
customers can collect their parcels at their convenience, thereby eliminating the need to wait at home for a delivery.

4.
OPERATIONAL LEVERAGE
our automated OOH delivery service has the capacity to generate additional operational leverage owing to its scalability.

5
SUSTAINABILITY
An APM/PUDO offers the most environmentally-friendly delivery and shipping solution.

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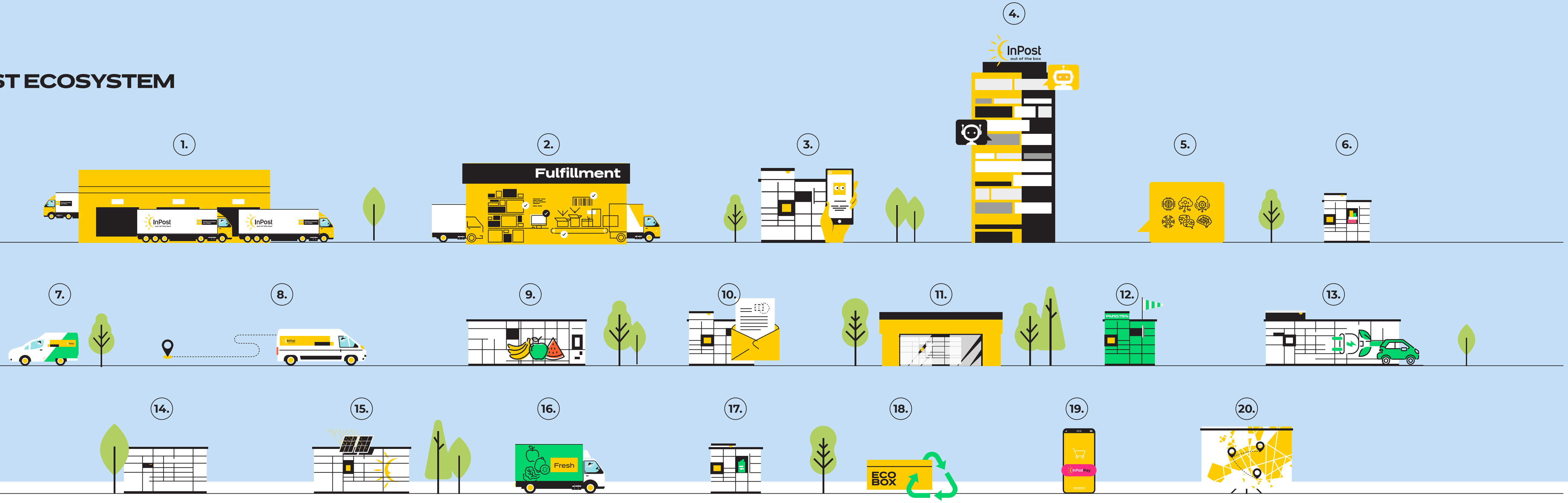
INPOST ECOSYSTEM

GRI 2-6



1. Automated Central Sorting Hub
2. Fulfillment
3. Remote opening of locker and sending without labels via the InPost Mobile app
4. Chatbot and IVR, optimising the handling of inquiries (claims robots), Robotisation of processes
5. Artificial Intelligence and Data Science
6. Multilocker service
7. Eco-friendly electric vehicles
8. Dynamic courier routing
9. Refrigerated APM/APMX
10. InPost 24-hour Office
11. Indoor APM
12. APM with an air quality sensor
13. EV chargers near to APM
14. Screenless APM
15. Solar-powered APM
16. InPost Fresh
17. ECOreturns
18. EcoBox
19. InPost Pay
20. Cross Border

contents ↑

A MARKET-WINNING MOBILE SERVICES

INPOST MOBILE

Contactless locker opening

Parcel tracking and redirection

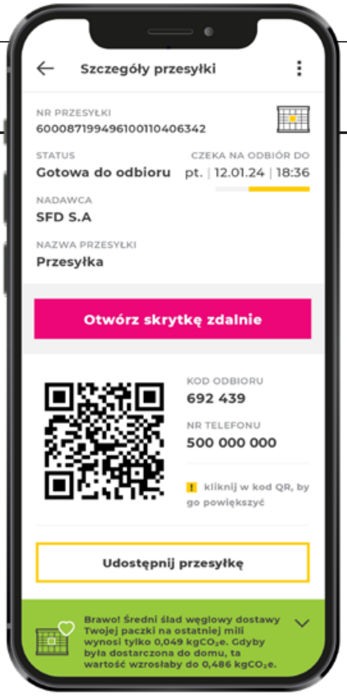
Courier's phone number

Pick-up time extension

Sending parcels **without a label**

Share pick-up code with a friend

Quick returns | **Eco-returns**



11.6m
mobile users in Poland

Check carbon footprint
from the delivery to APM/2D (from the last mile)

20%
of users are super heavy users (sending more than 40 parcels/year)

79%
claim that InPost uses modern solutions

INPOST PAY

InPostPay

One-click checkout
in InPost Mobile

Recovery of abandoned baskets

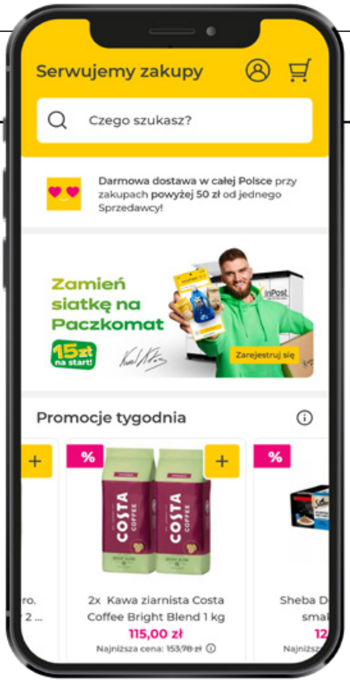
Full visibility of order content and status

INPOST FRESH

InPostFresh

Mobile application **available for iOS and Android**

Over
200
sellers and over 250k offers



Marketplace exclusively for FMCG products

7 product categories

Deliveries throughout the country:
APM, C2D, Smart Courier with age verification

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INPOST AUTOMATED PARCEL MACHINE

Intuitive and quick pick up/drop off Customer Journey

QR code scanner

Multiple parcels for the same customer **in the same locker**

Convenient location

Easy access zone – option to choose the lower locker

3.9m
times easy access zone was used

Collection
7 **seconds**

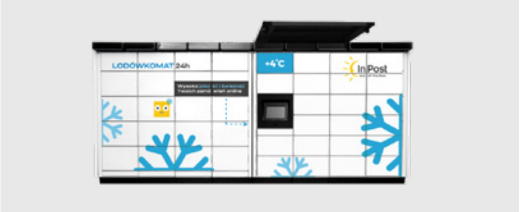
24/7
availability

61% population in Poland within **7 minutes** of an APM

APM Pro

APM on Airport

APM bus-stop



APMX

LOGISTICS

Own logistic software implemented (InPost Logistic Solution)

Sustainable delivery model

The largest EV fleet in Poland

Expansion of the network of EV chargers (publicly available/in branches)

97%
D+1 deliveries

73 m parcels delivered with EVs

+143% YoY

contents ↑

BEST-IN-CLASS CUSTOMER EXPERIENCE

GRI 2-6

CUSTOMER

1. ONLINE PURCHASING

(B2C E-COMMERCE AND C2C PLATFORMS)

1. **Streamlined checkout process:** Choose an out-of-home pick-up point from a map or list
2. **Competitive delivery price:** Affordable rates for delivery
3. **Top basket positioning:** High visibility during checkout
4. **Quick checkout option:** InPost Pay for swift transactions
5. **Extended cut-off times:** Especially for InPost Fulfilment clients

INPOST

2. PARCEL TRACKING & NOTIFICATIONS

(MOBILE APP)

1. **Step-by-step notifications:** Receive updates at each stage of parcel delivery, including a unique access code
2. **Carbon footprint calculation:** Track environmental impact with InPost

CUSTOMER

3. PARCEL COLLECTION

1. **Extended collection window:** 48 hours to pick up the parcel, with option to extend the pickup time
2. **Sharing options:** Allow friends or family to pick up your parcel for you
3. **Convenient OOH pick-up points:** Easily accessible collection locations
4. **Contactless UX:** Remote locker opening via the mobile app
5. **Easy access zone:** Choose from conveniently placed lower lockers

INPOST

4. RETURNS

1. **Seamless user experience:** Fast Returns® for easy product returns
2. **Transparent complaint handling:** Clear process for addressing customer concerns

CUSTOMER CARE

1. **Chatbot support:** Available on Messenger and our website for parcel status updates, courier contact numbers, and APM locations
2. **Additional platforms:** Google Assistant, WhatsApp with chatbot available
3. **Automated client support:** IVR processes for parcel status updates, courier contact numbers, and voice bot

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THE KEY TO OUR SUCCESS – THE "FLYWHEEL EFFECT"

OUR SUCCESS IS PRIMARILY DRIVEN BY THE "FLYWHEEL EFFECT", A SELF-PERPETUATING CYCLE THAT FORMS THE BACKBONE OF OUR GROWTH STRATEGY AND PROPELS OUR EXPANSION.

Greater convenience
Our consumers are at the heart of our strategy. We set the wheel in motion by creating a reliable, dense network of out-of-home delivery points. The increase in convenience, through the expansion of our APM network, promotes higher usage and adoption and subsequently, the demand for more lockers. We boast the largest APM network in Europe, featuring nearly 35,500 APMs and experiencing a 56% YoY growth in our international markets. Our APM network ranks number 1 not only in Poland but also in the UK and France. In Poland, over 87% of urban dwellers live within a 7-minute walk of the nearest InPost APM, with 61% of the total population residing within a 7-minute walk from our machine. Even with the substantial expansion of the APM network, InPost continues to uphold high utilization levels throughout its entire network.

Improved customer experience
With a robust network in place, we are now shifting our attention towards enhancing the customer experience. InPost's Net Promoter Score (NPS) in Poland is the highest among e-commerce logistics companies, achieving a significant level of 80 for sending and collecting parcels. Satisfied customers are likely to reuse the service and recommend it to others. According to the recent Gemius report on e-commerce in Poland, 93% of the participants claim that delivery to an InPost Automated Parcel Machine (APM) is their most frequent choice. Satisfied customers are likely to reuse the service and recommend it to others.

Wider merchant adoption
As our customer base expands and usage intensifies, we become a more attractive proposition for merchants. We are the most frequently selected delivery option for 82% of customers (according to a Kantar survey), leading to increased conversion at checkout for merchants. Our 24/7 APM availability and control over pickup time result in virtually no failed deliveries, solidifying us as a reliable partner for merchants.

Scale economies
The growth in merchant adoption and volumes increases scale and improved unit economics. This allows us to deploy more APMs, invest in technology, lower our delivery costs, and offer more competitive prices to our customers and merchants. The increasing scale facilitates reinvestment in expanding sorting capacity, network, talent, innovations, and more. The increasing scale facilitates reinvestment in the expansion of sorting capacity, network, talent, innovations, and more. This, in turn, further enhances consumer convenience. The increasing scale facilitates reinvestment in the expansion of sorting capacity, network, talent, innovations, and more. This, in turn, enhances consumer convenience, further accelerating the flywheel .

Underpinning the flywheel is our investment in data and technology, complemented by our commitment to sustainability, a core component of our APM delivery model. We acknowledge the importance of the environment and strive to reduce our carbon footprint. Consequently, our delivery service emits significantly less CO_2 than traditional to-door deliveries, underscoring our dedication to sustainability.

CUSTOMER-CENTRICITY IN MARKETING COMMUNICATION

InPost Group is more than just logistics. We're also about unconventional communication, image, modern technology and innovations that we adapt to provide the best possible services. We have unique products on the market and are continually bringing out new solutions and improvements.

WHAT SETS US APART?

INNOVATION: we deploy technological innovations and know-how in the form of clever, simple solutions that ultimately make a huge difference to the customer

PASSION FOR ACTION: deeply ingrained in InPost's DNA is the desire to continually optimise, to be an industry leader, and constantly improve.

CONNECTING PEOPLE, THINGS, and COMPANIES: our APM network acts as a "flow channel" for goods, connecting people and companies by "linking sellers and buyers" through a brand that is widely available and physically, visually, and linguistically highly accessible.

OPPORTUNITY FOR GROWTH: InPost's services are accelerating business opportunities for small and large companies, as well as for individual customers.

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CUSTOMER-CENTRICITY

At InPost Group, customers' needs are our main focus and the main driver of our actions. The key goal of the InPost brand is to make customers' lives as easy as possible, maintaining constant contact, responding to their needs, and exceeding expectations. Millions use our machines every day in the nine markets where we operate. We are aware that we are a presence in our customers' lives on a daily basis, and the APM has become a permanent part of life, allowing customers to pick up or send parcels on their way to work, while out for a walk, or out shopping. We continually improve our products and create solutions for the future. All of this is to make life ever simpler, faster, and more convenient for our customers.

Our mission at InPost is to make our customers' lives easier by meeting their needs and – going a step further – anticipating and introducing new solutions. We continually see the potential to change people's lives and the world for the better. In the market, we are a trendsetter that introduces and tests entirely new solutions and is bold in its actions and thinking.

AS A CUSTOMER-CENTRIC BRAND, INPOST:

provides a unique customer journey focused on simplicity and intuitiveness

responds quickly to new market trends and expectations by actively seeking feedback and engaging customers in innovation and development

ensures the digital availability of its products

introduces solutions that genuinely change customers' lives

AS A LOVE BRAND, THE PRINCIPLES WE COMMUNICATE BY ARE:

Stick to brand values (passion, commitment, authenticity)

Speak energetically, informally, and directly

Think out of the box – unconventionally, sometimes even groundbreakingly!

We like to make our communication simple, intuitive, and accessible. We address our customer directly, preferring to keep things light and friendly. We have a unique tone of voice. We allow ourselves to show our sense of humour and to make intelligent jokes that evoke a smile, but without harming the professionalism and trustworthiness that we know keeps customers coming back.

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MAIN PILLARS OF COMMUNICATION

SPORT

Sport is one of society's great passions. InPost Group therefore has a brand engagement strategy that involves sports sponsorship.

To build our image as the national leader in the industry in Poland, InPost engages in sports at the national level as a Strategic Sponsor of the Polish national football team and a strategic sponsor of Polish cycling. The InPost Group strives for continuous excellence in every aspect of business, as expressed in its sports marketing through collaboration with talented and outstanding Polish athletes in the informal InPost Sports Team. To be consistent with a brand that creates future solutions, InPost supports children and youth sports, developing young talents – teams and individuals alike. The brand also uses sports to engage and activate employees as a way to support them in pursuing their passions and leading a healthy lifestyle.

POLSKA InPost
SPONSOR STRATEGICZNY

In addition to local market projects, InPost Group's portfolio includes international sponsorship projects (sponsoring Newcastle United Football Club and the Tour de France). Such activities enhance InPost's strong brand image as an international company engaged in Europe's most significant sports.

InPost

Tour de France InPost
OFICJALNY PARTNER

TECHNOLOGY

Building a comprehensive solution for the end customer starts with technology. Our approach to customer interaction and service delivery is based on innovation and communication. Every customer touchpoint with the InPost brand must address the customer's needs. At every stage along the path up to post-purchase service we are readily contactable and help resolve the issues customers bring us. Our technology and know-how ensure an operational process of the highest standard and a brand that is always improving how it meets customers' needs. People seek technological solutions that make life easier, and 92% of InPost app users in Poland are satisfied with it. InPost is characterised by continuous innovation and solution updates to keep up with customer needs.

To create unique, intuitive, and transparent services for the end customer, we continuously test solutions, conduct consumer research at every stage of the service and, before implementation, even when still testing a new concept, we gather feedback and implement further improvements to consistently raise the level and SLA of services.

SUSTAINABILITY

Environmental awareness has an increasingly important place in modern lifestyles; we are guided by it in our activities and know how important it is to our customers. The customer not only has the convenience of being able to pick up packages 24/7, but also significantly contributes to reducing greenhouse gas emissions. By delivering many packages to one location, we reduce the number of individual deliveries, positively impacting the environment. According to a KANTAR study in 2023, 58% of respondents believe that environmental impact issues are important to them when choosing a parcel delivery method. 82% of respondents see InPost APM as the most environmentally friendly form of parcel transportation.

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OUR STRATEGY

InPost's strategic approach entails consistently enhancing our delivery service to both consumers and merchants, while simultaneously ensuring sustainable and profitable long-term growth. Our ultimate objective is to become Europe's premier provider of automated out-of-home delivery experiences, a goal we're pursuing by capitalising on our success in Poland and expanding cross-border services along with group-level functions for swift business model roll-out.

We are revolutionising last-mile e-commerce delivery by employing technology and data analysis, enabling our business to remain highly adaptable to evolving customer needs and market conditions. Leveraging our wealth of experience, we're reinforcing flexibility and market relevance, which are critical for ongoing growth. We're also progressively strengthening governance across the Group to adhere to incoming regulations, and implementing global policies and reporting standards in financial and ESG sectors across all markets we serve.

As pioneers in the industry, we lead environmental initiatives to encourage sustainability within logistics. We view ESG not just as our permit to operate, but also as a fundamental element of our corporate ethos. This is why we incorporate ESG principles throughout all our operations, reflecting our dedication to responsible business conduct.

OUR PURPOSE

We amaze people, using the potential of technology for the good of the planet. We create sustainable services and products that make sending and receiving packages easier and more secure for customers every day. We are committed to harnessing the potential of emerging technology to tackle climate change and reduce our environmental footprint.

OUR VALUES

- **SECURE + ACCESSIBLE**
- **SUSTAINABLE + CONVENIENT**
- **EFFICIENT + CONTROLLABLE**
- **INNOVATIVE + SIMPLE**
- **FIRST + AGILE**

OUR VISION

To become Europe's leading out-of-home, environmentally-friendly automated solution for e-commerce, using data and technology to redefine the last mile in the most attractive markets in Europe, leveraging our unique experience and success in Poland

OUR STRATEGIC PILLARS

1. Offering best-in-class consumer experience
2. Scaling our European business
3. Sharing benefits of our scalable model with merchants and customers
4. Development of highly innovative services and adjacent services
5. Empowering people to create real impact

OUR INTEGRATED APPROACH

We connect our strategy, values, and priorities with our key ESG topics, primary risks, relevant KPIs, targets, and contributions to the Sustainable Development Goals (SDGs). This integrated approach provides a comprehensive overview of our business and our overall contributions to society. Moreover, to ensure our strategy remains in sync with market demands, we consistently monitor trends and engage in active dialogue with stakeholders. Prioritising stakeholder perspectives and interests is fundamental to our customer-centric business model and forms the backbone of our successful strategy.

We strategically align our Key Performance Indicators (KPIs) and quantifiable targets with our strategic pillars, which serve as the catalysts for our long-term growth.

PRIMARY RISKS

A Competitive environment and macro-economic development

B Unfavourable changes in the e-commerce market

C Societal expectations on ESG topics

D Climate & biodiversity related risks

E Legislative environment

F People – attraction, development, retention and well-being

G Cybersecurity

IMPACTING TRENDS

1 Mobile commerce

2 Big Data

3 Hyper-personalisation

4 Out-of-home delivery

5 Artificial Intelligence

6 Simplification

7 Sustainable and socially responsible commerce

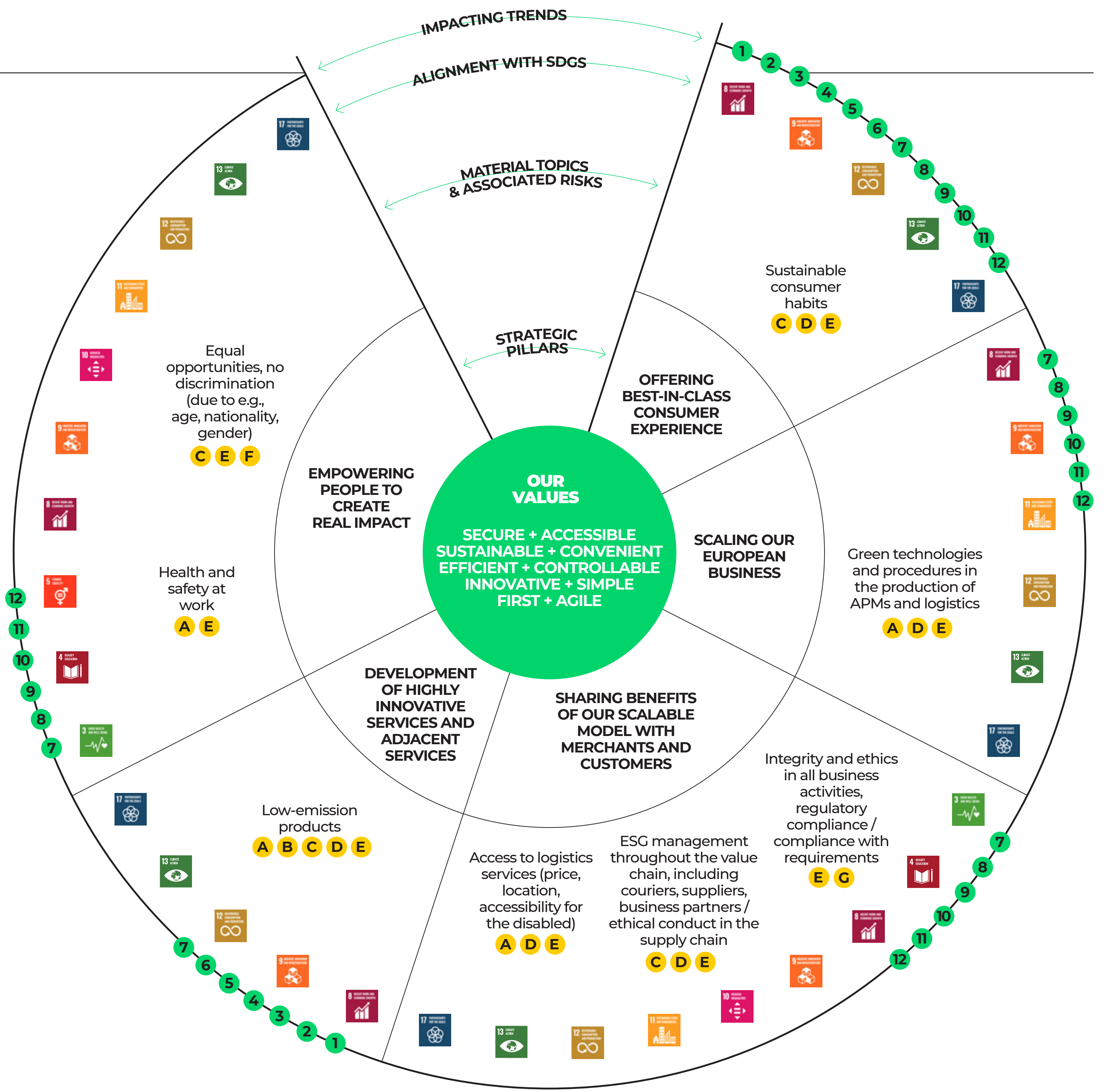
8 Transparency

9 Demographic shifts

10 Diversity & Inclusion

11 Decarbonisation

12 Circularity



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PILLAR 1. OFFERING BEST-IN-CLASS CONSUMER EXPERIENCE

OVERVIEW

We strongly believe that by upholding the highest standards in customer convenience and availability, we not only enhance the customer experience but also attract a wider customer base, thereby increasing our market share. As a testament to this belief, we have prioritised customer convenience and user experience, positioning them at the forefront of our business strategy.

LINKS TO INTEGRATED ESG PILLARS

WE change
Improve the quality of life in cities and engage with local communities to enhance the consumer experience.

WE deliver
Incorporate eco-friendly practices and materials to create a sustainable consumer experience.

WE motivate
Prioritise employee development and maintain a diverse workforce to deliver top-notch customer service.

KPI REALISATION

KPI	2023
NPS Score in Poland	60 - brand, 80 - parcel sending & collecting
Mobile app rating in Poland	5.0 App Store, 4.9 Google Play
New app features	Carbon footprint calculator
App rollout to other markets	Poland, UK, Mondial Relay
Percentage of heavy users	27% in Poland
Percentage of super heavy users	21% in Poland
Market share	<45% Poland, <10% Mondial Relay, <2% UK

ACTIONS REALISED IN 2023

Ongoing development of the InPost Mobile app, introducing new features to enhance the customer experience.

The launch of InPost Pay service in Poland. We introduced one of the most advanced fast checkout solutions in Europe.

Reactivation of the InPost mobile app in the UK, extending our quality service to customers in Europe's largest e-commerce market.

Launch of the Carbon Footprint Calculator in Poland, providing end customers with information about the carbon footprint of their parcels, demonstrating our commitment to environmentally friendly practices and transparency.

Introduction of new branding elements on international markets as part of a brand refresh to present a modern, cohesive identity that aligns with our future vision.

Launch of various communication activities, including the creation of a Group LinkedIn profile, to share news, updates, and insights about our business and the industry.

In all these initiatives, our primary goal is to provide the best possible customer experience while driving innovation in the logistics and delivery sector.

PLANNED ACTIONS IN 2024

Introduction of innovative features to the app, including the continued enhancement of InPost Pay that is set to revolutionise user interactions and facilitate smoother transactions.

The expansion of InPost Mobile into other international markets is a planned strategic move that is anticipated to broaden our reach and deliver unique services to customers across Europe.

Comprehensive rebranding activities are scheduled, with the aim to realign the brand identity with the evolving vision and mission, ensuring relevance and resonance with the customer base.

Further expansion of our Big Data and AI capabilities to international markets, scale Generative AI use following MVP in 2023, further develop AI based hyper-personalisation.

PILLAR 2. SCALING OUR EUROPEAN BUSINESS

OVERVIEW

We are expanding our out-of-home (OOH) logistics network to enhance its scalability, and efficiency, and to increase its usage by merchants and customers alike. Our goal is to build on our success in Poland and replicate these operations across select European markets. No matter where you are in the areas we serve, it is highly likely that you'll find an Automated Parcel Machine (APM) or Pick Up Drop Off (PUDO) point conveniently located in your local neighbourhood.

LINKS TO INTEGRATED ESG PILLARS

WE change

Adapt innovative and sustainable services to cater to local market needs and contribute positively to European communities.

WE deliver

Focus on decarbonisation and operational efficiency improvements while expanding across Europe.

WE motivate

Support the growth of business partners while promoting diversity and inclusion in both workforce and partnerships.

KPI REALISATION

KPI	2023
Number of PUDOs	30,615
Number of APMs	35,449
Number of pan-European strategic merchant partnerships	7+
Location partners (retail chains etc.)	19,000+
% population within 7 minutes' walking distance of an APM/PUDO in Poland	61%

ACTIONS REALISED IN 2023

Continual expansion of our out-of-home (OOH) points significantly beyond the current 65,000 locations. This strategy brings us closer to our customers and enhances their service experience.

Unlocking capacity potential and resolving logisitcs bottlenecks in the UK thanks to the partnership with Menzies.

The initiation of a new international connection is in progress, extending cross-border services to customers in Spain and Italy through our InPost network. This move marks a significant expansion from our previous cross-border capabilities. Additionally, we successfully implemented cross-border service from Poland to the Czech Republic with Allegro.

We are advancing the development of our Group functions, incorporating roles such as the ESG (Environmental, Social, and Governance) Officer and Group Tax, enhancing the sustainability and efficiency of our operations.

The global digital transformation programme was launched, fostering cross-country cooperation and leveraging digital technologies to enhance our processes and services.

Our teams across markets and business units are collaborating to provide comprehensive, Pan-European solutions to merchants. This approach ensures a seamless, efficient, and effective service to meet the diverse needs of our customers across the continent.

We are significantly expanding our network, launching new intercountry services, enhancing group functions, initiating a global digital transformation programme, and fostering cross-country cooperation to provide comprehensive Pan-European solutions, all aimed at delivering superior customer experiences and driving our growth across the continent.

PLANNED ACTIONS IN 2024

Ongoing expansion of our out-of-home (OOH) network, with a primary focus on APMs. This strategy is aimed at ensuring sufficient capacity to handle growing volumes across all markets in which we operate. Further improving our deployment process, taking into consideration the introduction of new machine types, user needs, and our commitment to biodiversity.

Roll-out of cross-border services with plans to launch new routes. This is intended to better meet the diverse needs of our customers, including both merchants and end consumers. Strengthening our cooperation with international brands, moving beyond the standard delivery process includes implementing innovative solutions such as InPost Pay and a joint commitment to decarbonisation efforts.

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PILLAR 3. SHARING BENEFITS OF OUR SCALABLE MODEL WITH MERCHANTS AND CUSTOMERS

OVERVIEW

Our business model thrives on continually enhancing the efficiency and convenience of our automated out-of-home (OOH) delivery. We provide merchants with top-tier services at competitive prices. Our Automated Parcel Machines (APMs) not only offer cost-effective solutions, but they also contribute to a lower carbon footprint per parcel compared to traditional door-to-door deliveries.

By offering a sustainable service, we're not only addressing environmental concerns but also promoting social inclusion. Particularly in rural areas, our affordable services are helping to democratise e-commerce and combat social exclusion.

We observed further successful results not only in Poland but also in our international business, which has almost doubled over the last two years. It shifted from 184 million parcels and 20,000 locations in 2021 to an impressive 302 million parcels and 40,000 out-of-home locations in the network by the end of 2023.

LINKS TO INTEGRATED ESG PILLARS

WE change

Enable merchants and customers to access innovative, sustainable services to enhance their experience and impact communities positively.

WE deliver

Encourage stakeholders to adopt sustainable practices and make informed decisions that minimise environmental impact.

WE motivate

Build a diverse and supportive network of merchants and customers, fostering growth and shared success.

KPI REALISATION

KPI	2023
D+1 share	97% in Poland
Less CO_2 emission from delivery to APM/PUDO vs. 2DOOR*	98%
Parcel volume	891.9m pcs
Number of app users	12.9m (11.6 in Poland)
Price discount vs. to-door	~25% in Poland
Number of merchants	52,000 in Poland
Number of APM users	>40m

*(Poland, in transport on the last mile)

ACTIONS REALISED IN 2023

The expansion of our collaboration with merchants has been a priority. We had 52k merchants in Poland at the end of 2023, translating to a +9% YoY growth. New merchants still account for a significant part of our volume growth. We have also extended our partnerships with existing ones, strengthening their loyalty and driving the usage of our new services.

The establishment of new location partnerships is progressing, including with East of England Co-op stores and the Midcounties Co-operative, broadening our reach and enhancing convenience for customers.

Our emphasis on sustainability is reflected in our efforts to reduce the carbon footprint in line with Science Based Targets initiative (SBTi) requirements and to be NET ZERO by 2040.

The Green City Programme is being expanded to more cities in Poland and France and innovative solutions like solar bus stops are being implemented.

A new stakeholder engagement policy has been implemented, strengthening our governance and initiating dialogue sessions with stakeholders to ensure accountability and responsiveness.

We are diligently executing our overarching strategy, prioritising open communication with our stakeholders to mutually share the benefits of our model with our merchants and customers, while deepening our collaboration with them.

PLANNED ACTIONS IN 2024

Development and execution of a robust Green Energy Roadmap that is closely aligned with our targets for decarbonisation. This strategy will be enhanced by increasing the deployment of EV vans and chargers, reducing our internal carbon footprint, and fostering stronger cooperation with our suppliers.

Furthering our commitment to sustainability and environmental stewardship by initiating educational activities for our end consumers about Environmental, Social, and Corporate Governance (ESG) practices.

Stepping up our efforts in circularity, working towards a more sustainable and regenerative approach to production and warehousing.

Upholding a high standard of operational excellence, with an emphasis on growing our D+1 share in international markets.

Expanding our base of merchants and end consumers, accompanied by an increase in the number of app users and heavy users, to stimulate growth and foster customer loyalty.

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PILLAR 4. DEVELOPMENT OF HIGHLY INNOVATIVE SERVICES AND ADJACENT SERVICES

OVERVIEW

We are committed to providing both merchants and customers with an exceptional experience by continuously enhancing our products and services. Through the use of digital technology and data analysis, we have cultivated an agile business model that effectively responds to evolving customer needs and market conditions.

InPost's growth is underpinned by the integral roles of data analytics, innovation, and technology. Our sophisticated technology infrastructure boosts operational efficiency and seamlessly links all aspects of the value chain. We are dedicated to its ongoing development, investing in enhancing our technological capabilities to sustain our accelerating growth.

As we develop solutions for our customers, we are guided by principles of simplicity, sustainability, and innovation. These values are reflected in every aspect of our operations, ensuring that as we grow, we continue to thrive and offer superior service.

LINKS TO INTEGRATED ESG PILLARS

WE change

Create innovative, sustainable services that cater to clients' needs and promote a positive impact on local communities.

WE deliver

Prioritise the development of sustainable services that prolong the lives of products and reduce the consumption of raw materials.

WE motivate

Foster a culture of innovation, diversity, and collaboration that drives the development of cutting-edge services.

KPI REALISATION

KPI	2023
New products	3 sustainable services launched
New digital services	InPost Pay launched
Internal innovations	>5 in different areas
InPost Fresh merchants	200
InPost Fresh end customers	1.35m downloads
InPost Fulfillment merchants	121

ACTIONS REALISED IN 2023

Intensifying collaborations with merchants across our product range, including InPost Fresh, APM delivery, Fulfillment clients, and Smart Courier for alcohol delivery with age verification.

Launching customer-centric products, such as secured APMs at airports, providing added convenience for our customers.

Innovative solutions such as InPost Pay are being introduced, revolutionising the e-commerce market by combining payment and delivery in one button click, and offering full visibility of order content and status.

The integration of a carbon footprint calculator into our mobile app is in progress, enhancing our commitment to environmental transparency and responsibility.

We are pushing for the development of new environmental solutions for our operations through innovation challenges, further cementing our commitment to sustainability.

InPost is dynamically propelling its services and operations forward through the strengthening of merchant partnerships, the launch of customer-focused products, and the introduction of innovative digital solutions, leveraging both internal expertise and the insights of external partners.

PLANNED ACTIONS IN 2024

The introduction of new types of APMs designed with lower energy consumption in mind, thus contributing to our sustainability goals. These machines will also open up new avenues for deployment, enhancing our operational efficiency.

The execution of cutting-edge technological solutions within our depots and sorting hubs, including the introduction of technologies aimed at supporting our courier team. These advancements will streamline our operations and boost productivity.

A dedicated focus on the expansion of our Fulfillment services and InPost Fresh, catering to our consumers' evolving needs and driving business growth.

Encouraging internal innovation and being responsive to industry trends and opportunities. This will help us to consistently deliver high-quality services and maintain our competitive edge.

The integration of new digital services within our existing offerings to further elevate the customer experience. We aim to leverage technology to provide seamless, user-friendly solutions that resonate with our customers.

Active exploration of other growth opportunities that align with our core values of sustainability, technology, and customer-centricity.

PILLAR 5. EMPOWERING PEOPLE TO CREATE REAL IMPACT

OVERVIEW

The InPost team operates under the guiding principle of 'One company - Many experiences'. We leverage the diverse skills and backgrounds within our team to benefit our consumers and merchant clients. We foster a culture that encourages innovation, entrepreneurship, and change, all of which are grounded in a clear, shared vision that inspires creativity.

We place a strong emphasis on synergy, offering stimulating opportunities to work on international projects. Our commitment to employee growth is evident in our efforts to bolster loyalty through nurturing professional development and satisfaction. We achieve this by implementing leadership and wellbeing programmes, ensuring our employees feel valued and fulfilled in their roles.

LINKS TO INTEGRATED ESG PILLARS

WE change

Encourage employees and partners to implement innovative solutions to enhance clients' lives and contribute positively to communities.

WE deliver

Empower employees and partners to contribute to decarbonisation efforts and adopt eco-friendly practices to improve operational efficiency.

WE motivate

Create a work environment that values employee development and diversity, supports the growth of business partners.

KPI REALISATION

KPI	2023
Participants in development programmes	214
Employee engagement	51%

ACTIONS REALISED IN 2023

The initiation of a grant volunteering programme has been launched, enabling employee groups to direct their efforts towards creating positive impacts in local communities, alongside individual volunteering opportunities. This is complemented by strong engagement from InPost InHelp and the InPost Foundation.

A leadership model has been implemented in Poland and is being extended to other markets, facilitated by company-wide training, communication, and ambassador programmes.

The Innovation & Engineering Challenge, along with events such as the AI Hackathon, have been conducted to tap into the innovation potential of employees within the InPost Group.

The InPost training offer has been expanded, accompanied by a training policy update. Two employees have been sent for postgraduate studies in alignment with policy, providing additional knowledge to the InPost Group. Additionally, ESG trainings and webinars for employees in Poland have been conducted.

Active engagement in cross-country projects is being pursued to share knowledge with other markets, exemplified by the strong involvement of Polish teams such as Operations in Mondial Relay activities.

We are empowering our teams to make a real impact by fostering community engagement through volunteering programmes, instilling leadership models across our markets, harnessing employee innovation potential through challenges and hackathons, expanding our training offerings, and encouraging cross-country knowledge sharing, all in line with our commitment to drive impactful change.

PLANNED ACTIONS IN 2024

Enactment of a leadership model designed to foster a growth ecosystem rooted in trust, openness, and understanding. These elements are fundamental in shaping an entrepreneurial culture, enabling us to adapt, innovate, and thrive in a dynamic business environment.

Establishing effective collaboration channels across all teams at InPost, facilitated by clear and efficient internal communication. We're also putting in place a robust onboarding programme to ensure that new employees are well-integrated and equipped to contribute to the team.

Deployment of innovative HR systems designed to provide daily support to both employees and managers. These tools will streamline administrative tasks and enable a more focused approach to fulfilling core responsibilities.

Roll-out of comprehensive development programmes and specialised training initiatives that align with InPost's strategic objectives, culture, and leadership model. These learning opportunities will empower our team members to grow professionally and personally.

Proactive preparation for new EU regulations concerning remunerations, in conjunction with ongoing Diversity, Equity and Inclusion, (DE&I) activities. We are committed to maintaining a fair and inclusive work environment that respects and rewards the contributions of all employees.

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SUCCESS FACTORS OF OUR STRATEGY

STRONG INPOST & MONDIAL RELAY BRANDS

Our brands embody our unwavering commitment to delivering superior user experiences and maintaining exceptional quality. We establish ambitious objectives, consistently meeting or surpassing them, which has led to our brand achieving impressive Net Promoter Score (NPS) and high brand recognition levels in Poland and France. We stand by our merchants and customers, providing prompt deliveries even during peak times, such as the end-of-year holiday season.

ESG STRATEGY INTEGRATED WITH THE BUSINESS

Environmental, Social, and Governance (ESG) principles form the bedrock of our business model and play a pivotal role in our success. They are an integral part of InPost's mission and operational strategy.

INNOVATION CULTURE

InPost is renowned for its relentless pursuit of innovation. We are committed to continually revolutionising the market with our novel products and features, while simultaneously fostering increased engagement from employees at every level of the organisation.

KEEPING UP THE PACE

Given the continued growth of the e-commerce market, we focus relentlessly on maintaining agility and a leading position in evolving trends to bolster e-sales in every conceivable manner.

CONTINUOUS OPERATIONAL IMPROVEMENT

As we experience increasing volumes, international growth, and the introduction of new products, we persistently work towards optimising and automating our operations. This not only helps reduce costs, but also ensures a smooth, seamless experience for our users.

STRONG DATA USAGE AND BEST-IN-CLASS MOBILE APPLICATIONS

We have a structured data organisation in place that enables growth, fosters the creation of innovative solutions, and drives operational improvements. This structure also supports efficient reporting and monitoring. We've backed this up with a dedicated, expanding mobile team and a newly established business unit – InPost Pay.

EFFICIENT COLLABORATION AND COMMUNICATION ACROSS MARKETS

Robust and well-coordinated work streams across the entire Group and its functions are instrumental in conveying and fulfilling InPost's commitment to excellence.

NURTURING TALENT AND APPRECIATING PEOPLE WHO ARE THE CORE VALUE OF INPOST

Ongoing investment in succession planning and leadership development at every tier of the organisation is crucial. Through dedicated leadership and development programmes, we ensure efficient scaling and strategic implementation across the Group, while also maintaining the agility to adapt swiftly to fluctuating market conditions.

CREATING SUSTAINABLE VALUE FOR THE SHAREHOLDERS WITH PROFITABILITY ABOVE INDUSTRY LEVELS

We maintain a strong financial emphasis on consistently enhancing the company's value, providing transparent reporting, and making sustained investments to ensure steady growth.

OUR BUSINESS ENVIRONMENT AND MARKET TRENDS

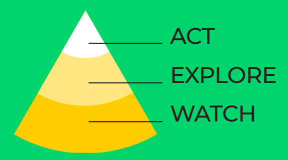
InPost has developed a comprehensive trend radar that focuses on six crucial dimensions: Logistics, Technology, Social, Environmental, Legal, and E-Commerce. This tool is designed to track and analyse the evolution of relevant trends within these sectors.

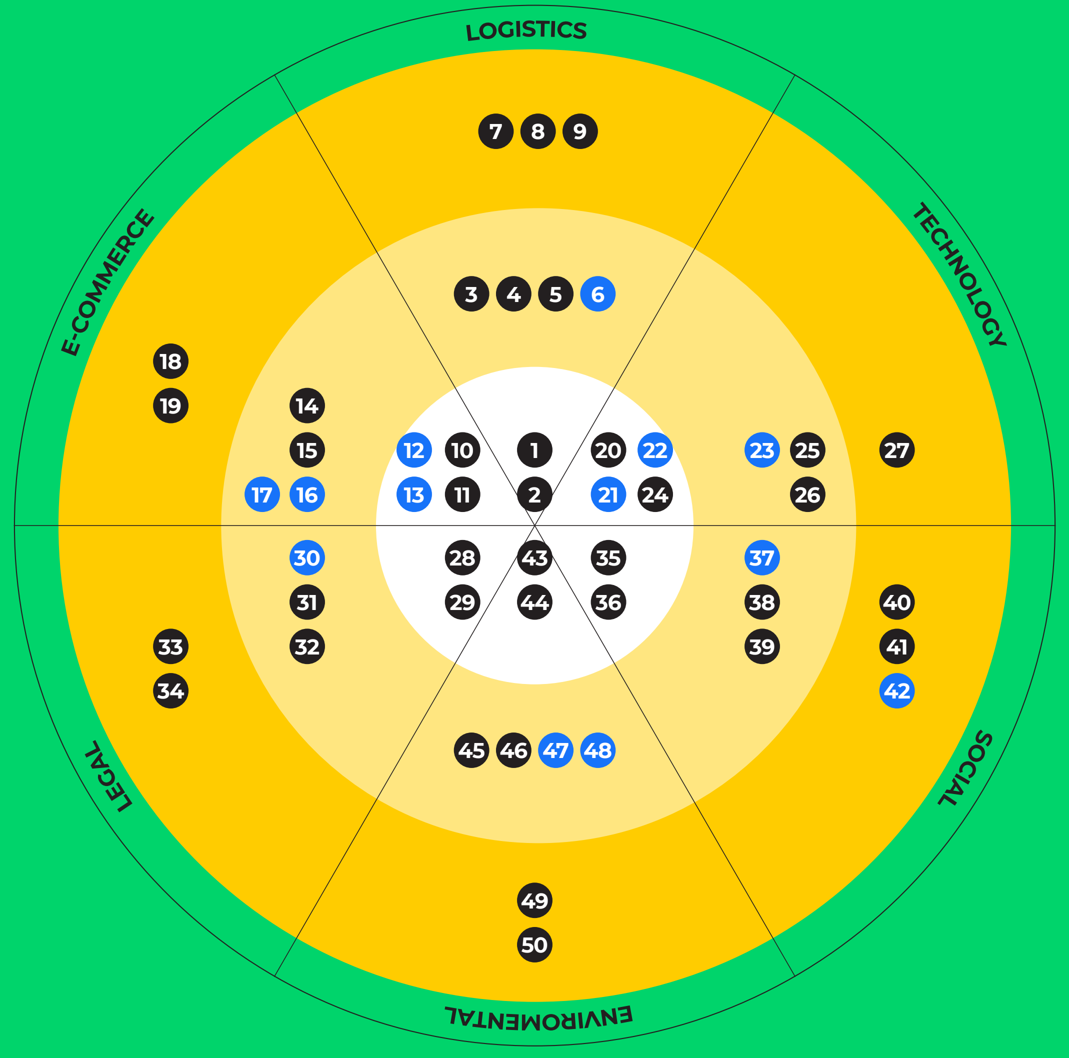
To effectively manage the timing and impact of these trends, our trend radar is structured around three time horizons: "Watch", for emerging trends that are yet to significantly impact our operations; "Prepare", for trends that are gaining momentum and require strategic planning; and "Act", for mature trends that demand immediate attention and action.

The trend radar is continuously updated and refined based on various sources such as media/news monitoring, stakeholder dialogue, and market observation, ensuring we stay abreast of the latest developments.

However, InPost's strategic approach extends beyond mere trend tracking. We are committed to being trendsetters in our industry. Our focus is not only on responding to emerging trends but also on creating them, particularly in the domains of customer-centric solutions and environmental actions. By doing so, we aim to lead the way in innovation and sustainability in the logistics and e-commerce sectors.

THE TREND RADAR PROVIDES A CLEAR, CONCISE OVERVIEW OF THE VARIOUS TRENDS IMPACTING OUR ORGANISATION, MAKING IT AN INVALUABLE TOOL FOR STRATEGIC PLANNING AND FUTURE-PROOFING THE ORGANISATION.





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4. Logistics Automation
5. AI-powered Route Optimisation
6. Simplification
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MARKET TRENDS

HYPER-PERSONALISATION

Hyper-personalisation is an advanced level of customisation that leverages artificial intelligence (AI) and real-time data to deliver more relevant information on content, products or services - to create individual tailoring. It goes beyond traditional personalisation that might use a customer's name or recent purchase, and instead uses browsing behaviour, purchase history, personal preferences, and other data points to create a personalised experience tailored to the individual's needs and desires.

This trend is increasingly prevalent in sectors such as marketing, e-commerce, and digital services. With hyper-personalisation, companies can offer highly targeted products, recommendations, and messages that are unique to each user. This can results in increased customer satisfaction, enhanced customer loyalty, and improved conversion rates, as consumers feel more understood and catered to.

However, while hyper-personalisation can lead to enhanced user experiences and business results, it also raises issues around privacy and data security. As such, companies embracing this trend must ensure they comply with all relevant data protection regulations and communicate their data usage transparently to customers.

OUR STRATEGIC RESPONSE

Parcel extension messages: We're developing a system to send tailored messages about parcel collection extensions, considering individual customer needs and preferences for an improved delivery experience.

Personalised shopping recommendations on InPost Fresh: By analysing customer behaviour, we aim to provide personalised product suggestions, making shopping faster and more relevant for each customer for their FMCG product needs.

Individualised customer care: Our chatbot technology is being refined to respond more personally to inquiries, learning from each interaction to provide tailored solutions, enhancing customer support experience.

These advancements align with the trend towards hyper-personalisation, allowing us to offer a more individualised, efficient, and engaging service.

OUT-OF-HOME DELIVERY

Out-of-home delivery is a growing trend in the e-commerce and logistics sector, where products are delivered to a location outside the customer's home. This can include various pick-up points like lockers, retail stores, or even specific public locations.

The primary objective of OOHD is to provide customers with more flexibility and convenience when it comes to receiving their orders. Not everyone can be at home to receive a delivery, and OOHD provides an alternative that can fit more easily into diverse lifestyles and schedules.

For businesses, it can also help solve some logistical challenges. Delivering to centralised pick-up points, for instance, can be more efficient than delivering to individual home addresses, potentially reducing costs and environmental impact.

Some examples of OOHD include Amazon's lockers where customers can pick up their orders, grocery stores offering click-and-collect services, and local businesses serving as collection points for various e-commerce platforms.

This trend is being driven by advancements in technology, evolving consumer expectations for more delivery options, and the ongoing growth of e-commerce. As with any delivery method, it requires careful management to ensure goods remain secure and in good condition until they are collected by the customer.

OUR STRATEGIC RESPONSE

APM & PUDO network expansion: We're boosting our out-of-home delivery with a 22% growth in APMs and PUDO points in 2023, aiming for improved convenience in parcel delivery. Our current network has 35.4k APMs and 30.6k PUDO points.

Off-grid battery APM introduction: We're launching off-grid battery APMs to ensure continuous service, expanding our reach and reliability.

Psyhical ecosystem development: We're creating a network of physical out-of-home delivery points, integrated seamlessly with our digital solutions. This "psyhical" approach enhances user experience and operational efficiency, providing a digitally-driven interaction with our physical infrastructure.

These responses align with the Out of Home Delivery trend and emphasise our dedication to innovation and customer satisfaction. We're aiming for more accessible and engaging service, meeting evolving customer needs.

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MOBILE COMMERCE

Mobile commerce, or m-commerce, refers to buying and selling of goods and services through wireless handheld devices such as smartphones and tablets. By offering the ability to shop anywhere and at any time, m-commerce significantly enhances the convenience of online shopping.

This trend is driven by a variety of factors, including the widespread adoption of mobile devices, improvements in mobile connectivity and the convenience it offers to consumers. It enables users to shop anytime, anywhere, making shopping more integrated into daily life.

Mobile commerce includes mobile shopping (ordering goods or services from an online platform using a mobile device), mobile banking (managing bank accounts or making credit card payments digitally using a mobile device), and mobile payments (paying for goods or services in a store using mobile wallets).
As consumer behaviour continues to evolve, businesses are required to adapt to this trend by optimising their websites for mobile devices, developing mobile apps, and offering secure mobile payment options. Therefore, m-commerce is not just a trend but rather an essential move for businesses that want to stay competitive in the digital age.

OUR STRATEGIC RESPONSE

We are committed to the continuous evolution and refinement of our mobile solutions, recognising the significance of mobile technologies in today's digital age. **A central part of this strategy is the integration of payments with logistics and e-commerce through InPost Pay** within the InPost Mobile app. This feature simplifies the checkout process, ensuring a seamless and efficient transaction for customers, and further integrates our services, creating a unified platform that meets a wide array of customer needs. InPost Pay was launched in H2 2023 and already by the end of the year, 51 merchants were using the solution.

In addition, we are dedicated to the ongoing development of the InPost Fresh app, our innovative platform for Fast-Moving Consumer Goods (FMCG) products. This platform currently boasts more than 250,000 offers, providing an extensive selection for our customers. We aim to continue expanding this offering, ensuring we cater to the diverse tastes and preferences of our customer base.

By focusing on these areas, we are enhancing the accessibility and convenience of our services, making it easier for customers to shop and do business with us. This approach aligns with our commitment to customer-centricity, as we continually strive to improve our services and meet our customers' evolving needs.

BIG DATA

Big Data refers to extremely large data sets that can be analysed by powerful computers to reveal patterns, trends, and associations, especially relating to human behaviour and interactions. It encompasses the vast amount of data generated every second from various sources like social media, business transactions, sensors, and more.

This trend emerged with advances in of technology that allow us to store and process massive amounts of data that could not be handled by traditional data-processing software. Originally characterised by 3Vs (Volume, Velocity, Variety), we embrace the evolution to 5Vs – volume (scale of data), velocity (analysis of streaming data), variety (different forms of data), veracity (the data quality), and value (turning data into useful insights and value for the company). Big Data can provide invaluable insights for businesses, helping them make informed decisions, understand customer behaviour, improve operations, and predict trends. Its uses cross industries — from healthcare for disease prediction and treatment design, in retail for personalised recommendations, and in finance for fraud detection, to name just a few.

OUR STRATEGIC RESPONSE

We are placing a strong emphasis on integrating big data analytics into every facet of our operations. This integration serves as the foundation of our decision-making process, enabling us to make informed and effective decisions that align with our business goals and customer needs.
A key area where we apply data models is in the selection of locations for our machines. We use data to identify locations that not only are conveniently close to our customers, but also have minimal environmental impact. Complemented by models optimising delivery, it ensures that we can provide our services effectively while also demonstrating our commitment to sustainability.
Furthermore, we utilise data analytics to enhance our Customer Care unit's responsiveness. By analysing customers' data, we can better understand their needs and preferences, allowing us to provide more accurate and personalised responses. This not only improves customer satisfaction but also increases the efficiency of our customer service operations.

In essence, data analytics is integral to our operations, driving our decision-making process, enhancing customer service, and promoting sustainability. By leveraging the insights gained from data analytics, we are able to continually improve our services and maintain our commitment to customer-centricity and environmental responsibility.

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ARTIFICIAL INTELLIGENCE

Artificial Intelligence (AI) refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions. The term is also applied to any machine that exhibits traits associated with a human mind, such as learning and problem-solving.

The “Artificial Intelligence” trend represents the increasing adoption and integration of AI technologies in various sectors and processes. This trend has gained momentum due to advancements in computing power, data availability, and machine learning algorithms.

AI can be used in a variety of ways, including:

Predictive analysis: AI can process vast amounts of data to identify patterns and predict future outcomes or trends. This is used in fields like finance, healthcare, marketing, and more.

Automation: AI can automate routine tasks, increasing efficiency and freeing up humans to focus on more complex tasks. This is seen in manufacturing, customer service (with chatbots), and even in self-driving cars.

Personalisation: AI can analyse individual behaviours to provide personalised recommendations or experiences. This is commonly used in e-commerce and streaming services.

Generative AI: it crafts text, images, and music from data, enabling art creation, text automation, personalized content, chat enhancements, sentiment analysis, and tailored communications by simulating human emotions and conversations.

While the AI trend brings numerous benefits such as increased efficiency, cost savings, and improved customer experiences, it also comes with challenges. These include ethical concerns around data privacy and potential job displacement due to automation.

AI continues to be a rapidly evolving field, with emerging subfields like machine learning, deep learning, and neural networks promising even more transformative applications in the future.

OUR STRATEGIC RESPONSE

We are committed to integrating Artificial Intelligence (AI) into our operations to improve efficiency and customer service.

We use AI to optimise our courier routes, considering factors such as traffic and delivery locations. This ensures timely deliveries and reduces fuel consumption, demonstrating our commitment to sustainability.

Our AI-powered chatbot enhances customer service by handling diverse queries and learning from each interaction to provide personalised responses.

Lastly, AI increases our operational efficiency by automating routine tasks and enabling predictive analysis, leading to optimised workflows and improved decision-making.

In essence, AI is pivotal in driving our operational efficiency, improving customer service, and supporting sustainability. It empowers us to refine our services, uphold customer satisfaction, and emphasise environmental responsibility.

SIMPLIFICATION

Simplification refers to the increasing need for more straightforward, user-friendly products, services, and processes. By making complex technologies and processes more accessible and easier to understand, simplification significantly enhances the user experience.

This trend is driven by multiple factors including the desire for increased efficiency, the need to cater to a digitally savvy audience, and the aim of making interactions more seamless. It enables users to engage with services and products in a more intuitive manner, integrating them more seamlessly into daily life.

Simplification manifests in various forms across industries. Tech companies create more user-friendly interfaces, fintech simplifies financial processes, e-commerce platforms streamline shopping experiences, and healthtech firms make medical information more comprehensible.

As consumer expectations continue to evolve, businesses are required to adapt to this trend by making their products and services simpler and more intuitive, without losing essential features. Therefore, simplification is not just a trend but an essential shift for businesses that want to stay competitive in the digital age.

OUR STRATEGIC RESPONSE

Our strategic response to the trend of simplification is multifaceted and primarily focused on enhancing our digital offerings and streamlining our operations.

We have created the InPost Mobile app, which allows users to easily track parcels, locate lockers, and make payments, thereby simplifying our services and integrating them into our customers' daily lives.

We have launched InPost Pay, the “One-Click Checkout Solution” in the InPost Mobile app, reducing the steps in the checkout process for a more user-friendly experience.

We are expanding our labelless consignments and returns, eliminating the need for printed labels.

Our strategy leverages technology to our services and make them more accessible, keeping up with simplification trends and enhancing our competitiveness in the digital age.

SUSTAINABLE AND SOCIALLY RESPONSIBLE COMMERCE

Sustainable and socially responsible commerce refers to business practices that prioritise not only profitability but also positive social and environmental impact. This includes sourcing goods responsibly, minimising environmental footprint, and contributing positively to communities.

Driving this trend is a growing consumer awareness of and concern for environmental and social issues. Many customers, employees and candidates now prefer businesses that align with their values and are willing to support companies that demonstrate commitment to sustainability and social responsibility.

Sustainable and socially responsible commerce can take many forms. It could involve using eco-friendly materials and packaging, fair trade practices, ensuring fair wages and working conditions in the supply chain, or donating a portion of profits to social causes.

Businesses are required to adapt their strategies and operations. Adopting sustainable and socially responsible practices is no longer just a nice-to-have, but a necessary step for businesses that want to remain competitive and relevant in today's socially-conscious market.

OUR STRATEGIC RESPONSE

We continue our social commitment by implementing projects related to sustainable development, thereby fulfilling the goals of our ESG strategy. We want to work with communities, consumers and partners to build sustainable solutions

We engage with local communities in accordance with the InPost Green City Programme, where we already have partnerships with 54 Polish and 3 French cities.

We increase the accessibility of our APM services by enabling our customers to use „Easy-Access Zone" via InPost Mobile in Poland that allows parcels to be delivered to the lower lockers in the Parcel Locker. This functionality is showing strong adoption from consumers with usage increasing by 38% in 2023 versus a year ago.

We want to bring a positive impact through social initiatives, through which we helped 900,000 beneficiaries in 2023.

Read more about our initiatives focused on offering sustainable services to consumers in chapter Pillar I on Page 145.

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TRANSPARENCY

Transparency, in a business context, refers to the openness of companies with regard to their operations, policies, and procedures. By making this information available to stakeholders, transparency significantly enhances trust and credibility in business relationships.

Transparency in operations entails utilising data to demonstrate a company's impact on the environment and the context in which it operates. Additionally, there is a growing regulatory demand that companies report data of increasingly higher quality and set goals to reduce their negative impact on the environment and society in which they operate.

As stakeholder expectations continue to evolve, businesses are required to adapt to this trend by sharing more information, engaging in open dialogue, and demonstrating accountability. Therefore, transparency is not just a trend but a vital approach for businesses aiming to build trust and remain competitive in the contemporary market.

OUR STRATEGIC RESPONSE

We commit to regularly publishing reports on our business performance, environmental impact, and social responsibilities to foster trust and accountability. Our non-financial data is reported according to the standards and frameworks that allow transparent comparison of our business to peers

We introduced a feature in our InPost Mobile app that discloses a precise calculation of carbon footprint of each package

We engage with our suppliers and business partners; by signing the established Supplier Code of Conduct, our suppliers ensure that they meet environmental and social compliance standards

We uphold rigorous internal audits and welcome external assessments to validate our commitment to transparency and continuous improvement in the area of data reporting and cybersecurity

We have developed a Group Data Privacy Policy that standardises our approach across the various markets we operate in.

CYBERSECURITY

With the increasing reliance on digital technology, artificial intelligence and an ever-growing volume of sensitive data being stored, processed, and transmitted, it is more important than ever to ensure robust cybersecurity measures. As cyber threats and data breaches become more sophisticated, companies must stay ahead by employing advanced security protocols, investing in cutting-edge technology, and fostering a strong cybersecurity culture.

DEMOGRAPHIC SHIFT

Demographic shifts are changes in the composition of a population over time in terms of age, ethnicity, income, and other factors. By understanding and adapting to these changes, businesses can better cater to the evolving needs and preferences of their market, thus sharpening their competitive edge.

This trend is driven by factors such as improvements in healthcare that lengthen lifespans, changing migration patterns, and shifts in societal norms and values. These shifts impact consumer behaviour, influencing purchasing decisions and preferences.

Demographic shifts include changes in age distribution (like an aging population or the rise of a younger demographic), changes in ethnic composition, shifts in household income levels, and changes in family structures.

As demographics continue to evolve, businesses must adapt by tailoring their products, services, and marketing strategies to suit these changing needs and preferences. Therefore, understanding and responding to demographic shifts is not just a trend but a crucial strategy for businesses aiming to stay relevant and competitive in their market.

OUR STRATEGIC RESPONSE

We are committed to addressing demographic shifts in the markets in which operate. In Poland, we introduced the Ukrainian language in our application as a response to the significant increase in immigrants and refugees.

We aim to focus on the needs of our customers and adapt our services accordingly. Firstly, we engage we engage with senior citizens who may find digital services challenging. One of our initiatives in Poland involves conducting training sessions on using InPost Mobile. We managed to conduct these sessions for 1,500 people in 2023. Secondly, we undertake efforts to adapt our services, including our consumer website, InPost Mobile, and APM screens, for people with disabilities in accordance with the European Accessibility Act directive. Such practices will make our services and workplace accessible to people with special needs.

Read more about our initiatives focused on accessibility in the chapter Pillar III on Page 184.

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DIVERSITY, EQUITY & INCLUSION

Diversity, Equity & Inclusion, often referred to as DEI, pertains to strategies and practices that promote representation and participation of diverse groups within a business. By fostering a diverse and inclusive environment, businesses can enhance creativity, innovation, and employee satisfaction.

This trend is driven by a variety of factors, including evolving social norms, legislative changes, and a growing body of research highlighting the benefits of diversity. It allows businesses to tap into a broad range of perspectives and experiences, enhancing problem-solving and decision-making.

DEI encompasses elements like gender diversity, racial and ethnic diversity, diversity of thought, and inclusion of individuals of all ages, religions, and abilities. It extends beyond mere representation, focusing also on creating an inclusive culture where all individuals feel valued and respected.

As societal expectations continue to evolve, businesses are required to adapt by implementing DEI strategies, such as bias training, inclusive hiring practices, and policies that promote equality. Thus, DEI is not just a trend, but a vital strategy for businesses seeking to foster innovation, improve employee engagement, and enhance their reputation.

OUR STRATEGIC RESPONSE

We are committed to providing an exceptional employee experience, starting from rectruitment, followed by onboarding and retaining employees, while focusing on learning and development, diversity and inclusion, fair compensation, and effective leadership. That's why we have established work teams that are working intensively on projects to make our services and the workplace accessible to our employees, to prepare our teams for diverse talent with consideration for those with special needs and to minimise the pay gap.

We have aimed at diversity targets at the Board level and prioritised generational diversity on the Board and Supervisory Board of InPost S.A. with the aim of increasing the number of women in key positions. Our commitments are followed by strengthening governance – specifically, the major update of the *DEI Policy*. aligned with the *Dutch Corporate Governance Code* in 2023.

Read more about our diversity and inclusion initiatives in the chapter Pillar III on Page 184.

DECARBONISATION

Decarbonisation, refers to the reduction of greenhouse gas emissions. By embracing decarbonisation, businesses can significantly reduce their environmental impact and contribute to the global effort to mitigate climate change.

This trend is driven by a variety of factors, including increasing awareness of climate change, advancements in clean technology, and regulatory policies aimed at reducing greenhouse gas emissions. It enables businesses to operate more sustainably and responsibly, aligning their operations with the growing consumer demand for environmentally responsible practices.

Decarbonisation involves strategies such as transitioning to renewable energy sources, improving energy efficiency, and adopting low-carbon technologies. It also includes efforts to reduce emissions in the supply chain and throughout the product lifecycle.

As environmental concerns continue to shape consumer behaviour and policy, businesses are required to adapt by integrating decarbonisation strategies into their operations. Therefore, decarbonisation is not just a trend but a necessary transformation for businesses aiming to thrive in a more sustainable and climate-conscious future. Decarbonisation is also a necessary action to protect biodiversity.

OUR STRATEGIC RESPONSE

We are the 1st Polish company with a target for NET- ZERO by 2040 approved by the SBTi, and only the 3rd globally in the logistics industry to be pursuing an ambitious path towards decarbonisation by 2040.

We developed a Green Energy Roadmap, and in 2023, we greened 100% of the energy used by APMs in Poland.

We implemented energy & GHG emission reduction initiatives, such as battery parcel lockers, lighting schemes, electrification of transport. Read more about our decarbonisation initiatives in the chapter Pillar II on Page 159.

We managed to develop an electric fleet of 1,000 vehicles and a charging network in Poland, and to improve transport data quality across multiple European countries.

We are taking steps to engage with suppliers through the development of our Supplier Engagement Programme's first phase which aims to reduce GHG emissions in our supply chain.

We are dedicated to enabling low emission delivery through our parcel lockers network, sharing data with clients and customers through the Parcel Carbon Footprint Calculator for both B2C and B2B.

CIRCULARITY

Circularity, or the circular economy, is a business model that operates based on the 5 Rs principle: Refuse, Reduce, Reuse, Recycle, Raise awareness. By adopting circularity, businesses can significantly reduce their environmental impact while also creating new opportunities for growth and innovation.

This trend is driven by various factors, including the growing awareness of environmental issues, the realisation of the finite nature of natural resources, and advancements in technology that enable resource recovery and reuse. It allows businesses to create value from waste and discarded materials, transforming them into new products and services.

Closed loop additionally includes practices such as designing products for durability and repairability. It also highlights the importance of sustainable procurement, the use of renewable resources and renewable energy, improving process efficiency and minimising waste.

As societal expectations and regulations increasingly demand sustainable practices, businesses are required to adapt by integrating circularity principles into their operations. Therefore, circularity is not just a trend but a critical approach for businesses aiming to achieve sustainable growth and resilience in the face of environmental challenges.

The circular economy is an activity that affects the protection of biodiversity by reducing the demand for primary raw materials and reducing pollution, as well as contributing to decarbonisation.

OUR STRATEGIC RESPONSE

We are committed to making increasingly circular business decisions. We have conducted a strengths and weaknesses analysis in evaluating the readiness of our company in Poland to implement a closed-loop strategy, with plans to expand to other markets in H1 2024.

In Q1 2024, based on our analysis, we published a circularity policy that strengthens corporate governance around sustainable management.

We are dedicated to promoting returnable packaging through the EcoBox project in Poland: in 2023, we introduced the next phase of the project with the aim of commercialising the solution.

100% of packaging in our Polish InStore is made from recycled materials, and since Q1 2023, all polybags have been eco-friendly.

We also carry out our activities in other markets of the Group through partnerships through Hipli and add fullstop.

Read more about our circularity initiatives in the chapter Pillar II on Page 178.

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INNOVATION ECOSYSTEM

InPost is built on a foundation of ESG principles and a strong commitment to innovation, especially when it comes to serving our customers. Every aspect of our operations is guided by this focus on customer-centric innovation.

This commitment to innovation steers us towards the establishment of various specialised units, groups, and forums that are dedicated to tapping into the potential of groundbreaking ideas. These entities constantly monitor market trends, aligning our services and offerings with the evolving needs of our customers.

Our proactive approach allows us to anticipate customer needs, often addressing them before they are even articulated. This foresight is a testament to our profound understanding of our customer base and our dedication to providing them with the best possible service.

In essence, our commitment to ESG and innovation goes beyond mere corporate responsibility and technological advancements. It represents our dedication to our customers, our drive to exceed their expectations, and our constant pursuit of excellence in our service delivery.

INNOVATION PROCESS

1.

TREND ANALYSIS

Using the trend radar, identify the key trends impacting your industry. This includes looking at changes in technology, customer behaviour, legislation, and other factors. These trends will provide a broad understanding of the market landscape and help identify potential opportunities for innovation.

2.

IDEA GENERATION

Based on the insights gathered from the trend analysis, start brainstorming innovative ideas. This could involve new products or services, improvements to existing ones, or new business models.

3.

IDEA EVALUATION

Once a range of ideas has been generated, evaluate them based on factors such as their potential impact, feasibility, alignment with company strategy, and market demand. This stage will help you narrow down the ideas to those that are most promising and worth pursuing.

4.

PROTOTYPE & TESTING

Prepare a long-term “North Star Concept”, but start with building a prototype or pilot for the selected idea and testing it in a real-world environment. Gather feedback from users and make adjustments as necessary.

5.

IMPLEMENTATION & SCALING

Once the idea has been tested and refined, it’s time to implement it on a larger scale. This could involve launching a new product to market, rolling out a new service across the organisation, or implementing a new process or business model.

2023 INNOVATIONS

InPost Pay

Parcel Carbon Footprint Calculator in Mobile Application
(to learn more, read Page 171)

Battery Parcel Locker
(to learn more, read Page 169)

PIN on Glass
(convenient CoD payments directly on the courier’s device)

Secured APM on Airport

Automated Parcel Machine integrated with a bus stop shelter

APM Pro and APMX
(new machines with special compartments meeting special needs)

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NAVIGATING 2023'S TECHNOLOGICAL LANDSCAPE:

TOP5 CONVERSATION WITH **FÜSUN WEHRMANN,** GROUP CHIEF TECHNOLOGY OFFICER

DIGITAL TRANSFORMATION IN 2023

How did the Technology organisation evolve in 2023?

In 2023, our Technology vision at InPost Group aimed for excellence in digital service and platform creation across all business verticals. Early in the year, we refined our organizational structure to support a Pan-European approach, establishing centres of excellence and main value streams to support growth and scalability.

Our operating model engaged technology across four dimensions: talent, processes, technology, and product. This multi-faceted strategy set a two-year course for scaling and growth, enhancing everything from data velocity and distributed cloud architectures to strategic talent management. These efforts have significantly matured our operations and organizational processes, ultimately increasing throughput.

BALANCING LEGACY SYSTEMS WITH NEW TECHNOLOGIES

How do you find a balance between legacy system and new technologies?

Striking a balance between legacy systems and emerging technologies is critical in technology governance. In 2022, extensive technical due diligence was conducted to pinpoint which legacy assets required investment. This effort led to the decommissioning of a major legacy system in France and another legacy dependency in logistics was removed in Poland in 2023. We also transitioned all people in all markets to a unified Office 365 system for better data privacy and collaboration. We are continuously evaluating and modernizing our technology stack, which includes advancing our mobile application portfolio and hardware within the supply chain field across multiple markets in the upcoming quarters.

PRODUCT DELIVERY AND ENGINEERING EXCELLENCE

How did you build up product delivery and engineering excellence?

In 2023 we implemented standardized, structured processes to foster collaboration and progress tracking across our European teams. The incorporation of the OKR framework and a strategic prioritization and roadmapping process known as 'The Big Rocks' has refined our product delivery. In engineering, we've strengthened our ranks with leaders with deep knowledge in platform building and engineering who adopt best practices like DORA metrics, CI/CD, and shift-left methodology for quality secured in early-stage software development. Our commitment to automation and knowledge sharing among senior engineers remains strong, fostering architectural excellence and mentorship within our technical community.

CYBERSECURITY ADVANCEMENTS

How did you advance your cybersecurity approach?

In light of rising cybersecurity threats, we've remained vigilant. Our global team has launched over 15 initiatives across various cybersecurity domains and we have improved our NIST audit rating in 2023 once more. We are committed to continue enhancing our security posture and ensure our cloud migration security measures. We also provide quality, language-specific training to our employees. Our resilience against potential cyber threats is regularly tested and strengthened through comprehensive campaigns.

FOSTERING A TALENT MANAGEMENT ECOSYSTEM

How can you create a successful talent management ecosystem in the fast-changing technology industry?

Acknowledging the pivotal role of talent in technology governance, InPost Group has invested in nurturing a vibrant talent ecosystem. A specialized global HR team has been created for our recruitment and talent management capabilities. We cater to the modern workforce's needs by offering hybrid working environments and exposure to contemporary technologies. Additionally, we provide training to hone language skills and support diversity and have established a competency frameworks for several job families that facilitate clear career development paths for our employees.

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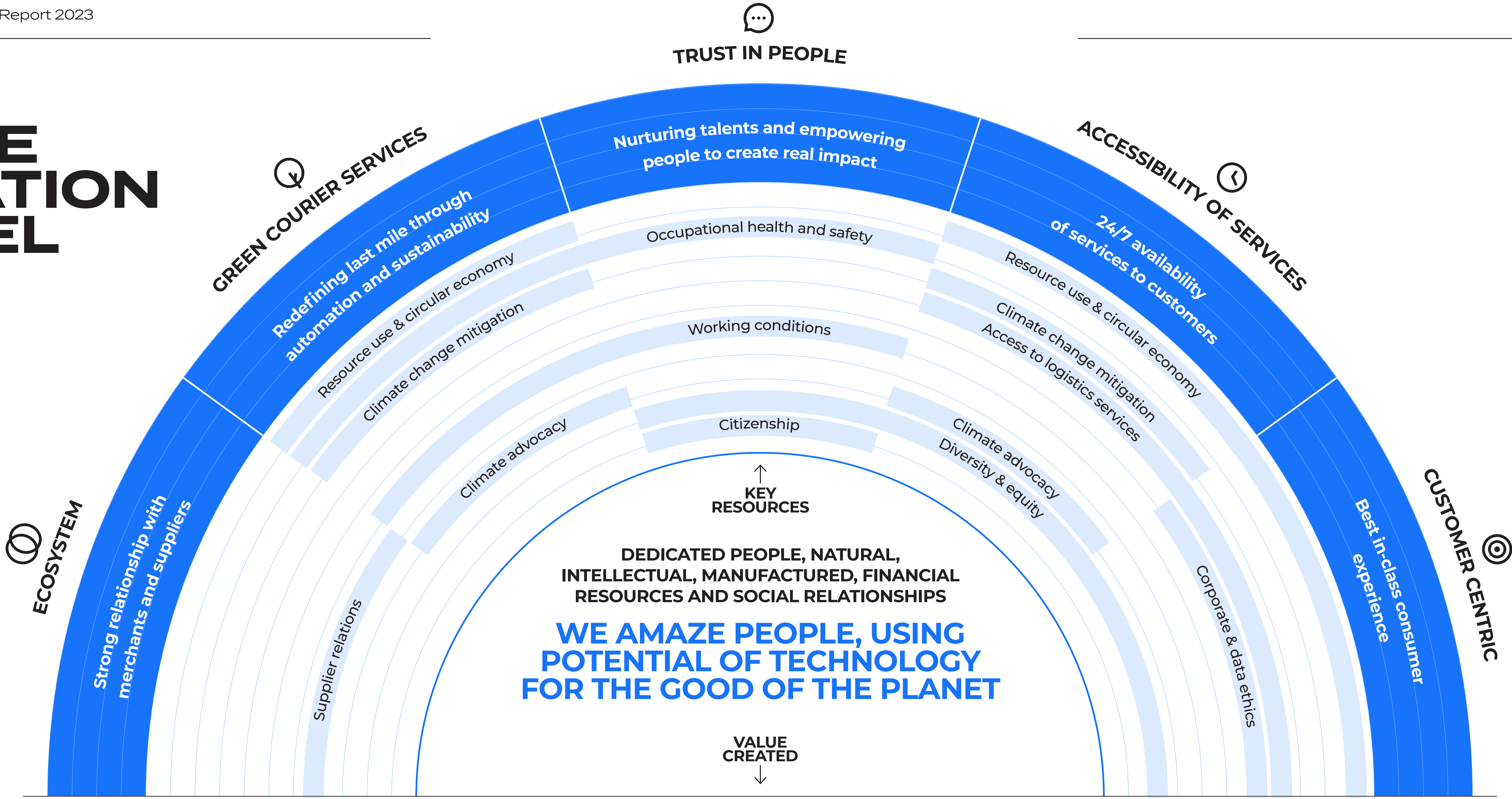
VALUE CREATION MODEL



CUSTOMERS & MERCHANTS

>40m customers
891.9m parcels
97% spent on local suppliers*
52,000 merchants in Poland

*of the procurement budget

EMPLOYEES & COMMUNITY

7,067 employees
128,348 training hours
17m PLN community investments
900,000 beneficiaries of social programmes

CLIMATE & ENVIRONMENT

10% emission reduction in Scope 1&2 vs base year
up to 98% emission avoidance vs to-door**
1,000 EV

*delivery to APM/PUDO vs. 2DOOR in Poland, in transport on the last mile

SHAREHOLDERS & SOCIETY

2,733.1m PLN Adjusted EBITDA
209.9m PLN corporate income tax due***
Ba2 Moody's
BB FitchRatings
A- CDP*

**Excludes previous tax periods adjustments as included in the Financial Statements

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NAVIGATING FINANCIAL SUCCESS IN 2023

TOP5 CONVERSATION WITH **ADAM ALEKSANDROWICZ,** GROUP CHIEF FINANCIAL OFFICER

OVERCOMING ECONOMIC TURBULENCES:

In the midst of global economic uncertainties, such as inflationary pressures, supply chain and e-commerce market disruptions, which strategic measures were undertaken to navigate and mitigate potential risks?

Facing a challenging economic landscape in 2023, we implemented a solid risk management strategy that entailed closely monitoring global economic indicators, implementing more strtict capital allocation policy, and optimising cost structures. In addition, we prioritised financial agility, allowing us to swiftly adapt to ever-changing market conditions across our geographies. These proactive measures not only bolstered our resilience during economic turbulence but also strengthened our position for long-term success, serving as a testament to our winning business model.

SECURING GROWTH:

How did financial strategies contribute to securing growth?

Our pursuit of sustainable growth involved a multifaceted approach, incorporating both organic and inorganic strategies. Financial prudence served as an essential component in this journey, ensuring efficient capital allocation and resource optimisation. By conducting thorough research, forging strategic partnerships, and making wise investments in innovation, we identified new market opportunities, such as our acquisition of a 30% equity stake in Menzies in the UK. Our ability to deploy capital at the times of increased risk aversion and retaining at the same time very strong de-leveraging profile was key to be able to realise key strategic moves in the core geographies leapfrogging our objective to build sustainable growth position and consolidate our position across the value chain.

LEADING DIGITAL TRANSFORMATION:

Which financial initiatives and investments were employed to drive digital transformation within the organisation?

Remaining steadfast in our commitment to digital transformation, we made significant investments in new technologies. Financial initiatives included allocating resources to data analytics, automation, and cybersecurity – factors proving crucial in enhancing our operational efficiency and ensuring competitiveness in the digital age. We embarked on a finance transformation journey for the entire Group with ERP – SAP S/4 Hana, adhering to both time and budget constraints during its design phase. Additionally, we also started automating our planning and budgeting process across the Group to achieve leaner and more hassle free process.

MOVING TOWARDS ESG REPORTING:

How were ESG principles further integrated into non-financial reporting, and what impact did this have on stakeholder relationships?

Acknowledging the crucial role of ESG considerations, we seamlessly integrated comprehensive ESG metrics into our non-financial reporting. This entailed transparent disclosure of our environmental footprint, social responsibility initiatives, and governance practices. Our unwavering dedication to sustainability and ethical business practices has resonated with stakeholders, resulting in our MSCI ESG Rating improving from 5.7 to an impressive 6.6. Additionally, we received a recent '-A' rating from the Carbon Disclosure Project, a significant improvement from 'D'. This, however, is not where we plan to stop.

BUILDING TRUST:

How can trust be built and maintained with stakeholders, especially in light of challenges like economic uncertainties and the shift towards ESG considerations?

Trust serves as the foundation of our corporate values. Establishing and maintaining trust demands transparency, accountability, and delivering on promises. Consistently delivering and outperforming on key metrics is the only way to build stakeholder confidence and earn trust. There is no other way. Amid economic uncertainties, our constant communication, clear financial reporting, and adherence to ethical standards have proven vital. By proactively engaging with stakeholders to understand and address their concerns openly and candidly, we successfully safeguarded trust. Our efforts were reflected in our share price growing by 59% in 2023 and the positive feedback we received from investors at events like our very first Capital Markets Day.

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FINANCIAL REVIEW

InPost reports financial information divided into following reportable segments (two geographical areas).

Segments in Poland

APM segment - delivery of parcels using automated parcel machines.

To-door segment - delivery of parcels using door-to-door couriers.

International segments

Mondial Relay - includes APM business and PUDO points in France, Spain, Belgium, Netherlands, Portugal and Luxembourg.

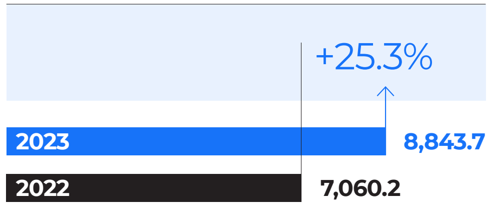
International Other - includes APM business and PUDO points in the United Kingdom and Italy.

These segments are based on the structure of internal management reporting of the Group to facilitate decision-making concerning the allocation of resources and assess the performance of the operations. Segment performance is evaluated based on revenue and gross profit or loss, measured consistently with those in the consolidated financial statements. Additionally aggregated segments at the geography level are assessed based on Operating EBITDA and Adjusted EBITDA.

Revenue and other operating income	2023	2022	Change YoY	Change YoY %
Poland	**5,353.5**	**4,200.2**	**1,153.3**	**27.5%**
APM segment	4,064.4	3,179.4	885.0	27.8%
To-door segment	1,141.1	896.0	245.1	27.4%
Other	164.2	138.3	25.9	18.7%
Inter segmentation -elimination	(16.2)	(13.5)	(2.7)	20.0%
International	**3,509.2**	**2,878.9**	**630.3**	**21.9%**
Mondial Relay	2,929.4	2,671.3	258.1	9.7%
Other	672.9	246.3	426.6	173.2%
Inter segmentation -elimination	(93.1)	(38.7)	(54.4)	140.6%
Total	**8,862.7**	**7,079.1**	**1,783.6**	**25.2%**

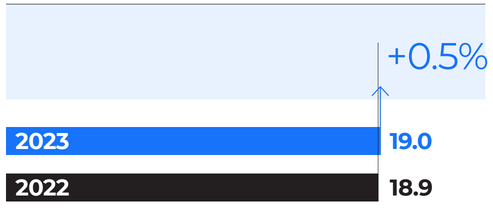
Revenue

Revenue increased by 25.3% in 2023. The increase was driven mainly by increased volumes of parcels delivered by the Group. International Segment revenues grew by 21.9% compared to previous year which is the result of a strong increase in volumes, especially in the United Kingdom and Italy. Revenue in Poland increased by 27.5% (PLN 1,152.0m) from PLN 4,182.5m to PLN 5,334.5m which was driven by the number of parcels delivered and a repricing campaign to reflect the impact of high CPI on the Polish market. Other revenue accounted for PLN 129.0m which is a 20.4% increase in comparison to previous year.



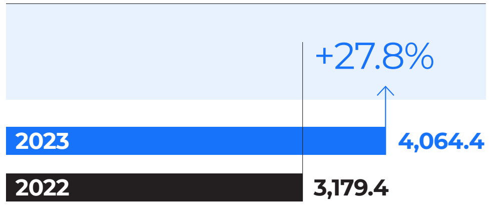
Other operating income

Other operating income increased by 0.5% in 2023. The Group agrees certain key performance indicators with courier partners that it engages in parcel deliveries as subcontractors. These key performance indicators set certain standards for the InPost couriers with respect to the quality of their delivery services and are subject to a contractual penalty if the agreed standards are not met. Despite higher serviced volumes in 2023 couriers cooperating with InPost Group maintained a higher quality of services than in 2022.



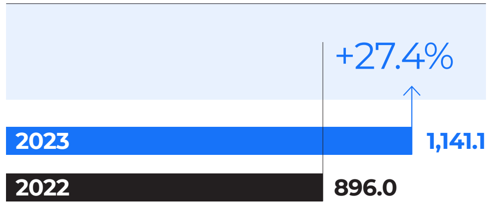
APM segment in Poland

Revenue and other operating income for the APM segment comprises 75.9% of Poland segment revenues and grew by 27.8% in 2023. This increase was mainly driven by an increase in parcel volumes in the APM segment of 16.3% from 424.1m to 493.3m. This volume growth was mainly the result of (1) an increase in the e-commerce market in Poland, (2) wider adoption of merchants (3) expansion of our APM network, (4) more frequent shopping by our customers.



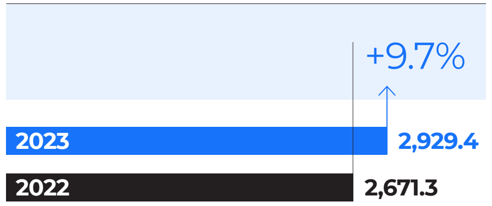
To-door segment in Poland

Revenue and other operating income for the to-door segment comprises 21.3% of Poland segment revenues and increased by 27.4% in 2023. This increase was driven by parcel volumes in this segment on the back of an acceleration of e-commerce penetration in Poland, as well as the Group's efforts to contract new key and strategic merchants for APMs that also have a to-door offer at their checkout.



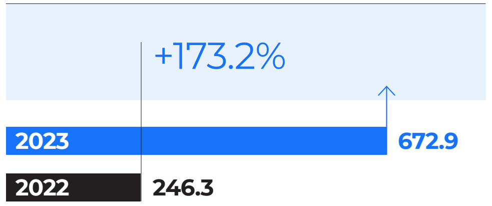
Mondial Relay

Revenue and other operating income from the Mondial Relay segment increased by 9.7% in 2023. The increase was driven by an increase in parcel volumes of 12.6% from 213.1m to 239.9m. The revenue increase was negatively impacted by EUR depreciation relative to PLN which decreased revenues by 3.4%.



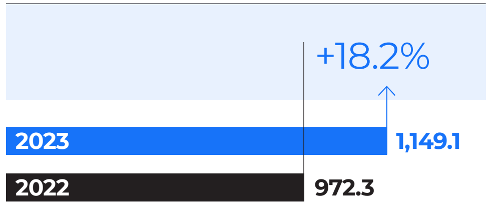
International other

Revenue and other operating income for the Other international segment increased by 173.2% in 2023. This increase was mainly driven by higher sales in the UK and – to a lesser extent – Italy. In this segment our volumes increased over 167% from 23.4m to 62.5m mainly as a result of the strategy for the UK market that was implemented in 2022. In 2022 we launched new services that raised overall volumes and has seen increased interest in the consumer base, mainly by allowing customers to send parcels between APM's.



Depreciation and amortisation

Depreciation and amortisation increased by 18.2%, in 2023. This increase was primarily the result of the expansion of the Group's APM network. The effect of the network increase was reduced by the decision of Management to increase the expected useful life of APMs from 10 to 15 years given our experience of operating the network in Poland. This decision, which was introduced starting July 2023, caused a PLN 53.1m decrease in Depreciation and amortisation.



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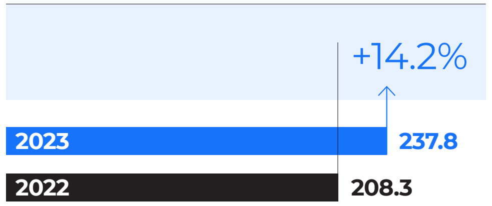
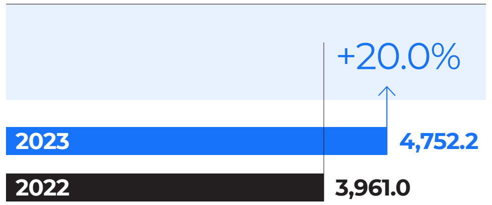
Raw materials and consumables

Raw materials and consumables increased by 14.2% in 2023. This increase was primarily driven by increased volumes and increased costs of consumables (e.g. energy costs, packaging, envelopes, courier uniforms) connected with the expansion of the Group's APMs and logistics network.



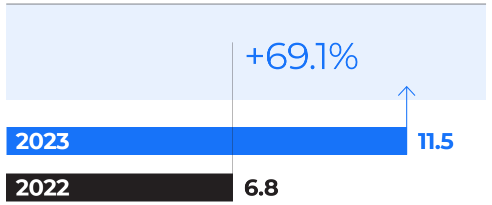
External services

External services increased by 20.0% in 2023. This increase was mainly driven by higher use of external parcel delivery services to handle greater parcel volumes. As a percentage of revenue, external services costs decreased from 56.1% in 2022 to 53.7% in 2023. This was a result of normalisation of fuel prices in 2023 in comparison to a very volatile 2022 – fuel prices are directly impacting logistic services costs. Logistic services costs represented 83% of overall external services costs in 2023.



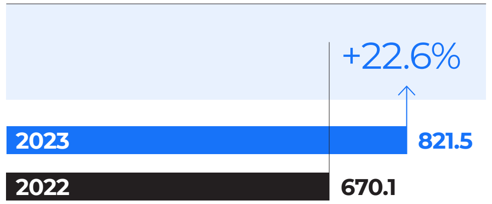
Taxes and charges

Taxes and charges increased by 69.1% in 2023. The increase was driven by Mondial Relay's PLN 3.7m increase in real-estate taxes paid in 2023.



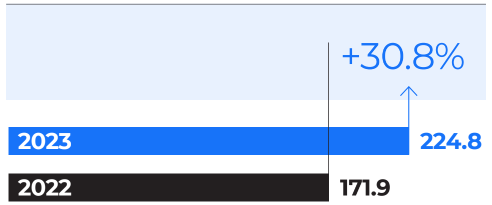
Payroll

Payroll increased by 22.6% in 2023. This reflected the growth in headcount, increase in salaries and higher costs of Share Based Programmes (PLN 46.7m) which was the result of new grantings in 2023 as well as the full year effect of 2022 grantings.



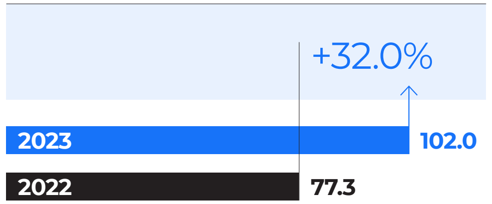
Social security and other benefits

Social security and other benefits increased by 30.8% in 2023. This increase was primarily driven by increases in employee salaries and benefits accompanied by higher costs of personnel training observed on all markets.



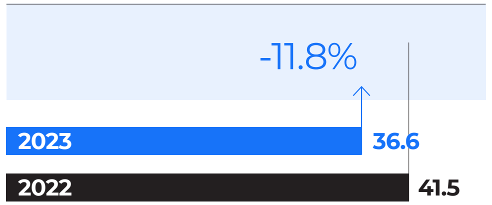
Other expenses

Other expenses increased by 32.0% in 2023. This increase was driven by the volume increase, which resulted in higher insurance costs of the parcels delivered as well as higher costs of employee delegations.



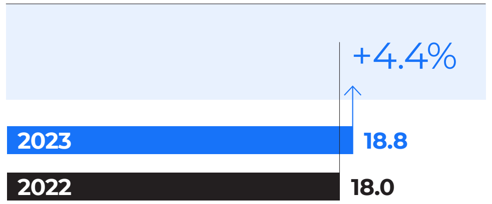
Costs of goods and materials sold

Costs of goods and materials sold decreased by 11.8% in 2023. This decrease was driven by a decrease in sales of packages to merchants on the Polish market.



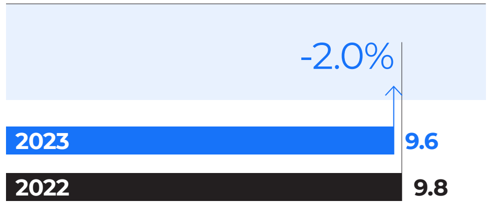
Other operating expenses

Other operating expenses grew by 4.4% in 2023. This increase was mainly the result of liquidation of APM's damaged in France during protests at the beginning of 2023.



Impairment (gain) loss on trade and other receivables

Net impairment loss on trade and other receivables decreased by -2.0% in 2023. This decrease was driven by a slight improvement in overall market sentiment and slightly faster payments from clients in Poland.

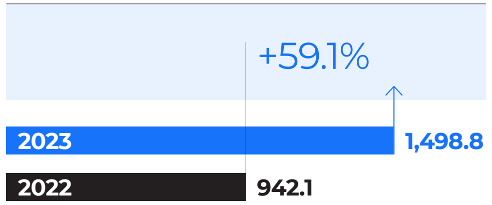


Total operating expenses

Total operating expenses grew by 20.0% in 2023. This increase was primarily the result of growth of the Group's business and overall inflationary pressure, which led to increases in external services and payroll costs, as described above.

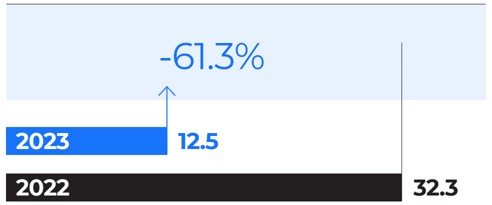
Operating profit

Operating profit grew by 59.1% in 2023. This increase was primarily driven by overall volume increase, successful repricing in Poland and considerable improvement in International market results.



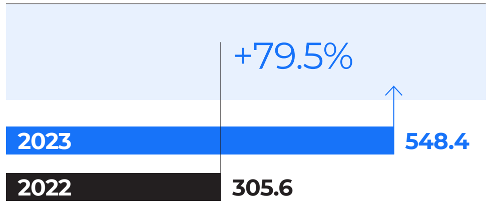
Finance income

Finance income decreased by 61.3% in 2023. The decrease was the result of unfavourable EUR to PLN exchange rates which resulted in recognition of an FX loss in the amount of PLN 142.1m opposed to a PLN 51.6m FX gain in 2022. This FX impact is driven by consolidation translation of PLN denominated borrowings at the InPost S.A. level (where the functional currency is EUR) offset by FX losses driven by unfavourable exchange rates between the GBP and EUR on the one hand and PLN on the other.



Finance costs

Finance costs increased by 79.5% in 2023. This increase was the effect of (1) higher interest costs of PLN 76.7m, resulting from an increase in rates (mainly WIBOR), which are fixed for the interest payment period (6 months), (2) an FX loss in the amount of PLN 142.1m resulting from the translation of PLN denominated borrowings at the InPost S.A. level (described in Finance income change), (3) an increase in leasing interests of PLN 9.2m resulting from APM Network deployment (more land leases) and additional depos (warehouse leases) that were opened in 2023 to serve higher volumes.

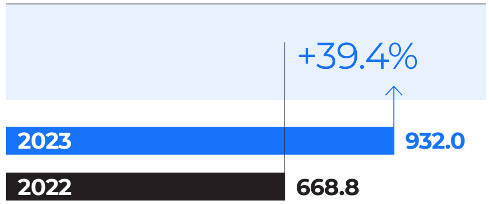


Share of results from associates accounted for using the equity method

Following the acquisition of 30% of Menzies Group Ltd, InPost Group recognised a proportional share of the result. The negative result of Menzies Group Ltd is mainly connected to restructuring provisions that were created for the liquidation of non-profitable businesses.

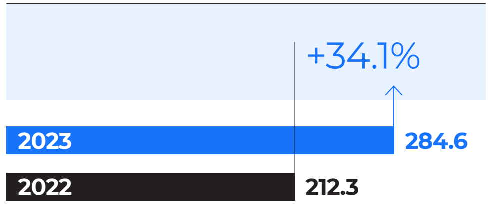
Profit before tax

Profit before tax increased by 39.4% in 2023 because of increased volumes, the positive impact of repricing of services in Poland and the better International results described above.



Income tax expense (benefit)

Income tax expense increased by 34.1% in 2023. This change was primarily due to the results of Polish segments and better international results.

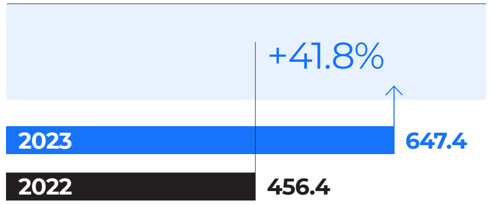


Profit from continuing operations

Profit from continuing operations increased by PLN 190.9m to PLN 647.4m in 2023, from PLN 456.5m in 2022, as a result of the factors described above. The result from discontinued operations amounted to PLN 0.0m in 2023, as compared to a loss of PLN 0.1m in 2022. The decrease resulted from the cessation of all operations in companies designated to be liquidated (Granatana Ltd, Giverty Ltd and MPS Ltd). In future, the Group expects to recognise results from liquidation of those entities, which will generate profit as they have a negative impact on group equity.

Net profit

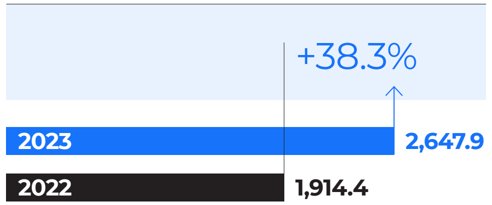
Net profit increased by 41.8% in 2023 due to the factors described above.



Operating EBITDA and Adjusted EBITDA'

Operating EBITDA grew by 38.3% in 2023, primarily as a result of growth in revenue, which was offset in part by an increase in operating costs, as described above.

Adjusted EBITDA is calculated as operating EBITDA plus costs related to the recognition of the incentive programme, M&A costs and Mondial Relay restructuring costs. Adjusted EBITDA increased by 39.3% (PLN 771.7m) from PLN 1,961.4m in 2022 to PLN 2,733.1m in 2023.



Operating EBITDA margin and Adjusted EBITDA Margin

Operating EBITDA Margin increased by 2.9 pp to 29.9% in 2023, from 27.0% in 2022. This increase was an overall margin increase observed on all markets in 2023. Adjusted Operating EBITDA Margin increased by 3.1 pp to 30.8% in 2023, from 27.7% in 2022.

BUSINESS REVIEW

FUTURE OUTLOOK
POLAND
MONDIAL RELAY
UNITED KINGDOM
ITALY
GROWING OUR INTERNATIONAL BUSINESS IN 2023 Q&A WITH CEO INTERNATIONAL

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FY 2024 OUTLOOK & TRENDS

MARKET E-COMMERCE VOLUME GROWTH

• We expect (i) high single digit e-commerce market volume growth in Poland, (ii) mid-single digit e-commerce parcel market volume growth in our main international markets: France and the UK.

GROUP VOLUME AND REVENUE GROWTH

• We expect our volume to outperform market growth and we plan to increase market share in all our geographies as a result of (i) our strategic advantage in terms of convenience and sustainability (ii) advantage in terms of cost efficiencies for our merchants, in a context of continued inflation challenges , (iii) increased quality of our services levels as a result of ongoing investments into logistics as well as (iv) further network expansion.

• At the Group level, we expect our revenue growth rate to be higher vs volume growth by low to mid-single digit as a result of (i) mid-single digit repricing effect in Poland, while (ii) in international markets we are focused on gaining scale and therefore do not expect pronounced pricing effect but see revenue upside driven by product mix.

ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN

• At the Group level we expect Adjusted EBITDA growth in line with revenue increase. This should be an effect of: (i) Adjusted EBITDA margin in Poland slightly softening as a function of lighter repricing prioritising volume growth and stabilizing at mid-40's and (ii) Adjusted EBITDA margin from international markets visibly higher YoY at low double digits due to volume increase and unit economics improvement on scale effect. We expect Mondial Relay Adjusted EBITDA margin to increase by 100-200bps while in the UK we expect sustained Adjusted EBITDA margin vs Q4'23.

• We expect to be profitable in all our markets on Adjusted EBITDA level.

CAPEX & APM NETWORK EXPANSION

• We will continue to consolidate our leadership footprint, by focusing on increasing density and proximity of our APM network in Poland, and by continuing to develop our coverage in France and the UK.

• We expect total capex to amount to c.a. PLN 1.3 billion (ex- M&A expenditures) with increased weight of international markets' capex.

• Capex intensity (vs revenue) at low double digit.

DEBT LEVELS AND LEVERAGE

• We expect stable, positive FCF at the Group level as well as continued deleveraging.

• As previously communicated, we are always looking for opportunistic non-organic options of accelerating growth and consolidating our footprint / value chain in our key international geographies.

Q1 2024 TRADING UPDATE

• In Q1 2024 at the Group level we have seen strong trading volumes and growth rates slightly higher than those observed in FY 2023.

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POLAND

Poland serves as a guiding light for expanding our business model into international markets, providing us with invaluable insights and direction.

In 2023, InPost remained the undisputed leader in the country, consistently growing its market share. Our APM network increased by 14% YoY, reaching an impressive 22,000 machines across Poland. We once again received confirmation of our status as the most-loved brand and the preferred delivery method in the country. In recent studies, 93% of respondents chose InPost Parcel Locker as their top choice of delivery service. In terms of environmental consciousness, a significant 81% of online shoppers recognise InPost as their preferred eco-friendly delivery option. Furthermore, our Net Promoter Score (NPS) of 80 highlights the consistent satisfaction and loyalty of our valued customers. These results clearly show the significant impact InPost services have had on the e-commerce landscape in Poland.

The company delivered 589.5 million parcels in 2023 in Poland, a 16% increase compared to 2022. In the fourth quarter alone, it reached a significant number of 175.4 million, with 146.6 million being out-of-home deliveries. During peak periods, the majority of our machines in Poland outperformed the previous year, with some of them reaching utilisation rates of over 300%. Also, for the fifth consecutive year, InPost was the only service provider, to guarantee deliveries before Christmas in Poland for purchases made until December 21. This highlights InPost's status as the best and most convenient solution in Poland, inspiring success in other geographies.

Poland remains a market where customer-centricity is at the forefront of our strategy, by consistently improving customer experience and introducing our innovative projects. Currently, we have 11.6 million InPost mobile app users. This accomplishment can be attributed to our app's continuous improvements and the introduction of innovative features. With a 5.0 rating on the App Store, our mobile application ranks first among competitors and has garnered nearly 900,000 reviews.

To address new customer needs, we also launched three APMs at airports in Warsaw, Wrocław, and Katowice, allowing passengers to send items that cannot be brought on board.

In 2023, we launched our innovative service, InPost Pay, which is poised to revolutionise the world of online shopping. InPost Pay combines payment and delivery in one click, seamlessly transitioning users from an e-store to the InPost Mobile App, where they finalise their purchases. The scale of the challenge has been significant, as it is one of the most advanced fast checkout solutions in Poland and Europe. It was selected in the Cashless 2023 plebiscite as the most interesting payment project of the past year, and we have been working on broader merchant adoption with some promising collaborations initiated in 2023.

Going forward, we plan to further explore new services that contribute to our business growth, such as InPost Pay, InPost Fulfillment, and cross-border options, ensuring our continued leadership in Poland and an ongoing commitment to providing exceptional services to our customers.

MONDIAL RELAY

Throughout 2023, our integration of Mondial Relay continued, contributing to the Group's solidification as the top automated and eco-friendly out-of-home solution for e-commerce in Europe. Operating in France, Belgium, the Netherlands, and Luxembourg under the Mondial Relay brand, and in Spain and Portugal under the InPost brand, we collaborate with an already substantial merchant base that recognises the advantages of out-of-home solutions over traditional door-to-door delivery. Concurrently, we have been transitioning from a traditional logistics partner to a service provider that meets the needs of both consumers and merchants.

Mondial Relay experienced growth and expansion in 2023, showcasing our team's commitment to providing reliable and efficient services for our customers. With 239.9 million parcels delivered over the year, the company has solidified its position in the market. During Q4 2023 alone, Mondial Relay saw a remarkable 31% increasee in B2C volumes compared to the previous year. To support the increasing demand and improve delivery efficiency, we opened fifteen new depots and three hubs during the year. This demonstrates the growing ability to strengthen operational capabilities and cater to the rising demands of e-commerce for reliable and accessible parcel delivery services.

In 2023 we successfully installed over 2,700 new machines ending the year with over 5,300 APMs in all six markets. These machines enhance the customer experience by providing secure and convenient delivery options, while expanding alternatives to the existing PUDO points in the market. As of the date of this report, our APM network in France ranked first in the country in terms of the number of machines and the uptake of APMs by French consumers demonstrated that automated out-of-home solutions are a key asset for the company. Consequently, the Mondial Relay team has worked diligently to draw even more customer attention to the company's APMs, organising special initiatives such as the "Lockers in Paris" event.

Following the brand relaunch, the company also focused on further enhancing customer experience and relationships with both customers and merchants. The mobile app, launched in 2022, surpassed 1 million downloads, showcasing the convenience and ease-of-use offered by Mondial Relay's services. The user-friendly interface provides customers with important information about their parcels and access to various delivery options. The commitment to a seamless delivery experience was further substantiated by achieving the best APMs NPS on the French market, driving a competitive advantage.
On the journey to build a beloved brand, Mondial Relay has forged a strategic partnership with the Tour de France, creating new opportunities for customers to engage with the brand, as well as for employees, including the 850 new hires in 2023. Sports play a significant role in Mondial Relay's identity, aligning with company values and approaches to business.
The Mondial Relay team understands that the focus for the future lies in further improving delivery quality, driving volumes to Parcel Lockers, and growing the SME business, as well as strengthening the brand among merchants and end users. They are fully committed to driving this progress.

IBERIA

In Spain and Portugal, we achieved our APM deployment target in these markets, with nearly 700 APMs operational by the end of 2023, including the initial machines installed in Portugal. With over 8,000 PUDO points established, we have further solidified our presence in the Iberian market.

To enhance customer experience in these countries, we implemented Robotic Process Automation in Customer Care and launched a label-less solution. Building on our existing capabilities, our proactive approach allows us to better meet our customers' local needs and provide proximity solutions throughout Spain and Portugal.

700
APMs

8,000
PUDO POINTS

UNITED KINGDOM

In the UK, we successfully achieved our main goals for 2023: strengthening our logistic backbone and becoming profitable. Given the demand trends and market potential, we were eager to rapidly expand our reach across the market and make significant progress in driving volumes.

One of the biggest milestones was our strategic partnership with Menzies Distribution, combined with the acquisition of a 30% stake in the company. This presented us with new operational possibilities, driving substantial benefits for our expansion plans across the United Kingdom. Firstly, it secured a cost-effective pathway to reach the total market opportunity and serve consumers without the need for immediate capital expenditure. Secondly, it enhanced our logistics capabilities to match the increasing consumer demand, creating a unique and exclusive 24/7 solution throughout the year that distinguishes us from our competitors. Also, given Menzies key landlord partners, it created additional opportunities for location acceleration.

Our business in the UK became profitable in Q3, marking the very first positive adjusted EBITDA in its history. InPost is now also the number 1 APM network in the country with over 6,400 machines at the end of 2023. In December alone, we added over 300 new Parcel Lockers, setting a record for monthly deployment in this market. The ambitious deployment plans will continue throughout 2024.

Expanded reach and location acceleration have helped drive significant parcel volumes growth, strengthening the UK's position as the second-largest international geography by volume for the entire Group. In 2023, the company delivered 46.5 million parcels in the UK, marking a nearly 127% YoY growth.

We also unlocked new marketing and sponsorship opportunities in the UK, enhancing our brand through a strategic rebranding initiative. The UK was the first market where we started engaging consumers and merchants through new, bold marketing communications, differentiating the company as the best choice for convenient, modern out-of-home delivery.

We have also forged strategic partnerships with Newcastle United, highlighting our commitment to expanding InPost's footprint in the UK, one of our most important markets. Playing to win is a value shared by both InPost and Newcastle United, and the club's international reach and popularity have already increased brand recognition, both in the UK market and further afield.

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ITALY

In Italy, we experienced a remarkable 2023, delivering 16 million parcels – a nearly sixfold volume increase over the year. We also met our APM deployment target, with 1,750 APMs in operation by the end of 2023. Alongside the increasing number of PUDO points, which exceeded 4,300 by 2023, we enhanced customer proximity across the country.

We further enriched our service offerings and operational excellence with the successful rollout of the ICRA system, which supports couriers, as well as taking our Customer Care to the next level with the implementation of Robotic Process Automation in customer points of contact. Finally, we worked on creating a revamped communication campaign to reinforce our brand awareness and our commitment to Italian customers.

16 million
parcels delivered in 2023

1,750
APMs

4,300
PUDO POINTS

GROWING OUR INTERNATIONAL BUSINESS IN 2023

TOP5 CONVERSATION WITH **MICHAEL ROUSE,** CEO OF INTERNATIONAL

MOVING FORWARD IN ALL GEOGRAPHIES

What progress has been made in 2023, and how will it impact future strategies for international markets?

Our dedication to European expansion remained unwavering as we continued to explore opportunities in all international markets. Not only did we leverage our experience and market insights, but we also seized new opportunities to unlock growth. Acquiring a 30% equity stake in Menzies stands out as a major highlight. It has strengthened our UK presence by improving our national network coverage, resulting in faster and more convenient services for our customers. This, combined with achieving positive adjusted EBITDA in Q3 and building the number 1 APM network in the UK, positions us for further growth in 2024 with an extended product offering, including a B2C proposition. At Mondial Relay, we focused on operational excellence to enhance our customer quality, whilst continuing our investment into coverage and network expansion. With an enhanced network, now the number 1 APM network in France, and strengthened operational capabilities, we successfully navigated the peak season, delivering in Mondial Relay geographies over 30% more B2C volumes in the last quarter than in the previous year. We also expanded our reach into Southern European markets. In Italy, we observed promising growth in B2C volumes and significant enhancements in internal system developments. In Iberia, we have been steadily increasing volumes and expanding the network, including deploying the first APMs in Portugal.

INVESTING SMARTLY

How do you ensure smart investments for sustainable growth of international markets?

Our investment decisions are guided by a focus on long-term value creation and customer-centricity. We prioritise opportunities that align with our strategic objectives and demonstrate the sustainable growth potential of our winning business model. We also strive to maximise possibilities while addressing the challenging market landscape and evolving consumer and merchant needs. That is why in 2023, we forged a strategic alliance in the UK with Menzies, unlocking entirely new opportunities for InPost in that market. This move helped us to accelerate in many dimensions, including consumer and merchant product offerings, network density, and building an organisation ready for future growth. We carefully observe possibilities arising in all our international markets, as we intend to choose a wise path forward for them all.

CREATING VS. IMPROVING BUSINESS

How do you strike a balance between fostering innovation and optimising existing operations?

Our approach to business development encompasses both innovation and optimisation. While we foster a culture of creativity and entrepreneurship to drive new initiatives and ventures, we continuously refine and enhance our existing operations for efficiency and effectiveness. In all our international geographies, we need to find a balance between introducing innovative solutions and continually improving existing ones. Therefore, we place great emphasis on the rollout of systems supporting our people and operations, as well as knowledge exchange between all markets. In 2023, we made significant progress in implementing customer care-focused solutions based on robotics as well as on end-to-end locker deployment and data driven logistics efficiency to optimise fastest return on each new location.

CONSTANTLY JUMP-STARTING A STRONG GROWTH ORIENTATION

How do you nurture a growth-oriented mindset within international teams?

I believe that empowering our international teams with a growth-oriented mindset is paramount to our success in those markets. I am happy to see how we constantly embed a sense of ownership and ambition within our people, and how they progressed as leaders in 2023. Given where we are with our international development, we also create new ways for our customers and employees to engage. Last year, we initiated fantastic partnerships rooted in our values with Tour de France and Newcastle United. Both represent a passion for winning, speed, endurance and bringing excellence to their respective field on a daily basis, qualities we find are critical to our success at InPost at all levels of the organisation.

BUILDING A FUTURE-PROOF ORGANISATION

How do you map our European footprint to get ready for the future?

As we look to the future, we recognise the strength of our business model and how the current European footprint can adapt to changing market dynamics and regulatory landscapes. We remain optimistic about further development of our out-of-home network and addressing customer needs for convenient and eco-friendly delivery. At the same time, we will focus on supporting our people along the way and strengthening our operational excellence in all countries.

CORPORATE GOVERNANCE

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REMUNERATION REPORT
RISK MANAGEMENT
CLIMATE&BIODIVERSITY RELATED RISKS&OPPORTUNITIES
BASIS OF CORPORATE GOVERNANCE
TAX STRATEGY
PROCUREMENT
HEALTH & SAFETY
CYBERSECURITY
DATA PROTECTION
SHAREHOLDER INFROMATION

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INTRODUCTION

In 2023, InPost Group persistently advanced policies, modifications to our organizational framework, and project initiatives, all strategically aimed at ensuring transparent governance and minimizing risks, thereby supporting our business operations. Additionally, it was a year marked by the continued integration of markets within the Group, facilitated by the establishment of global structures and the introduction of new procedures. The changes being implemented align with the objective of building long-term value for our stakeholders, in accordance with the ESG strategy goals of InPost Group. The Management Board oversees these changes, further supported by the oversight of the Supervisory Board and its Committees.

InPost Group's governance framework is shaped by Luxembourg Law and its Articles of Association. As a company listed on Euronext Amsterdam, we have voluntarily adhered to the stipulations of the Dutch Corporate Governance Code.

GOVERNANCE STRUCTURE

The organizational framework at InPost S.A. (public limited liability company, société anonyme) is structured around a two-tier system, consisting of the Management Board and the Supervisory Board. Moreover, the functions of the InPost Group's governance structure are supported by the additional roles shown on the graph.

SUPERVISORY BOARD

- **AUDIT COMMITTEE** (AC)
- **ESG COMMITTEE** (ESGC)
- **SELECTION, APPOINTMENT AND REMUNERATION COMMITTEE** (SARC)

MANAGEMENT BOARD

- **MANAGEMENT TEAM** (POLAND)
- **CODIR** (MONDIAL RELAY)

SUPPORTING FUNCTIONS

- **COMPLIANCE**
- **RISK MANAGEMENT**
- **INTERNAL AUDIT**
- **PROCUREMENT**
- **DATA PROTECTION**
- **IT SECURITY**

MANAGEMENT BOARD

MEMBERS

RAFAŁ BRZOSKA
Chief Executive Officer

Rafał Brzoska (born 1977, Polish) is the founder and CEO of InPost, Europe's leading e-commerce delivery platform. He's also a business angel and co-founder of venture capital funds. In 1999 Rafał founded InPost, which revolutionizing Poland's parcel delivery market. In 2009, InPost launched parcel lockers, driving the company to new heights. Today, InPost boasts Europe's largest APMs network across nine countries.
Beyond business, Rafał is deeply committed to philanthropy. In response to the Ukraine crisis, InPost provided substantial humanitarian aid. Rafał also champions educational opportunities for talented individuals from disadvantaged backgrounds through the Rafał Brzoska Foundation Scholarship Fund, enabling them to pursue studies at top universities worldwide.

ADAM ALEKSANDROWICZ
Chief Financial Officer

Mr. Aleksandrowicz (born 1972, Polish) is the CFO of the InPost Management Board, having joined the business as Group CFO in 2017. Mr. Aleksandrowicz has deep and extensive knowledge of the financial functions of the business. Prior to joining InPost, he was CFO from 2012 to 2016 at American Heart of Poland and a member of their Supervisory Board from 2016 to 2018. Mr. Aleksandrowicz has broad experience in senior finance roles from positions held at multiple companies across Poland and internationally.

MICHAEL ROUSE
Chief Executive Officer International

Mr. Rouse (born 1973, UK) is a member of the InPost Management Board and Chief Executive Officer International. Mr. Rouse brings over 20 years of experience in general management, operations, mergers and acquisitions, and commercial functions. He is responsible for the Mondial Relay business which was acquired in 2021, including overseeing its successful integration into the Group, and has executive responsibility for InPost's businesses in other countries such as the UK, Italy, Iberia and Benelux. Prior to joining InPost, Mr. Rouse was Group Chief Revenue and Commercial Officer at Klarna for five years based in Stockholm, leading market expansion activities, M&A and successful integrations of key multi-national clients. His previous roles included senior executive positions at American Express and United Biscuits based in New York and London.

The Supervisory Board appoints members and can dismiss or replace them at any time. The Selection, Appointment and Remuneration Committee within the Supervisory Board oversees the recommendation, appointment, and evaluation of the Management Board.

SKILLS / CHARACTERISTICS

	Rafał Brzoska	Adam Aleksandrowicz	Michael Rouse
General skills			
Business leadership	X	X	X
Finance, Audit & Risk		X	
Employment/Social relations	X	X	X
Remuneration	X	X	X
IT/Digital/Cybersecurity	X	X	X
Commercial	X	X	X
Operational	X	X	X
Marketing	X		X
ESG	X	X	X
InPost – specific skills			
Industrials/Transportation	X	X	X
Logistics ecosystem	X	X	X
Digital ecosystem	X	X	X
Cross-country business	X	X	X
Diversity			
Male/Female	Male	Male	Male
Nationality	PL	PL	UK
Year	1977	1972	1973

SUPERVISORY BOARD REPORT

GRI 2-10, 2-12

OVERVIEW

The Supervisory Board serves as the highest non-executive body at InPost. Its operations and decision-making activities are guided by the Articles of Association, Luxembourg law, and the principles and best practice provisions of the Dutch Corporate Governance Code. To this end, the Supervisory Board has a series of rules which were put in place at the date of InPost's listing which outline the Board's decision-making processes, operational methods, responsibilities, tasks, composition, and procedures. The Supervisory Board has adopted or approved several policies and charters that constitute its functionality, including:

- Supervisory Board Profile
- Supervisory Board Rotation Schedule
- Charter of the Audit Committee
- Charter of the Remuneration, Appointment, and Selection Committee
- Charter of the ESG Committee
- Bilateral Contracts Policy

All aforementioned documents are accessible on the corporate website.

When nominating members for the Supervisory Board, key factors are taken into consideration. These include diversity, a broad range of competencies and experiences relevant to InPost's profile, and the potential influence of the individual on the company. The comprehensive list of nomination criteria is outlined in the Supervisory Board Profile, while the composition of the Supervisory Board is detailed in the Supervisory Board section.

12 **Supervisory Board Meetings** (2022: 13)

97% **Attendance rate** (2022: 96%)

38% **Female members** (2022: 29%)

GRI 2-9

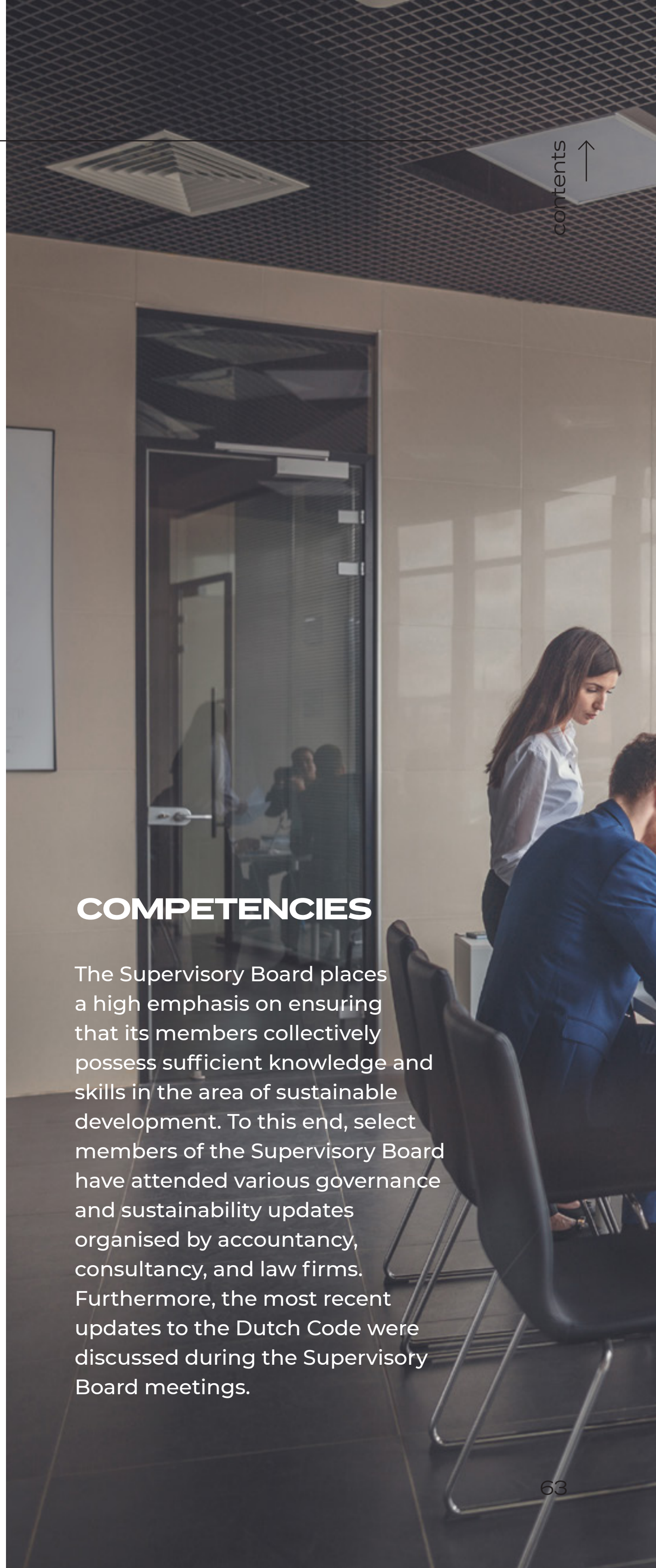
COMPOSITION

The composition of the Supervisory Board is designed to ensure that the collective experience, expertise, and independence of its members enable the Board to effectively execute its duties. A balanced and diverse composition in terms of professional experience, nationality, gender, and age is sought to further enhance the Board's effectiveness. The guidelines for this composition are covered in more detail in the Diversity, Equity and Inclusion Policy.

Members are appointed to the Supervisory Board by the General Meeting upon the Board's proposal, following compliance with any applicable Nomination Right. AI Prime & Cy SCA (limited partnership) has the right to propose two individuals for appointment if their shareholding level remains at 20% or higher. The Supervisory Board's SAR Committee oversees the recommendation, appointment, and assessment of Management Board members. The Chairperson, appointed by the Supervisory Board, must be independent as per the Code and cannot be a former member of the Management Board.

Pursuant to the Articles of Association of InPost S.A, each member of the Supervisory Board shall be appointed for a maximum period of 4 years. The Supervisory Board Rotation Schedule is available online.

At the last Extraordinary General Meeting held on 5 October 2023, Ms Magdalena Dziewguć and Mr Jiří Šmejc were appointed as members of the Supervisory Board. Moreover, Nick Rose stepped down as a member of the Supervisory Board with effect from December 2023. An induction programme for both new members, tailored to their respective roles around the Supervisory Board was organized. To this end, additional expert external training was provided for Magdalena Dziewguć for her Chair of SARC responsibilities with regards to Dutch corporate governance best practices on Remuneration and Supervisory Board Appointment matters. This external training was also attended by the Chair of the Supervisory Board, the Chair of the Audit Committee, the Group General Counsel, and the Company Secretary to make sure they remain fully up to speed on latest changes and developments.



COMPETENCIES

The Supervisory Board places a high emphasis on ensuring that its members collectively possess sufficient knowledge and skills in the area of sustainable development. To this end, select members of the Supervisory Board have attended various governance and sustainability updates organised by accountancy, consultancy, and law firms. Furthermore, the most recent updates to the Dutch Code were discussed during the Supervisory Board meetings.

INDEPENDENCE

The Supervisory Board complies with the Code's stipulations concerning the independence of its Chair and members. However, an exception has been agreed upon by shareholders within the rules, whereby two members of the Supervisory Board, Ranjan Sen and Jiri Šmejc, are not classified as independent. This is because their appointments came as a result of nominations by AI Prime (Luxembourg) Bidco S.a r.l., (AIP) (Ranjan Sen) and PPF Group N.V. (Jiri Šmejc).

InPost thoroughly addresses potential conflicts of interest within the Supervisory Board and Management Board in its Articles of Association. This includes a requirement to disclose any potential conflict and to abstain from decision-making related to transactions in which such a conflict may arise. The Supervisory Board Rules and Management Board Rules provide clear procedures for managing potential or existing conflicts and include a set of prohibitions designed to avert such conflicts. The Anti-Fraud Policy, adopted by the Management Board and Supervisory Board, outlines general rules for preventing and managing conflicts of interest among staff members.

The Compliance Officer is responsible for monitoring potential or actual conflicts, and staff members are required to undergo training regarding conflicts of interest.

GRI 2-18

EVALUATION OF SUPERVISORY BOARD

During the 2023 financial year, the Supervisory Board conducted a comprehensive self-assessment, examining its performance and effectiveness using an externally sourced tool/questionnaire from PwC. This evaluation encompassed a review of the Board's composition, the proficiency and skills of its members, the efficacy of its meetings, the lessons gleaned from the year's experiences, the adequacy of the information supplied to the Board, and the training it received. The outcome of the assessment was positive overall whilst at the same highlighting certain areas where the effectiveness of the Supervisory Board could be further enhanced such as providing greater lead time in sending pre reading materials in advance of Board meetings.

GRI 2-11

MEMBERS OF THE SUPERVISORY BOARD

MARK ROBERTSHAW

Chairperson, Member of the Supervisory Board

Mr. Mark Robertshaw (born 1968, UK) is Chairman of the Supervisory Board at InPost having been the Chairman at Integer.pl since 2017. From his more than 30 years in business he brings a wide and deep experience of different businesses, geographies and industries having filled all three of the key C suite roles of CFO, CEO and Chairman of both publicly quoted and private equity owned businesses. This includes being formerly CEO of Morgan Advanced Materials Plc, and CEO of Innovia both of which brought first-hand experience of complex multi-national businesses. Mr. Robertshaw also served for eight years on the Board of Segro, one of Europe's largest owners of logistics real estate. In addition to his InPost role, he is currently a Board director and Chair of the Audit Committee of Kensington Capital Global Industrials.

Committee Membership

SARC Member | AC Member | ESGC

MARIEKE BAX

Member of the Supervisory Board

Ms. Marieke Bax (born 1961, Dutch) is a member of the Supervisory Board, Chair of the AC and member of the ESGC and Disclosure Commitee. In addition to her previous international executive experience, Ms. Bax, whose previous roles include being Head of M&A at Sara Lee Corporation and CFO of an e-commerce business, brings broad and longstanding Board level experience in terms of Chairing Boards, AC and Remuneration Committees at predominantly international, tech-abled and customer-centric companies. She brings valuable and relevant cross-national financial, risk management, ESG assurance and digital expertise and deep knowledge of international corporate governance and diversity best practices. In addition to her position at InPost, Mrs. Bax is currently a Board Member and Chair AC at Superbet, a Board member and Chair of the AC of Mediq, a Board member and Chair of the Nomination Committee of Frontier Economics and a Board member of Xior. On all those Boards she is also part of the relevant ESGC.

Committee Membership

SARC | AC Chair | ESGC Member

MAGDALENA DZIEWGUĆ

Member of the Supervisory Board

Ms. Magdalena Dziewguć (born 1978, Polish) has been a member of the Supervisory Board at InPost since 2023. She is currently serving as a member of the leadership team of Google in Poland and a member of the Supervisory Board of BNP Paribas Bank Polska. Ms. Dziewguć brings to InPost significant and relevant experience of technology and digital businesses as well as a deep knowledge of the Polish market overall and its digital ecosystem in particular. She is an experienced member of supervisory boards. She held previous positions at Exatel S.A., Polkomtel Sp. z.o.o and Orange Poland.

Committee Membership

SARC Chair | AC | ESGC

RALF HUEP

Member of the Supervisory Board

Mr. Ralf Huep (born 1961, German) is a member of the Supervisory Board at InPost and has served as a member of the Supervisory Board of Integer.pl since 2017. He is a former senior managing partner of Advent International with vast experience of creating value with a broad array in international businesses. In a very broad and deep career, Mr. Huep has served on a significant number of boards, currently including Duales System Deutschland GmbH & Co KG in Germany and Plastic Energy in Spain.

Committee Membership

SARC | AC | ESGC Member

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MEMBERS OF THE SUPERVISORY BOARD

CRISTINA BERTA JONES

Member of the Supervisory Board

Mrs. Cristina Berta Jones (born 1977, Romanian) is a member of the Supervisory Board at InPost and Chair of the ESG Committee. Mrs. Jones brings significant expertise and relevant experience in both the technology and e-commerce sectors. She is a current member of the leadership team of Picnic, an online grocery company based in the Netherlands. From 2015 to 2018, Mrs. Jones served as Chief Operating Officer of Naspers' B2C E-Commerce operations, having previously held a number of senior roles at the company. Prior to Naspers, she worked at Nokia, where she held various executive roles.

Committee Membership

SARC | AC | ESGC Chair

MIKE ROTH

Member of the Supervisory Board

Mr. Mike Roth (born 1966, German and US) is a member of the Supervisory Board at InPost and has been a member of the Supervisory Board at Integer.pl since 2020. In over 20 years at Amazon Mr. Roth held a number of very senior executive roles in their Logistics and Fulfilment businesses. Mr. Roth also serves on the board of directors of OnTrac, a US last-mile delivery company, of Fleetpride, a truck and trailer parts distributor in the US, and of Rent the Runway. Mr. Roth brings a vast wealth of first hand operational experience of innovative, high growth companies in the logistics and transportation industries.

Committee Membership

SARC Member | AC | ESGC

RANJAN SEN

Member of the Supervisory Board

Mr. Sen (born 1969, German) is a member of the Supervisory Board at InPost since 2021. He is a Managing Partner at Advent International and brings very significant Board level experience across a wide range of industries and geographies with significant in depth knowledge of retail and consumer sectors in particular. Mr. Sen is also a member of the boards of Avolta AG and Hermes Germany, a board observer at EVRI UK, and a member of the European and Asian Investment Advisory Committee of Advent International.

Committee Membership

SARC | AC Member | ESGC

JIŘÍ ŠMEJC

Member of the Supervisory Board

Mr. Jiří Šmejc (born 1971, Czech) has been a member of the Supervisory Board at InPost since 2023. He currently serves as Chief Executive Officer of PPF Group N.V. Jiří Šmejc is a graduate of the Faculty of Mathematics and Physics at Charles University in Prague. At the beginning of his career, he established several companies in the IT sector and focused on the field of M&A. Joining PPF Group N.V. in 2004 with a 5% stake, Jiri Šmejc held numerous senior management positions, including a member of the board of directors of Generali PPF Holding and CEO at Home Credit Group. In 2012, he set up his own investment group EMMA Capital. In May 2022, he took over the management of PPF Group N.V.

Committee Membership

SARC | AC | ESGC

GRI 2-9 GRI 2-17

SKILLS / CHARACTERISTICS

	Mark Robertshaw	Marieke Bax	Magdalena Dziewguć	Ralf Huep	Cristina Berta Jones	Mike Roth	Ranjan Sen	Jiří Šmejc
General skills								
Business leadership	X	X	X	X	X	X	X	X
Finance, Audit & Risk	X	X					X	
Employment/Social relations	X	X	X			X		X
Remuneration	X	X	X			X		
IT/Digital/Cybersecurity		X	X					X
Commercial	X	X	X	X	X	X	X	X
Operational	X		X	X	X	X	X	X
Marketing			X	X	X		X	
ESG		X			X			
InPost – specific skills								
Industrials/Logistics ecosystem	X	X				X	X	
Digital ecosystem			X	X	X			X
Cross-country business	X	X	X	X	X	X	X	X
Diversity								
Term	2021-2024	2021-2025	2023-2027	2023-2027	2021-2025	2021-2024	2021-2025	2023-2027
Independent/non-independent	Independent	Independent	Independent	Independent	Independent	Independent	Non-Independent	Non-Independent
Executive/non-Executive (External commitment)	Non-Executive	Non-Executive	Executive	Executive	Executive	Non-Executive	Executive	Executive
Male/Female	Male	Female	Female	Male	Female	Male	Male	Male
Nationality	UK	NL	PL	DE	RO	DE & US	DE	CZ
Year of birth	1968	1961	1978	1961	1977	1966	1969	1971

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SUPERVISORY BOARD MEETING ATTENDANCE OVERVIEW

	Supervisory Board	Audit Committee	Selection, Appointment and Remuneration Committee	ESG Committee
Members				
Mark Robertshaw	12/12	6/6	4/4	
Mike Roth	12/12		4/4	
Jiří Šmejc (appointed 05.10.2023)	3/3			
Ranjan Sen	12/12			
Ralf Huep	10/12			1/3
Marieke Bax	11/12	6/6		1/3
Cristina Berta Jones	12/12			3/3
Magdalena Dziewguć (appointed 05.10.2023)	3/3		1/1	
Nick Rose (resigned on 13.12.2023)	12/12	6/6	4/4	

ANNUAL GENERAL MEETING

In the year 2023 Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders were held.

The Annual General Meeting took place on 17 May 2023. The members of the Management Board presented the performance and activities of the Company during the financial year 2022. Additionally, there was presentation of the *Independent Auditor's Report 2022*. During the AGM decisions in following aspects were taken: Approval of financial statements; Allocation of the financial results 2022; Discharge of the Management Board; Discharge of the Supervisory Board; Acknowledgment and approval of the Remuneration Report 2022; Change of the Remuneration Policy 2023; Renewal of appointment of the external auditor and Re-appointment of Mr. Ralf Huep as member of the Supervisory Board for a term of four years.

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OVERVIEW OF THE YEAR

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Q4 Results

ERP Strategy

2023 Budget

Audit Committee update

Selection, Appointment and Remuneration Committee update

M&A landscape, defence best practices, valuation

InPost Fresh deep dive

Financial Statements and *Annual Report 2022* approval

Q2

Q1 documents approval

Mondial Relay deep dive

ERP update

Menzies update

Q1 trading update

Revised Budget 2023

Capital Markets Day

InPost Pay deep dive

Q3

H1 2023 trading update

H1 figures, press release, presentation approval

Fulfilment deep dive

Q4

Capital structure

Southern Europe deep dive

Q3 trading update

2024 Budget

ESG Committee update

IT Strategy update

STRATEGY AND LONG-TERM VALUE CREATION

In 2023, the Board aimed to strengthen InPost's position in Southern Europe, mirroring the success achieved in Poland. The strategy involved rapidly building a PUDO network and then differentiating with APMs in markets such as Italy and Iberia, each with around 1 billion parcels market size and low Out-Of-Home penetration. The focus was also on securing the best locations for APM rollouts. The Board encouraged the management to be ambitious in pursuing rapid network development in markets where InPost could become a market leader.

FINANCIAL AND OPERATIONAL PERFORMANCE

Throughout 2023, the Supervisory Board engaged in extensive discussions and reviews of InPost's financial and operational performance. Despite a challenging market backdrop in 2023 with high cost inflation levels, InPost delivered very strong growth in. both the top and bottom line, a testament to the company's strength of competitive position and agility.

The impressive growth and increased market share achieved in the fourth quarter of 2022 set the tone for 2023. The Board reviewed these developments, highlighting the need for strategic investments to enhance service quality and volume in our discussions.

The Board also reviewed and endorsed InPost's development of comprehensive action plans aimed at further performance improvement both in Poland and in the International businesses. This initiative demonstrated InPost's commitment to operational excellence and was a key topic of our discussions.

InPost's robust quarterly results for the year were consistently strong, affirming the company's financial health. The Board extensively reviewed these results, acknowledging the company's ability to deliver solid results even in challenging operational circumstances.

The 2023 internal audit plan was a significant focus for the Board. This plan was devised with an emphasis on areas of highest risk, ensuring stringent financial control and risk management. The Board recognised the proactive approach to audit planning as a contributing factor to the company's financial stability throughout the year.

The Board also rigorously evaluated InPost's budget and financial strategy for 2023. This strategy was not solely focussed on short term performance but also encompassed taking a longer term perspective of financial stability and growth. This involved a careful balance between achieving current financial targets and making strategic investments in areas such as IT security, procurement, and international operations aiming at building longer term capability.

Overall, the Supervisory Board's discussions and reviews were a key aspect in providing oversight and guidance for the delivery of Post's strong financial and operational performance in 2023. The company demonstrated resilience, adaptability, and commitment to maintaining high standards of service while achieving financial objectives.

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DIGITAL TRANSFORMATION

In 2023, a crucial emphasis was placed on determining the implementation partner for a new Enterprise Resource Planning (ERP) system and initiating its deployment. This system was chosen via a competitive bidding procedure in 2022, with the objective of replacing the existing inefficient and antiquated amalgamation of TMS, CRM, and ERP systems. The Board deliberated on risk management strategies associated with the ERP implementation, as well as the gradual roll-out of the system in countries beyond Poland.

BUSINESS DEVELOPMENTS

Throughout 2023, the Supervisory Board closely monitored and discussed the level of progress made in newer adjacent and complementary product offerings such as InPost Fresh, Fulfilment and InPost Pay initiatives.

InPost Fresh, a platform serving merchants and customers, primarily targeted Fast-Moving Consumer Goods (FMCG) products with a strategic focus on expanding across Poland. The platform aims to generate revenue through commission, delivery, and advertising within the mobile app. After thorough Board discussions and testing, it was collectively agreed that the focus should shift more towards specific categories of FMCG products.

InPost Pay, a unique product combining logistic services with payment services in a user app, a broad merchant base and loyal consumers. As the Board noted, with already over 10 million InPost Mobile active app users, InPost Pay aims to simplify the customer journey, reduce abandoned baskets, and increase the company's share of checkout in the long term.

The Board also reviewed the progress of the Fulfilment initiative, which focused on improving next-day delivery cut-off times for clients. This led to an increase in volume for the company and better unit economics through efficiency.
In Q2 2023, the Board was pleased to acknowledge that Fulfilment achieved positive EBITDA for the first time on a standalone business basis. The company also secured options on additional warehousing space close to its hubs, a move the Board recognised as crucial for future growth capacity.

RELATIONSHIP WITH STAKEHOLDERS

The ESG Committee of the Supervisory Board oversees the ESG Steering Board, which functions as the primary operational body responsible for design, delivery and co-ordination of stakeholder management activities.

The Supervisory Board, in its pivotal role, is deeply involved in the consultation process and formulation of the stakeholder action plan. Moreover, it conducts regular reviews and analyses to track and assess the progress of the plan's implementation.

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SUPERVISORY BOARD COMMITTEES

GRI 2-9

The Supervisory Board is composed of three standing committees, with members assigned from within its own ranks. While these committees play a crucial role in preparing and making decisions, it's important to note that the full Supervisory Board retains ultimate responsibility for all decisions, regardless of whether they were initially prepared and taken by one of its committees.

The three committees of the Supervisory Board support the decision-making by the full Board. In the plenary Supervisory Board meetings, the chairpersons of the committees report on the items discussed in their committee meetings. In addition, the meeting documents and minutes of the committee meetings are available to all Supervisory Board members, enabling the full Supervisory Board to make the appropriate decisions. Further information about the Selection, Appointment and Remuneration Committee, the Audit Committee and the ESG Committee can be found in this Supervisory Board Report. The Supervisory Board can establish necessary committees to aid in decision-making.

SUPERVISORY BOARD

8 Members

Chairman:
Mark Robertshaw

AUDIT COMMITTEE (AC)

3 Members
Chair:
Marieke Bax

The Audit Committee aids the Supervisory Board in monitoring the reliability and accuracy of InPost's financial reporting, as well as evaluating the efficiency of its internal control and risk management systems.

ESG COMMITTEE (ESGC)

3 Members
Chair:
Cristina Berta Jones

The ESG Committee assists the Supervisory Board in supervising the Management Board with respect to the ESG matters of interest and the implementation of the Company's ESG strategy

SELECTION, APPOINTMENT AND REMUNERATION COMMITTEE (SARC)

3 Members
Chair:
Magdalena Dziewguć

The Selection, Appointment and Remuneration Committee assist the Supervisory Board in supervising the Management Board with respect to the Company's compensation programmes and compensation (including remuneration) of the Company's executive committee, other senior management and other personnel and with the selection and appointment procedures for the members of the Management Board and Supervisory Board, the executive committee and other senior management.

In addition to three standing committees, there is the Disclosure Committee. The Disclosure Committee comprises both Supervisory and Management Board members. Its role is to ensure that the Company meets obligations arising from its status as a publicly traded company, especially to establish full compliance with the provisions of Regulation (EU) 596/2014 (EU Market Abuse Regulation, the "MAR") and the disclosure requirements regarding Inside Information, in a timely and accurate manner. The Disclosure Committee, due to the scope and nature of its tasks, gives opinions on cases presented to it on an ongoing basis without long term scheduling of formal meetings.

AC CHAIR LETTER

Dear Stakeholders,

I am delighted to present my report on the Audit Committee's (AC) activities over the past 12 months. Before I dive into more details, I would like to express my gratitude to Mark Robertshaw and Nick Rose for their invaluable work as AC members. Nick has stepped down from both the Supervisory Board and the Audit Committee in December 2023. I am also pleased to welcome our new Committee member, Ranjan Sen, who has taken over Nick's position.

It is the primary role of AC to support the Supervisory Board in ensuring the reliability and accuracy of InPost's financial reporting, evaluating the effectiveness of internal controls and overseeing risk management systems. We assess the quality of the audit conducted by PwC, ensuring their independence and objectivity, and we make recommendations to the Board regarding the appointment or reappointment of an external auditor. Furthermore, we monitor the work and quality of the internal audit function.

ESG Assurance

The AC recognizes the growing importance of non-financial reporting and has actively supported the ESG Committee and the Supervisory Board in establishing processes and conducting gap analyses. We also take an active role in implementing tools that help us prepare for the upcoming regulatory changes, such as the CSRD Directive. AC members have also participated in sessions providing regulatory updates on these matters, helping InPost get ready for future reporting challenges.

Risk Management

We appreciate the ongoing development of InPost's Enterprise Risk Management (ERM) systems and have shared our knowledge and advice during risk deep-dive sessions. The AC supports the InPost team in rolling out these processes across all markets. ESG is and will continue to be an integral part of the company's risk management perspective.

Digital Transformation

Our focus also extends to the importance of InPost's digital transformation to further support and enhance InPost's (international) scalability, specifically regarding the Enterprise Resource Planning (ERP) system and the utilisation of AI. The AC will continue to focus on both ERP and AI during the course of 2024.

In conclusion, the AC acknowledges the significant efforts of the financial and non-financial reporting teams throughout 2023. We extend our gratitude and appreciation for their unwavering commitment and dedication to their work.

Sincerely,

MARIEKE BAX
Chair of the Audit Committee

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AUDIT COMMITTEE

The Audit Committee is appointed by the Supervisory Board primarily to undertake preparatory work for the Supervisory Board's decision-making. This includes supervising the integrity and quality of the Company's financial reporting, the effectiveness of the Company's internal risk management and control systems, cybersecurity, monitoring the independence of the external auditor, and overseeing the selection of the external auditor.

MEMBERS:

Marieke Bax (Chair)

Mark Robertshaw

Nick Rose (until 13.12.2023)

Ranjan San (from 13.12.2023)

The Audit Committee is composed of both independent and non-independent members from the Supervisory Board, with the chairperson being an independent member.

The Supervisory Board has identified Marieke Bax, Mark Robertshaw and Ranjan San as financial experts within the Audit Committee, a designation earned through their substantial financial experience and expertise.

In Q2, the Audit Committee conducted an in-depth risk analysis session and, in Q3, provided support in establishing the ESG Assurance process for the years 2023 and 2024.

MAIN RESPONSIBILITIES:

1. Nomination and Selection of External Auditor
2. Assessment, Contact, and Monitoring of External Auditor
3. Review of Financial Statements
4. Monitoring of the Management Board and other Company Management
5. Monitoring of Internal Audit and Internal Audit Function

Comprehensive details on Audit Committee responsibilities are available within *Audit Committee Charter* adopted by the Supervisory Board of InPost S.A.

RECURRING AGENDA TOPICS (EACH MEETING)

Financial update
Legal matters report
Ethics and compliance report
Risk management update
ERP implementation update
Internal audit update
ESG
Cybersecurity

ATTENDANCE

The External Auditor and the Internal Auditor have a standing invitation to attend Audit Committee meetings. Additionally, the Committee may invite any member of the Supervisory Board or Management Board, any manager of the Company, or any other individual it deems appropriate, to its meetings in order to fulfill its responsibilities.

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THE FOLLOWING SUMMARY PRESENTS VARIOUS TOPICS THAT WERE ADDRESSED DURING THE AUDIT COMMITTEE MEETINGS IN 2023, ALONGSIDE THE REGULARLY SCHEDULED AGENDA ITEMS.

Q1

WHT tax audit progress

Operational issues (quality issues in the UK and France)

Status of the financial audit 2022

Results of Audit Committee self-evaluation

2022 External audit report

Annual reporting

Internal audit plan approval

Q2

Risk Deep Dive including:

- ERM Framework
- Risk Register
- BCM implementation status
- ERM roll-out
- New insurance strategy
- IT Roadmap
- New HR IT system
- IT/cybersecurity risk

Q3

H1 results

Tax update

ESG assurance and status

Internal Audit plan revision

The updated internal audit charter

Internal audit reports findings

ERP Deep Dive

Q4

HR issues in Finance team

Approval of changes in the Audit Committee charter and the internal audit charter

2024 budget review

Management letter presentation by PwC

Tax policy update

Internal audit reports findings

FINANCIALS

The Audit Committee conducted a thorough evaluation of the group's financial performance, which notably surpassed the previous year's results. In addition to financial reviews, a key area of focus for the AC was on the assessing the strength and depth of talent within the Finance function and engaging actively with management in potential areas for further investment and development. The AC reviewed key matters that have material impacts on InPost's financial results such as the renegotiation of pricing with key InPost customers. Furthermore, the Committee reviewed the budget projections for 2024.

RISK MANAGEMENT AND INTERNAL CONTROL

The Audit Committee conducted a comprehensive review of the updated risk management system framework, which now includes risk grouping, a quarterly risk review cycle, and an annual evaluation of the Enterprise Risk Management (ERM) system. The Committee also scrutinised the 2023 risk matrix, identifying a total of 46 risks, including three critical and nine key risks. Discussions were held concerning the group insurance framework, which was devised with the assistance of a new broker, and the ongoing implementation of business continuity management, anticipated to be finalised in Q1 2024. The Committee was updated on the IT General Controls (ITGC) audit conducted in Poland and France, which highlighted significant improvements in Poland and a few findings in France. Additionally, the Committee was briefed about the results of an in-depth cybersecurity review that evaluated the group's cybersecurity maturity and offered recommendations for enhancement.

ETHICS AND COMPLIANCE

The Audit Committee was informed of an increase in reported compliance incidents in Poland, primarily related to harassment and discrimination. However, the rise in reports was attributed more to heightened awareness of reporting procedures than to an increase in such bahaviour. Prompt corrective action was taken on two incident deemed significant. The Committee underscored the need of regular internal compliance training. In addition, the Committee approved updates to both the Audit Committee charter and the internal audit charter to ensure they reflect best practices and the revised *Dutch Corporate Governance Code*.

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INTERNAL AUDIT

The Audit Committee approved the 2023 internal audit plan, which was developed based on a prioritisation of the audit universe using a risk-based auditing procedure, including input of senior management, the external auditor and the Audit Committee. The plan covered diverse and strategic areas and processes such as procurement, sales, assets protection, IT security and international operations. The internal audit function prepares a written report after every audit engagement, which is distributed to the management of audited organisational units, Management Board, Supervisory Board and to the Audit Committee. The Committee examined the principal findings and recommendations from these reports and reviewed the progress on implementing previous recommended actions.

EXTERNAL AUDIT

The Audit Committee reviewed the audit plan, the progress of the interim audit, the IT General Controls (ITGC) reliance, audit risks, and additional services provided by PwC. The Committee expressed satisfaction with the ongoing audit progress and the collaboration between PwC and the finance team. It also approved PPF's request for PwC to undertake additional work, specifically regarding comfort assurance for their Purchase Price Allocation (PPA) calculation. The Committee received PwC management letter, which contained no major findings or recommendations. Additionally, the Committee approved the strategy for auditing non-financial data and supported the reappointment of EY as the non-financial auditor for Fiscal Year 2023, in line with the ESG Committee's recommendation.

Per Luxembourg regulations, the signing partner has a 7-year maximum term, while the audit firm's limit is 10 years, after which a competitive RFP may lead to a 10-year reappointment. Brieuc Malherbe and PwC Luxembourg are currently in their third year.

OTHER TOPICS

The Audit Committee received an update on the progress of the Enterprise Resource Planning (ERP) implementation project. The project is proceeding as planned and is anticipated to be operational by early 2025. The Committee was also briefed on the tax policy designed to enhance the coordination and transparency of tax-related matters within the group.

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OVERVIEW

The Internal Audit Department at InPost is an independent entity dedicated to enhancing operational efficiency and effectiveness within the organisation. It employs a systematic, disciplined approach to evaluating and improving risk management, internal control, and governance processes, thereby assisting the company in achieving its objectives.

The responsibilities of the Internal Audit Department are defined by the Audit Committee as part of their oversight role. The Head of Internal Audit reports functionally to the Audit Committee and administratively to the Group Chief Financial Officer. This structure facilitates open and direct communication between the Head of Internal Audit and the Audit Committee, even between official meetings when necessary.

The department's activities extend beyond mere assessments, encompassing the design and effectiveness of the organisation's governance, risk management, and internal control processes in line with its goals and objectives. The audit plan is developed based on prioritisation of the audit universe, using a risk-based methodology. This approach incorporates inputs from senior management and the Audit Committee to ensure a comprehensive and well-rounded audit process.

Following every audit engagement, the Internal Audit Department prepares a detailed written report, which is then distributed to the relevant parties. These reports serve as crucial tools for identifying areas of improvement, implementing corrective measures, and ensuring the overall operational efficiency of the organisation.

Thus, the Internal Audit Department together with Risk Manager and Compliance Officer plays a critical role in maintaining the integrity of InPost's operations, contributing significantly to its long-term success and growth.

In 2023, the Internal Audit Department successfully conducted comprehensive audits across various divisions of the Group, including operations in Poland, Mondial Relay, Italy, and the UK.

The Internal Audit department is subject to periodic evaluations by the Institute of Internal Auditors, occurring at a minimum of every five years. The date for the upcoming review will be determined during the Audit Committee meetings in 2024.

INTERNAL AUDITS 2023

The Internal Audit Function assists the Group in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organisation's risk management, internal control and governance processes. In 2023 the function was realised by performing independent planned and ad hoc audits at the Group companies on international markets and at corporate headquarters.

In 2023, the Internal Audit Department made significant strides in conducting thorough audits across several key areas within the organisation.
These areas included procurement (procure to pay), Automated Parcel Machine (APM) transportation, and APM warehousing, as well as the linehaul transportation process.

Additionally, the department carried out an in-depth review of the cash on delivery (COD) process to check the existence of adequate internal control mechanisms in terms of the design and operational effectiveness of the process.

Their audit scope also included a comprehensive review of the Business Customer Sales process. This involved assessing the internal control mechanisms in processes such as pricing, rebate systems, contractual agreements, and billing. The audit further delved into the specifics of invoicing and debt collection processes to assess their efficiency and effectiveness.

Understanding the pivotal role of data in shaping strategic decisions, the Internal Audit Department has placed a keen emphasis on Data Analytics. This focus extends to areas such as the development of Data Analytics and the implementation of checks for fraud prevention and detection, reinforcing the department's commitment to enhancing the integrity and security of the organisation's operations.

Overall, the audits conducted in 2023 covered a broad range of the group's operations, ensuring comprehensive checks and balances across various departments, functions and markets. These audits helped maintain the integrity of the group's operations and underscored the Internal Audit Department's commitment to upholding the highest standards of corporate governance.

2024 PRE-VIEW

In 2024, we plan to sustain our commitment to risk-based audits across all operational markets, with a heightened focus on the effectiveness of the organisation's risk management, internal control, governance processes and ethical standards in the InPost Group.

ESG CHAIR LETTER

Dear Stakeholders,

I am particularly delighted to report on the ESG Committee's activities over the past 12 months, as 2023 proved to be a significant and successful year for InPost's ESG strategy implementation. Our accomplishments have been recognised not only by external rating agencies, but also by internal and external stakeholders.

ESG commitments

In response to COP27's call to action, InPost prioritised carbon reduction initiatives in 2023. We revised our carbon footprint based on more precise data and provided our end customers in Poland with a carbon footprint, the methodology and assumptions of which have been externally audited for their parcels. We also developed an impactful Green Energy Roadmap for Poland. Furthermore, we set an ambitious target to achieve Net Zero emissions by 2040, verified by the SBTi, with annual progress reviews planned to dynamically adjust and establish even more ambitious carbon reduction pathways. Finally, InPost actively works to achieve the UN Sustainable Development Goals (SDGs).

Policy updates

In 2023, we implemented an array of new policies and guidelines, such as the Environmental Policy, Internal Carbon Pricing Guidelines, Flexible Hours Policy, Stakeholder Engagement Policy, Social Engagement Policy as well as an updated Diversity, Equity & Inclusion Policy. We acknowledge that policies are just one element of our commitment and we continue our efforts to ensure that they are effectively monitored and implemented. We have also taken a number of initiatives to establish circularity and biodiversity directions in 2023. Along with ongoing stakeholder dialogues and double materiality analyses based on CSRD requirements, such projects have laid the groundwork for the planned revision of InPost's ESG Strategy in 2024.

Cross cooperation

Acknowledging the cross-functional nature of ESG considerations, the ESG Committee forged strong collaborations with the Selection, Appointment and Remuneration Committee to define ESG targets and with the Audit Committee to ensure ESG Assurance and CSRD readiness in 2023. This cooperative approach, essential at both the Supervisory Board and management levels, led to the formation of the InPost ESG Steering Committee. Comprising key members from various departments (such as Corporate Strategy, Marketing, Operations, Legal, HR), the Steering Committee promotes the integration of ESG commitments across the organization. Furthermore, the appointment of Izabela Karolczyk-Szafrańska as ESG Officer is evidence of our dedication to upholding these ESG commitments. Such an integrated approach is also evident in InPost's strategy and overall approach to ESG considerations.

Last but not least, the ESG Committee acknowledges the substantial efforts made by InPost employees at all levels, which demonstrates the extent to which ESG is an integral part of the company's core values. On behalf of all the members of the ESG committee, I would like to extend our gratitude and appreciation for their unwavering commitment and perseverance to making our ambitious ESG goals a reality.

Sincerely,

CRISTINA BERTA JONES
Chair of the ESG Committee

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ESG COMMITTEE

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The ESG Committee assists the Supervisory Board in supervising the Management Board with respect to ESG matters of interest and the implementation of the Group's ESG strategy

MEMBERS:

Cristina Berta Jones (Chair)

Marieke Bax

Ralf Huep

The members of ESG Committee are all independent members of the Supervisory Board. The Supervisory Board has determined that both Cristina Berta Jones and Marieke Bax qualify as ESG Committee ESG experts taking into consideration their extensive background and experience.

In 2023 the ESG Committee decided to perform a CSRD Gap Analysis following the IAR Reporting process for the year 2023 to prepare for new requirements.

MAIN RESPONSIBILITIES:

1.
Assisting the Supervisory Board in the oversight of ESG Strategy (i.e., review of the ESG Strategy of the Group, and ensuring that the ESG Strategy is aligned with regulations, fully integrated with business strategy and linked to the United Nations Sustainable Goals (SDGs)

2.
Assisting the Supervisory Board in communication, reporting and public disclosure on ESG-related matters (i.e. overseeing the Company's public disclosure on ESG matters and its consistency thereof, including any sustainability reports, as well as the reputational impact of the group's business strategies and practices; overseeing the Company's overall ESG communications strategy)

3.
Coordination with other Committees (i.e., coordinating with other Supervisory Board's committees on specific overlapping ESG-related matters; assisting the Supervisory Board in overseeing the development of ESG-related success metrics and cooperating with the Selection, Appointment and Remuneration Committee on linking the ESG-performance to executive compensation)

4.
Power of investigation, request for internal information or external advice

5.
Organisational tasks

Comprehensive details on ESG Committee responsibilities are available within *ESG Committee Charter* adopted by the Supervisory Board of InPost S.A. on 23 January 2023

RECURRING AGENDA TOPICS (EACH MEETING)

CSR activities update

Decarbonisation activities update

Other ESG initiatives update

Internal policy changes

Legal environment changes

ESG communication update

ESG roadmap update

ATTENDANCE

The External ESG auditor has an invitation to ESG Committee Meetings in respect of *Integrated Annual Report* assurance. The CFO, Deputy CFO, Chief Marketing and ESG Officer, Corporate Strategy director are invited to the meetings.

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THE OVERVIEW BELOW PROVIDES VARIOUS TOPICS DISCUSSED DURING ESG COMMITTEE MEETINGS IN 2023, ALONGSIDE REGULARLY SCHEDULED AGENDA ITEMS.

Q1

- Approval of ESG Committee charter
- Annual reporting process
- InPost S.A *Stakeholder Policy* review
- 2022 ESG report review
- 2022 ESG Assurance report
- Set-up for Green Energy project
- Inclusion of ESG risks in ERM

Q2

- Main action points before IAR 2023
- Review of Engagement Survey results
- Set-up for Stakeholder dialogue and policy Initiative
- Set-up for Climate Label Initiative
- Set-up for Net-Zero communication campaign
- Set-up for Circular Economy Readiness Assessment
- Carbon Footprint Calculator status update
- Green Energy project status update
- ESG targets for Management Board review

Q3

- ESG Discussions with Audit Committee, Supervisory Board
- Review 2023 ESG Assurance providers proposals
- Review of IAR 2023 set-up including CSRD readiness check
- Set-up of ESG Steering Committee in InPost

Q4

- ESG Steering Committee in InPost responsibilities review
- Methods of monitoring the implementation of the ESG strategy
- Improvements of stakeholder governance including Stakeholder dialogue main findings
- InPost Group's Diversity, Equity & Inclusion Policy status update
- Integrated Annual Report 2023 revised action plan including CSRD readiness check

ENVIRONMENT

In 2023, the ESG Committee played a critical advisory role in the group's sustainability initiatives. The committee reviewed the proposed Green Energy Roadmap for Poland and the implementation of a Parcel Carbon Footprint Calculator to better manage environmental impact. As part of the commitment to carbon reduction, the ESG Committee advised on energy audits at selected depots and reviewed the carbon footprint of Automated Parcel Machines (APMs).

The committee proudly supported the company in becoming the first from Poland to have net-zero goals approved by the Science Based Targets initiative (SBTi). It also provided guidance on establishing Internal Carbon Pricing Guidelines and incorporating an ESG component into the Project Management Portfolio.

The ESG Committee reviewed the findings of the Circular Economy Readiness Project, preparing for its group-wide implementation in 2024. It also advised on transportation sustainability, supporting the expansion of the electric bike fleet, the introduction of a bio-fuel project for heavy goods vehicles, and the implementation of an electric vehicle (EV) fleet in Poland.

The committee oversaw the launch of new circularity projects in France, the UK, and Poland, and guided R&D initiatives related to sustainable technologies. Currently, the ESG Committee is advising on the development of a Climate Label programme for merchants. Through these efforts, the ESG Committee continues to uphold its commitment to driving sustainability across the group's operations.

GOVERNANCE

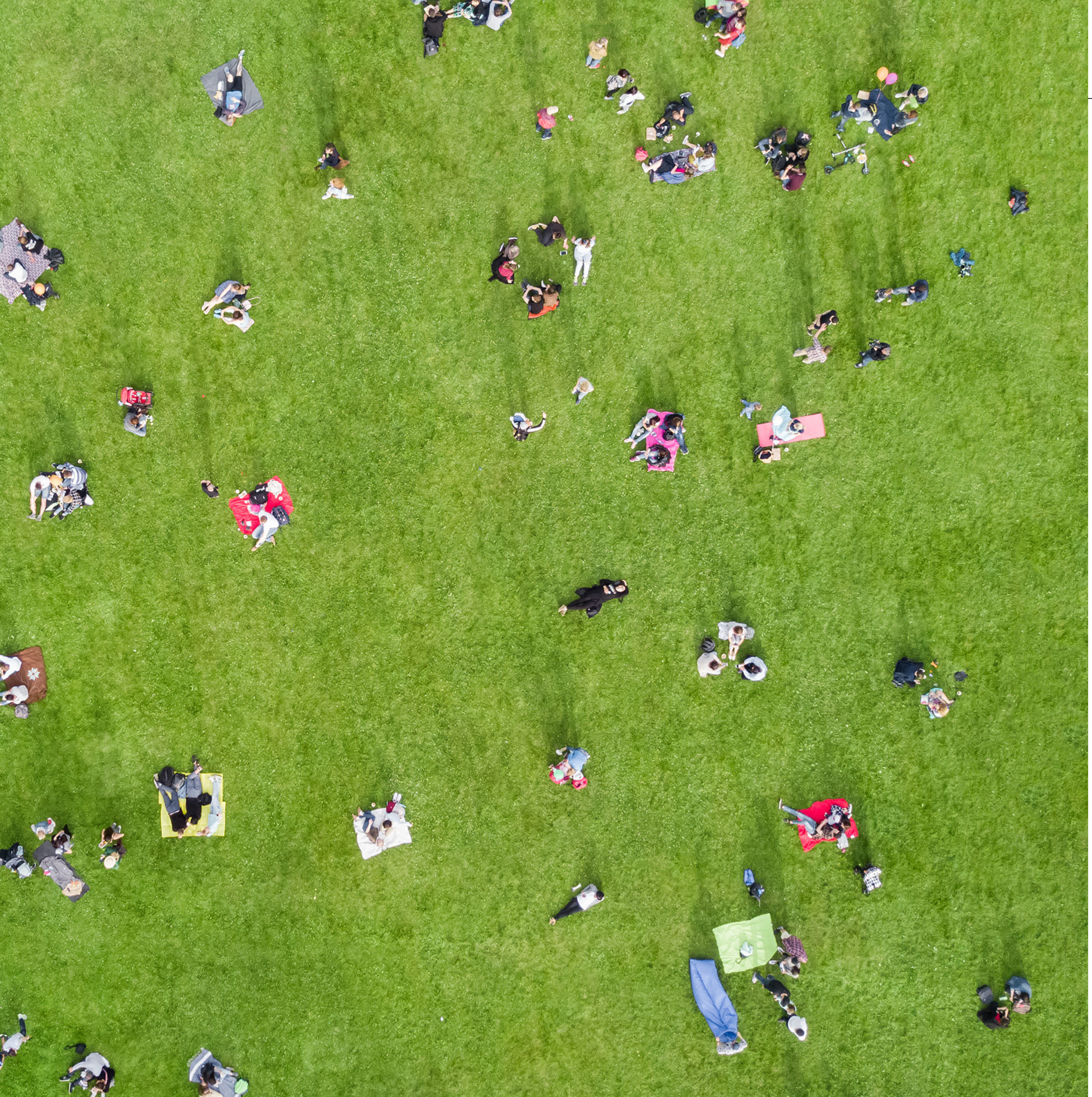
In 2023, the ESG Committee reviewed and advised on several key policy and regulatory changes to enhance our approach to sustainability and corporate responsibility. The committee reviewed the ESG Committee Charter and was instrumental in setting up of an Internal ESG Steering Committee, providing guidance on the summary of sessions.

The committee reviewed the Flexible Hours Policy and the update of the Stakeholder Policy for the InPost Group, as well as the Code of Conduct for business partners in Poland. It also examined ESG targets for the Management Board.

The ESG Committee was involved in preparing a gap analysis between the current ESG reporting according to the Global Reporting Initiative (GRI) and the new reporting standard according to the *Corporate Sustainability Reporting Directive* (CSRD), and *European Sustainability Reporting Standards* (ESRS).

The committee provided guidance on the development of an internal ESG Data consolidation tool based on Power Apps, ensuring it is CSRD-ready. It also reviewed the update of the Diversity, Equality, and Inclusion (DEI) Policy, aligning it with the new structure of the Senior Management in the Group.

The committee oversaw CSRD and Double Materiality trainings for core non-financial reporting team members, and reviewed regulatory changes in other legislation. Lastly, the ESG Committee endorsed InPost joining ESG Working groups, such as those within e-Izba. Through these activities, the committee continues to ensure the group's commitment to ESG best practices.



SOCIAL

In 2023, the ESG Committee had an advisory role in several key initiatives. The committee reviewed the expansion of the InPost Green City Programme, which now encompasses 54 cities in Poland and three cities in France – Paris, Lille, and Bordeaux.

The committee assessed the requirements for a new regulation related to Digital Accessibility, ensuring compliance and inclusivity. It also evaluated a project aimed at equalising opportunities in the Polish market, with the employment of people with disabilities as one of the goals of the ESG Strategy.

The ESG Committee provided guidance on CSR/Communication Projects such as the BNP Paribas Green Festival in Krakow, the Responsible Business Forum, Campaign 17 Goals, Clean Poland campaign, and the Net Zero campaign in Polish cinemas, which reached 3 million recipients.

The committee also oversaw stakeholder dialogue, helping to create a stakeholder matrix with an importance matrix. This effort was part of the Stakeholder engagement activities encompassing all brands and service categories of the InPost Group.

The expansion of the volunteer programme for InPost employees and the activities of the InPost Foundation were also under the committee's purview. Lastly, the committee continuously reviewed ongoing diversity initiatives, with a particular focus on seniors, people with disabilities, and women. Through its advisory role, the ESG Committee continues to foster sustainability and inclusivity across the group's operations.

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SARC CHAIR LETTER

Dear Stakeholders,

I am pleased to present InPost's 2023 Remuneration Report. The document outlines the remuneration policies for both the Management Board and the Supervisory Board, and it aims to provide insights into the application of these policies throughout the year.

I have recently taken the role of Chair of the Selection, Appointment and Remuneration Committee, succeeding Nick Rose, who stepped down from the InPost Supervisory Board in December 2023. I would like to express my appreciation for Nick's valuable contribution to InPost over the past several years. As I take on this new endeavour, I am dedicated to fostering continued engagement, collaboration and adherence to the highest market standards.

2023 was another successful year for InPost Group, achieving record-breaking results across the board. The entire team efficiently handled nearly 900 million parcels, demonstrating operational excellence and outstanding customer experience. Along with the entire Selection, Appointment, and Remuneration Committee, we acknowledge these results and will make every effort to ensure our employees are incentivized to exceed expectations in creating value for shareholders and contributing to the broader stakeholder community. InPost aims to grow faster than the market at attractive levels of profitability, and our focus is therefore on aligning compensation to exceptional performance.

ESG commitment and our policy changes

2023 represents the first year where we have begun to introduce ESG metrics into the Management Board's compensation as part of the Committee's ongoing efforts to align remuneration with InPost's core values. We are especially proud of what the team has accomplished in the area of carbon footprint reduction. This process will continue in the year to come, and its execution is closely tied to the ongoing development of InPost's ESG Strategy. Working together with the ESG Committee, we've initiated a significant project primarily aimed at preparing our organization to implement guidelines from the EU Directive on "Equal Pay." Finally, our remuneration policies were updated to align with Dutch Corporate Governance Code best practices. Post-AGM approval, Supervisory Board members' pay is mandatorily cash-only, though previously, they could receive a portion as InPost shares but never exercised this option.

Increasing transparency around remuneration

Our 2022 Remuneration Report, which was presented at the 2023 AGM, received an approval rate of 87.86%. In response to stakeholder feedback and our commitment to improve transparency, we have continued to enhance our disclosure levels.

Outlook for 2024

In 2024, we plan to continue to refine our Remuneration Policy, to align with our long term strategic goals. To this end we are moving our LTI metric from EBITDA to EBIT as this better reflects the economic cost of APM deployment to capture the lease and amortization aspects of our capital investments. In this manner, EBIT provides investors with a more transparent view of the company's efficiency in generating profits from its core business operations. Our plan is to maintain our ESG Commitment and engagement with stakeholders and external advisers, ensuring that the decisions we make reflect, stakeholder perspectives and broader societal views on executive remuneration.

Finally, I would like to express my appreciation to my fellow Selection, Appointment and Remuneration Committee members for their efforts throughout the past year.

Rest assured, we will continue working diligently to uphold our commitments to all stakeholders.

Sincerely,

MAGDALENA DZIEWGUĆ
Chair of the Selection, Appointment and Remuneration Committee

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SELECTION, APPOINTMENT AND REMUNERATION COMMITTEE

The Selection, Appointment and Remuneration Committee assist the Supervisory Board in supervising the Management Board with respect to the Company's compensation programmes and compensation (including remuneration) of the Company's senior management, and other personnel and with the selection and appointment procedures for the members of the Management Board, Supervisory Board, and other senior management. The Selection, Appointment and Remuneration Committee is also responsible for Human Capital oversight.

MEMBERS:

Magdalena Dziewguć (Chair, from 13.12.2023)

Mark Robertshaw

Mike Roth

Nick Rose (until 13.12.2023)

Each member is an independent member of the Supervisory Board (as of 31.12.2023).

In 2023, the Selection, Appointment and Remuneration Committee nominated Ms. Magdalena Dziewguć and Mr. Jiří Šmejc for appointment as Supervisory Board members per the 2023 EGM.

MAIN RESPONSIBILITIES:

1. Developing and reviewing remuneration policies and strategies for the Management and Supervisory Boards.
2. Evaluating performance and approving compensation for key company personnel.
3. Reviewing and recommending new compensation programmes, policies, and modifications as needed.
4. Preparing individual remuneration proposals and the annual remuneration report.
5. Managing selection and appointment procedures, including succession planning, for Management and Supervisory Boards.
6. Supporting selection procedures for senior management.

Selection, Appointment and Renumeration Committee responsibilities are available within Selection Appointment and Remuneration Committee Charter

RECURRING AGENDA TOPICS (MOST OR EVERY MEETING)

- Role, composition and functioning of the Management Board and Supervisory Board
- Remuneration of the Management Board and Supervisory Board
- Update on performance on targets for short- and long-term incentives
- Corporate governance
- Succession reviews

ATTENDANCE

In addition to the Selection, Appointment and Remuneration Committee members, the Group CEO, the HR Board Advisor and the Group CFO are regularly invited to attend (parts of) its meetings

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THE OVERVIEW BELOW PROVIDES DETAILS ON THE TOPICS DISCUSSED DURING SELECTION, APPOINTMENT AND REMUNERATION COMMITTEE MEETINGS IN 2023.

Q1

Short Term Incentive Plan: Performance 2022, pay-out 2022 and targets 2023 (introduction of ESG-related targets)

Long Term Incentive Plan review

Remuneration Report 2022

Self-evaluation of Selection, Appointment and Remuneration Committee

Remuneration Policy review including stakeholders' outreach and better alignment with Dutch Corporate Governance Code

Compliance with share ownership requirements

Q2

Progress STI and LTI targets and metrics

Reappointment of Supervisory Board members (Ralf Huep)

Changes to Remuneration Policy accepted on AGM

Review of the Executive top talent and succession pipeline for key roles

Q3

Progress STI and LTI targets and metrics

Establishment of Internal ESG Steering Committee and ESG Officer role (Izabela Karolczyk-Szafrańska)

Finalisation of remuneration benchmarking

Latest trends in policies and reporting

Q4

Progress STI and LTI targets and met-rics

Nomination and appointment of Ms. Magdalena Dziewguć and Mr. Jiří Šmejc as Supervisory Board members

Appointment of Ms. Magdalena Dziewguć as new Chair of Selection, Appointment and Remuneration Committee (Nick Rose left 13.12.2023)

COMPOSITION, ROLE AND RESPONSIBILITIES OF THE MANAGEMENT BOARD

In 2023, the Selection, Appointment and Remuneration Committee dedicated substantial effort to evaluating and strategising the future composition, roles, and responsibilities of the Management Board, along with key roles within the Group. This process involved benchmarking and a comprehensive review of potential talent for future Management Board roles. The committee also undertook an assessment of the performance of the Management Board as a whole and of its individual members. This involved engaging in individual discussions with each member of the Management Board, the results of which were thoroughly reviewed by the Committee.

The 2023 Annual General Meeting culminated in the approval of the discharge of the Management Board.

COMPOSITION, ROLE AND RESPONSIBILITIES OF THE SUPERVISORY BOARD

In 2023, the Selection, Appointment, and Remuneration Committee dedicated substantial effort to evaluating the Supervisory Board's composition, profile, and rotation schedule. This included a particular focus on the appointment and reappointment of Supervisory Board members to fill both short-term and long-term vacancies.

The 2023 Annual General Meeting resulted in the approval of the discharge of the Supervisory Board, and the reappointment of Mr. Ralf Huep to the Board for a four-year term. Additionally, during an Extraordinary General Meeting, Ms. Magdalena Dziewguć and Mr. Jiří Šmejc were appointed as members of the Supervisory Board, effective from October 5, 2023, for a four-year term.

CORPORATE GOVERNANCE

In fulfilling its duty to stay abreast of Corporate Governance trends, the Selection, Appointment, and Remuneration Committee delved into various topics. These included gender diversity advancements, equal pay, alterations to the Dutch Corporate Governance Code, and issues pertinent to investors and shareholder organisations.

In 2023, the Committee advocated for the establishment of an internal ESG Steering Committee and elevated Izabela Karolczyk-Szafrańska to the position of Group ESG Officer, thereby expanding her previous role as Chief of Marketing.

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REMUNERATION REPORT

GRI 2-19, 2-20

REMUNERATION OF THE MANAGEMENT BOARD

In the first half of 2023, the Selection, Appointment, and Remuneration Committee completed a comprehensive review of the *Remuneration Policy* for the Management Board. Prior to proposing amendments to the policy at the General Meeting, the Committee conducted consultations with shareholders, their representatives, and other stakeholders. The revised policy was approved at the 2023 Annual General Meeting, with a summary of significant changes compared to the previous policy included in this *Remuneration Report*.

The Committee also proposed recommendations to the Supervisory Board regarding the Management Board's total remuneration package, including short-term incentives in cash and long-term incentives in shares. They suggested 2023 targets for the Management Board's variable remuneration, incorporating ESG-related goals. Throughout the year, the Committee vigilantly oversaw the performance of the Management Board.

REMUNERATION OF THE SUPERVISORY BOARD

In the first half of 2023, the Selection, Appointment, and Remuneration Committee completed a thorough review of the Supervisory Board's *Remuneration Policy*. The aim was to enhance its alignment with the *Dutch Corporate Governance Code*. The revised policy was approved at the 2023 Annual General Meeting, with a summary of the key changes compared to the previous policy included in the Remuneration Report.

INCREASED TRANSPARENCY AROUND REMUNERATION

Throughout 2023, our company participated in numerous stakeholder engagements, providing us with an invaluable opportunity to gain constructive feedback on our Remuneration Report and act on it. We carried on with our commitment for further transparency around remuneration practices.

We undertook a comprehensive review of our Remuneration Report. As a result, we've implemented several key changes to the 2023 edition of the report, all designed to enhance transparency and provide a more detailed understanding of our remuneration policies and practices.

In addition to refining our Remuneration Report, we've also been proactive in ensuring compliance with evolving regulatory guidelines. In collaboration with the ESG Committee, we've launched a significant project with the primary goal of preparing our organisation to implement the guidelines of the EU Directive on "Equal Pay". This initiative underscores our commitment to maintaining equitable pay structures within our organisation and aligns with our broader objective of promoting fairness and transparency in all our operations.

REMUNERATION AT A GLANCE

GRI 2-19

REMUNERATION PRINCIPLES & PROCEDURES

Alignment	The compensation strategy is aligned with both the short-term and long-term incentive plans/goals for InPost's senior management. This alignment is further cascaded down to the quarterly objectives of each employee.
Competitiveness	The compensation structure and level strive to maintain competitiveness within the corresponding labor market. Simultaneously, they account for societal trends and perceptions, ensuring a comprehensive approach to remuneration.
Long-term orientation	The policy, along with the incentives, emphasizes fostering sustainable value creation over the long term.
Compliance	InPost is committed to adhering to the most stringent standards of good corporate governance.
Simplicity and transparency	The policy and its implementation are designed to be as straightforward as possible, ensuring clarity and comprehension for all stakeholders.

LINKING RENUMERATION TO PURPOSE AND STRATEGY

PURPOSE →	STRATEGY →	INCENTIVE METRICS →	PAY FOR PERFORMANCE
We amaze people, using the potential of technology for the good of the planet.	Offering best-in-class consumer experience Scaling our European business Sharing benefits of our scalable model with merchants and customers Development of highly innovative services and adjacent services Empowering people to create real impact	Financial metrics Business development metrics Business Transformation metrics ESG Leadership metrics	Remuneration outcomes (Assessment by SAR Committee)

2023 PERFORMANCE

FINANCIAL

891.9
Volume [m pcs]
(2022: 744.9)

8,862.7
Revenue* [m PLN]
(2022: 7,079.1)

2,733.1
Adj. EBITDA [m PLN]
(2022: 1,961.4)

764.6
FCF [m PLN]
(2022: (11.4))

2.2
Leverage ratio [x]
(2022: 3.2)

30.8%
Adj. EBITDA margin [%]
(2022: 27.7%)

NON-FINANCIAL

51%
Engagement score
(2022: 50%)

A-
CDP score
(2022: D)

*Revenue and other operating income

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REMUNERATION BENCHMARKING

GRI 2-19

The primary objective behind our remuneration strategy is to stimulate strong, profitable growth while maintaining exceptional operational efficiency and cost discipline. By carefully crafting a compensation system that incentivizes high performance, we aim to drive rapid expansion without sacrificing the high standards that underpin our

REFERENCE GROUP AND MARKET POSITIONING

The remuneration for members of the Management Board comprises both fixed and variable elements. The Supervisory Board has determined the ratio of fixed to variable elements, as well as the balance between short and long-term awards, in such a way that the fixed pay is modest (below average) when compared to similar listed companies. The proportion of total remuneration tied to exceptional performance is market-leading when compared to other comparable companies. This reflects the Group's highly performance-driven and entrepreneurial culture and the aim to align the interests of the Management Board members with those of the Company's shareholders.

The total compensation package for the Management Board (broken down into components) has been assessed against two benchmarks: i) Amsterdam listed companies with similar industry, size and complexity as InPost ii) a tailored peer group comprised of European listed high-growth companies and of pan-European listed logistics companies. The peer group is a combination of High-Tech industry & Logistics companies, considering both the job and position class*.

In 2023, no changes were made to the base salary of the Management Board and ESG metrics were added as a part of STI targets.

*Mercer benchmarking data was used which is comprised of both public and private companies in Europe of similar size and complexity to InPost. Due to Mercer's confidentiality requirements, a list of the companies whose data was used for the specific benchmarking approach can not be externally disclosed.

REMUNERATION COMPONENTS

Total compensation
The remuneration levels consist of the annual base salary, in addition to the annualized value of any guaranteed cash compensation, as well as the annualized value of any Short-term Incentive (STI), and Long-term Incentive (LTI) awards.

Base salary
The base salary for members of the Management Board is designed to reflect the responsibilities and breadth of their role, considering their level of seniority and experience. Each member of the Management Board receives a fixed cash compensation paid monthly. In alignment with the Group's remuneration philosophy, which emphasizes performance-based elements, the base salary is targeted to be around the lower quartile compared to executives in similar roles at comparable companies.

Variable compensation
The variable compensation is composed of the Short-Term Incentive (STI) and the Long-Term Incentive (LTI). The performance metrics, established by the Supervisory Board, include both financial (for STI and LTI) and non-financial metrics (for STI only), ensuring a balance between the Company's various short-term and long-term objectives. This approach ensures that the variable compensation contributes to the Company's strategy, long-term value creation, and sustainability.

The Supervisory Board retains discretionary power to adjust the incentive payout either upwards or downwards if it deems the outcome to be unreasonable due to extraordinary circumstances during the performance period.

Scenario analyses of the potential outcomes of the variable remuneration components, and their impact on the Management Board's remuneration, have been conducted.

The following table illustrates the variable pay cap as the maximum percentage of base salary for the Management Board.

VARIABLE COMPENSATION ELEMENT	MINIMUM	ON TARGET	MAXIMUM	UNIT
Short-term incentive (STI)	80%	100%	200%	Of the annual base salary
Long term incentive (LTI)	50%	100%	200%	Of the sum of the annual base salary and the prior years' annual bonus including any proportion of the bonus that is deferred in the shares in the capital of the company

REMUNERATION POLICY

GRI 2-19

BASE SALARY + **OTHER BENEFITS** + **STI** + **LTI** = **TOTAL REMUNERATION**

	Link to strategy/rationale	Policy
BASE SALARY	Attract, inspire, and retain skilled professionals in the industry for the Management Board positions, to outline and accomplish InPost strategic objectives.	· The base salary is reviewed by the Supervisory Board on annual basis or where there is a change in position or responsibility. · Base salary is assessed against two benchmarks: i) Amsterdam listed companies with similar industry, size and complexity as InPost ii) a tailored peer group comprised of European listed high-growth companies and of pan-European listed logistics companies.
OTHER BENEFITS	Enhance the competitiveness of the total compensation package and establish alignment with prevailing market practices.	· Members of the Management Board may be afforded the opportunity to participate in personal pension schemes. However, as of the date of the annual report, it should be noted that no members of the Management Board are currently enrolled in any such schemes. · Expense reimbursement, private health cover, life insurance, a mobile phone, a company car.
STI	Maintain a balanced emphasis on InPost's short-term financial performance as well as the company's long-term sustainability, focusing on technological progress and customer satisfaction to drive enduring success.	· Maximum target STI: 200% annual base salary. · Unless the Supervisory Board determines otherwise, at least 50% of the annual bonus is deferred into shares in the capital of the Company for a period of three years. · The weight of the individual STI performance metrics is as follows: 60% Group financial goals, 40% Individual targets. Furthermore, goals are prepared in a way that a minimum of 80% is quantitative.
LTI	Contribute to the realization of InPost's strategy and the promotion of its long-term interests.	· Maximum target LTI: 200% of the sum of the annual base salary and the prior year's annual bonus including any proportion of the bonus that is deferred in the shares in the capital of the company. · LTI performance metric is currently 100% based on group financial goals

CLAWBACKS, SEVERANCE PAYMENTS & OTHER BONUSES

The Remuneration Policy defines the approach to clawbacks, as being that variable remuneration may be reduced, or members of the Management Board may be obliged to repay (a part of) their variable remuneration if certain circumstances apply. The Supervisory Board can also adjust the value of any variable remuneration component awarded in the previous year, in response to pre-defined circumstances. The Company may recover from a member of the Management Board any variable remuneration awarded on the basis of incorrect financial or other data. The Management Board members may have service and/or employment agreements with the Company or any other member of the Group, which are valid for an indefinite period and contain provisions for a severance payment of 50% of the annual salary. The agreements may contain a notice period of up to 6 months and noncompetition undertakings which, if breached, result in penalties of up to 9 months in annual salary terms and the requirement to pay back any severance payments. The Policy does not provide for sign-on bonuses or recruitment incentive payments.

REMUNERATION POLICY CHANGES IN 2023

After careful review, remuneration for the Management Board was set once more to align with the rationale behind InPost's Remuneration Policy, which provides for moderate fixed salary and market leading variable income in case of excellence performance. The Remuneration Policy was amended to reflect that it shall be discretionary for the Supervisory Board to decide whether or not a Management Board member shall forfeit any deferred bonus shares from their STI if he or she leaves the service of InPost within 3 years after the award in good leaver circumstances eg. through retirement or ill health.

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REMUNERATION OF MANAGEMENT BOARD AT A GLANCE

Our objective is to align total compensation for the Management Board with our business strategy. This is achieved by setting a low (lower quartile) fixed salary with the opportunity for top quartile short- and long-term incentive payments for high levels of stretch outperformance.
In 2023, the Management Board delivered outstanding results, even in the face of highly ambitious targets. The Board not only rose to the challenge but also demonstrated their ability to expertly fine-tune these objectives to align with the organization's goals and capabilities.

44,790.6k PLN
Total Management Board remuneration paid in 2023

176%
Average STI targets realization for 2023

67%
LTI 2021 target realization for 2023 (will vest in Q2 2024)

99.0:1
CEO vs. average per FTE

MANAGEMENT BOARD

RAFAŁ BRZOSKA

Total remuneration 2023 (k PLN)

18,413.9k PLN

ADAM ALEKSANDROWICZ

Total remuneration 2023 (k PLN)

12 445.9k PLN

MICHAEL ROUSE

Total remuneration 2023 (k PLN)

13,930.8k PLN

*LTI actual is presented at max value in line with other remuneration tables - as 2023 LTI program will be vested in 2027.

2023 REMUNERATION SUMMARY

REMUNERATION OF MANAGEMENT BOARD

GRI 2-19

BASE SALARY

The base salaries for the members of the Management Board were established at the outset of 2021. The Supervisory Board opted not to implement a base salary increase for 2023 to show leadership on cost consciousness to the wider organization as well as to uphold the pay-for-performance philosophy reflected in the variable compensation elements.

SHORT TERM INCENTIVES 2023

The financial and non-financial target levels for the Short-Term Incentive (STI) were established at the start of the 2023 financial year in line with the 2022 Remuneration Policy for the Board of Management, taking into account the 2023 Budget targeting ambitious expansion backed by financial discipline.

For the STI, the Supervisory Board selected the following financial & non-financial performance metric, considering InPost's business goals for 2023:

1.
Group financial target (60% weight)

STI 2023	Unit	Minimum	On target	Maximum
Group Adjusted EBITDA	m PLN	2,442	2,530	2,751
Growth vs. 2022	%	+25%	+29%	+40%

2.
Business performance goal – Achieving superior volume performance (market share gain) in key markets, strengthening cross-border capability, and developing new offerings for market segments.

3.
Business transformation & talent management goals – Enhancing the performance management process for International business, creating a sustainable and scalable logistics model for UK business, and building strong teams in International markets.

4.
ESG Leadership goals – Progress on implementing ESG strategy based on assessments by external ESG Ratings, and improving Employee Engagement across International markets.

2023 Plan (Priorities & budget) → Performance metrics selected → Group financial target / Business performance / Business transformation / ESG Leadership → Performance Assessment by SAR Committee

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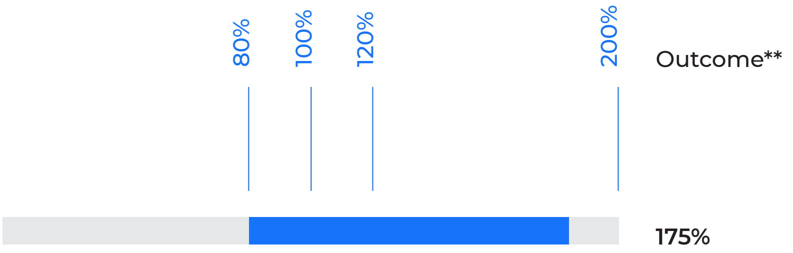
REMUNERATION OF MANAGEMENT BOARD – STI REALIZATION

RAFAŁ BRZOSKA
Chief Executive Officer

	GROUP FINANCIAL TARGET (60%)	INDIVIDUAL TARGETS (40%)*		
Assesment (0-200%)	193%	147%		
	Group Adjusted EBITDA	**Business performance goals**	**Business transformation & talent mgt. goals**	**ESG Leadership metrics**
Weight	60%	17.5%	17.5%	5%
	The realization level of Group Adjusted EBITDA KPI can be found on page 93. InPost Group's financial growth and enhanced performance are prominently displayed in the 2023 Financial Statements, showcasing a year of significant progress.	The business performance metrics for the CEO were linked to growing volume faster than the underlying Polish and French markets to deliver market share gain. This volume outperformance can be seen in the Business Review section of the report.	The CEO's business transformation & talent management goals focused on developing InPost's executive talent and organizational capabilities, as well as launching cross-border services. The realization of these metrics can be found in the Strategy section of the report.	The CEO's ESG Leadership goals were linked to driving substantial ESG rating improvements from key external agencies. Progress compared to 2022 and industry benchmarks can be found on page 140 of the Sustainability Report.
Performance Evidence (Not exhaustive)	**2,733.1** Group Adj. EBITDA [m PLN]	**20%** Group volume Y/Y growth	**Qualitative**	**Ratings Results**



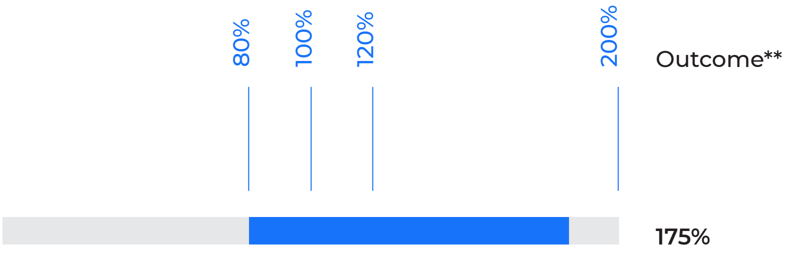
*The disclosure of detailed personal targets and their respective achievement levels is withheld due to strategic and commercial sensitivity considerations.

**The outcome, determined by the SAR Committee's assessment in March 2024, may undergo modifications before the final payout, anticipated to occur around April 2024.

REMUNERATION OF MANAGEMENT BOARD - STI REALIZATION

ADAM ALEKSANDROWICZ
Chief Financial Officer

	GROUP FINANCIAL TARGET (60%)	INDIVIDUAL TARGETS (40%)*		
Assesment (0-200%)	193%	149%		
	Group Adjusted EBITDA	**Business performance goals**	**Business transformation & talent mgt. goals**	**ESG Leadership metrics**
Weight	60%	20%	15%	5%
	The realization level of Group Adjusted EBITDA KPI can be found on page 93. InPost Group's financial growth and enhanced performance are prominently displayed in the 2023 Financial Statements, showcasing a year of significant progress.	The business performance goals for the CFO were associated with group cash flows and product costing and pricing model for the Group and individual subsidiaries for the newly established cross-border capabilities.	The CFO's business transformation & talent management goals concentrated on improving processes and management information for performance management of international businesses, as well as ERP design and implementation.	Similar to the CEO, the CFO's ESG Leadership goals were connected to ESG progress across key ratings. The comparison of progress to 2022 and industry benchmarks can be viewed on page 93 of the Sustainability Report.
Performance Evidence (Not exhaustive)	**2,733.1** Group Adj. EBITDA [m PLN]	**764.4** Group Cashflow [m PLN]	**Qualitative**	**Ratings Results**



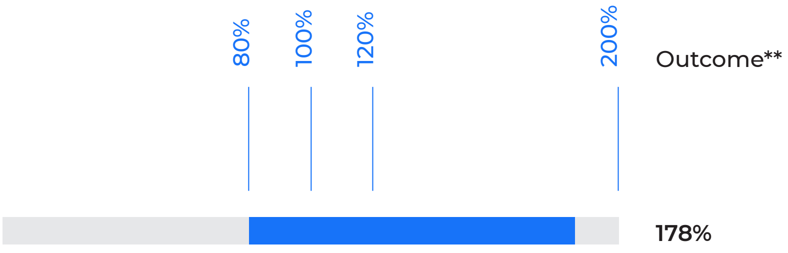
*The disclosure of detailed personal targets and their respective achievement levels is withheld due to strategic and commercial sensitivity considerations.

**The outcome, determined by the SAR Committee's assessment in March 2024, may undergo modifications before the final payout, anticipated to occur around April 2024.

REMUNERATION OF MANAGEMENT BOARD – STI REALIZATION

MICHAEL ROUSE
Chief Executive Officer International

	GROUP FINANCIAL TARGET (60%)	INDIVIDUAL TARGETS (40%)*		
Assesment (0-200%)	193%	156%		
	Group Adjusted EBITDA	**Business performance goals**	**Business transformation & talent mgt. goals**	**ESG Leadership metrics**
Weight	60%	20%	15%	5%
	The realization level of Group Adjusted EBITDA KPI can be found on page 93. InPost Group's financial growth and enhanced performance are prominently displayed in the 2023 Financial Statements, showcasing a year of significant progress.	The business performance goals for the CEO International were connected to International EBITDA and the expansion of the SME market proposition. Details on international business performance can be found in the Management Report.	The CEO's international business transformation & talent management goals were related to the ongoing development of management talent and bench strength for international businesses, as well as launching a new logistics solution for the UK.	The CEO International's ESG Leadership goals were linked to the enhancement of Employee Engagement scores within the international businesses.
Performance Evidence (Not exhaustive)	**2,733.1** Group Adj. EBITDA [m PLN]	**258.4** Inter. Adj. EBITDA [m PLN]	**Qualitative**	**9.75** Engagement Improvement [pp]



*The disclosure of detailed personal targets and their respective achievement levels is withheld due to strategic and commercial sensitivity considerations.

**The outcome, determined by the SAR Committee's assessment in March 2024, may undergo modifications before the final payout, anticipated to occur around April 2024.

VESTING UNDER THE LONG-TERM INCENTIVE 2021-2023 PLAN

Upon conclusion of the three-year performance period spanning from 2021 to 2023, the Supervisory Board evaluated the performance achieved in relation to the Long-Term Incentive (LTI) target.

The actual achievement level for the LTI performance criteria, as per the Remuneration Policy for the Management Board, was 67%. Awards for the Long Term Incentive (LTI) program for 2021-2023 will be vested in 2024.

LTI 2021-2023	Unit	Minimum (25% vseting)	On target (50% vesting)	Maximum (100% vesting)
Group EBITDA 2023	m PLN	2,500	2,650	2,900
Growth vs. 2020	%	+152%	+167%	+192%

GROUP ADJUSTED EBITDA - STI & LTI REALIZATION*

STI REALIZATION
193%

GROUP ADJUSTED EBITDA
2,733.1
M PLN

LTI REALIZATION
67%

*Minimum targets on both the STI and the LTI are based on very significant step ups in business performance (+25% vs. 2022 for STI and +152% vs. 2020 for LTI). There is zero payout below these levels.

VESTING OF SHARES PROCESS

Grant date

Vesting period within 3 years

- During the interval from the Grant date to the Vesting date Performance Shares, including Short-Term Incentives (STI) and Long-Term Incentives (LTI) are conditional.

Vesting date

Holding period 2 years

- Performance Shares are allocated to the participant, but they are subject to transfer limitations: Acquired Performance Shares cannot be transferred during the Holding Period.

End of transfer restrictions

BASED ON EBITDA 2023 REALIZATION MANAGEMENT WILL RECEIVE IN Q2 2024 THE FOLLOWING NUMBER OF SHARES (VESTING OF LTIP 2021)

	Number of shares
Rafał Brzoska	139,194
Adam Aleksandrowicz	92,796
Michael Rouse	63,156

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REMUNERATION OF MANAGEMENT BOARD – TOTAL REMUNERATION

OVERVIEW

The remuneration of the Management Board members is based on cash payments made to Management Board members in terms of base salary and cash component of Short-Term Incentive. The share components of Short-Term Incentives (STI) is calculated as actual number of shares granted (in terms of 2023 STI – expected - based on current realization levels) and the average price of InPost S.A. shares on Euronext stock exchange over 30 days period prior granting (60 days for LTI 2021). Long-Term Incentives (LTI) are calculated based on the number of shares granted at the maximum level and the average price of InPost S.A. shares on Euronext stock exchange over 30 days period prior granting (60 days for LTI 2021). Detailed information regarding the number of shares, their values, and data related to vesting and holding periods can be found on page 95. Other benefits (including ie. insurance, healthcare and company car) are calculated based on their cost in respective year. Amounts in table are in PLN thousands.
In the 2022 Integrated Annual Report, the Short-Term Incentives (STI) for Rafał Brzoska, Adam Aleksandrowicz, and Michael Rouse were reported as 2,600 kPLN, 1,500 kPLN, and 9,300 kPLN respectively. In the current report, for a better understanding of the relation between STI and Group performance, we are reporting the 2022 and 2023 STI as the amounts paid/to be received for the respective year, not the amounts received on cash basis in the given year. Due to this change, the highest paid individual for the year 2022 has changed from Michael Rouse to Rafał Brzoska, the CEO of the Group. STI 2022 was received by the Management in April 2023, STI 2023 will be paid to Management in April 2024.

Management Board	Financial Year	Base salary	Other benefits	Total fixed	% Fixed	STI	LTI	Total variable	% Variable	Total Remuneration	Relative proportion fixed vs. variable
Rafał Brzoska	**2023**	**2,808.1**	**87.5**	**2,896.0**	**16%**	**4,695.0**	**10,823.3**	**15,518.3**	**84%**	**18,414**	**5.4**
	2022	2,683.4	95.9	2,779.0	17%	2,888.5	10,506.8	13,395.0	83%	16,175	4.8
	2021	2,626.9	99.8	2,727.0	13%	2,475.8	16,000.0	18,476.0	87%	21,202	6.8
Adam Aleksandrowicz	**2023**	**1,909.7**	**85.9**	**1,996.0**	**16%**	**3,139.6**	**7,310.6**	**10,450.0**	**84%**	**12,446**	**5.2**
	2022	1,811.0	77.6	1,889.0	18%	1,977.1	6,669.5	8,647.0	82%	10,535	4.6
	2021	1,765.6	76.7	1,842.0	14%	1,483.6	10,000.0	11,484.0	86%	13,326	6.2
Michael Rouse	**2023**	**2,148.1**	**0.0**	**2,148.0**	**15%**	**3,812.2**	**7,970.5**	**11,783.0**	**85%**	**13,931**	**5.5**
	2022	2,961.9	0.0	2,962.0	25%	1,984.5	6,994.1	8,979.0	75%	11,940	3.0
	2021	1,011.3	0.0	1,011.0	6%	9,309.1	7,463.1	16,772.0	94%	17,784	16.6
Total Management Board	**2023**	**6,865.9**	**173.4**	**7,039.0**	**16%**	**11,646.8**	**26,104.5**	**37,751.3**	**84%**	**44,791**	**5.4**
	2022	7,456.3	173.5	7,630.0	20%	6,850.0	24,170.3	31,020.0	80%	38,650	4.1
	2021	5,403.7	176.5	5,580.0	11%	13,268.5	33,463.1	46,732.0	89%	52,312	8.4

Changes in base salary of Rafał Brzoska and Adam Aleksandrowicz in 2023 vs. 2022 are due to FX rates (since 2023 their salary is paid in EUR).

*Please note that as Michael Rouse only became Board member in September 2021 his annual fixed and variable remuneration has been shown proportionately to the time his services were for the Board.
**In 2022, Mr. Rouse agreed to a reduction in his base salary and had his bonus arrangements aligned with those of the CEO and CFO.

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REMUNERATION OF MANAGEMENT BOARD - SHARE-BASED PAYMENTS

OVERVIEW

Performance-based share-based remuneration for current members of the Board of Management is disclosed in the table below. Fractional shares are rounded down to full shares for reporting purposes.

	Grant Date	Status	Number of shares at target	Fair value at grant date [EUR]	Total number of shares at Maximum (200%)	Vesting Date	Number of shares vested at publication date	Value at the grant date (PLN)	End of lock-up date
Rafał Brzoska									
STI	31.03.2021	Unconditional	53 400.00	760 416.00	106 800.00	30.04.2022	53 400.00	1 287 714.00	30.04.2024
LTI	30.04.2021	Conditional	103 876.00	1 646 434.60	207 752.00	30.04.2024	0.00		n/a
STI	31.03.2022	Unconditional	39 678.00	222 593.58	79 356.00	30.04.2023	39 678.00	1 444 230.30	30.04.2025
LTI	01.04.2022	Conditional	215 738.00	1 119 680.22	431 476.00	30.04.2025	0.00		n/a
LTI	01.04.2023	Conditional	153 507.00	1 195 052.00	307 014.00	30.04.2026	0.00		n/a
Adam Aleksandrowicz									
STI	31.03.2021	Unconditional	31 864.00	453 743.36	63 728.00	30.04.2022	31 864.00	768 394.00	30.04.2024
LTI	30.04.2021	Conditional	69 251.00	1 097 628.35	138 502.00	30.04.2024	0.00		n/a
STI	31.03.2022	Unconditional	27 158.00	152 356.38	54 316.00	30.04.2023	27 158.00	988 517.73	30.04.2025
LTI	01.04.2022	Conditional	136 946.00	710 749.74	273 892.00	30.04.2025	0.00		n/a
LTI	01.04.2023	Conditional	103 686.50	807 199.40	207 373.00	30.04.2026	0.00		n/a
Michael Rouse									
LTI	30.04.2021	Conditional	47 131.00	747 026.35	94 262.00	30.04.2024	0.00		n/a
STI	31.03.2022	Unconditional	27 260.00	152 928.60	54 520.00	30.04.2023	27 260.00	992 230.40	30.04.2025
LTI	01.04.2022	Conditional	143 611.00	745 341.09	287 222.00	30.04.2025	0.00		n/a
LTI	01.04.2023	Conditional	113 045.00	880 055.33	226 090.00	30.04.2026	0.00		n/a

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REMUNERATION VS. COMPANY PERFORMANCE

RELATIONSHIP BETWEEN ACCOUNTED REMUNERATION AND COMPANY'S PERFORMANCE

Element	Unit	Δ `23 vs. `22 (%)	2023	2022	2021
Parcel volume	m pcs	+19.7%	**891.9**	744.9	517.6
Revenue*	m PLN	+25.2%	**8,862.7**	7,079.1	4,602.2
Adjusted EBITDA	m PLN	+39.4%	**2,733.1**	1,961.4	1626,4
Number of payroll employees in FTEs	FTE		**7,067**	6,123	5,274
InPost MSCI ESG Score	CCC to AAA 0 to 10	+15.8%	**A** **6.6**	BBB 5.7	BBB 4.3
InPost Sustainalitics ESG Score	Severe to Negligible 100 to 0 (lower the better)	+21.4%	**Low Risk** **17.6**	Medium Risk 22.4	Medium Risk 25.3
InPost S&P ESG Score	0 to 100	+21.6%	**45**	37	31
InPost CDP ESG Score	D- to A+		**A-**	D	
Remuneration Rafał Brzoska (CEO)	k PLN	+13.8%	**18,414**	16,175	21,202
Remuneration Adam Aleksandrowicz (CFO)	k PLN	+18.1%	**12,446**	10,535	13,326
Remuneration Michael Rouse (CEO International)	k PLN	+16.7%	**13,931**	11,940	17,784
GRI 2-21					
Average annual remuneration per FTE (incl. Payroll and social security and other benefits)	k PLN	+7.8%	**147.2**	136.6	157.6
Median employee remuneration per FTE in Poland	k PLN	+32.3%	**84.7**	64.0	56.7
CEO pay ratio according to the Dutch Corporate Governance Code**	/	+55.0%	**99.0**	63.9	58.4
GRI pay ratio (Highest paid Individual vs. median employee remuneration in Poland)	/	-14.0%	**253.6**	252.7	373.9
Ratio of the percentage increase in Annual total compensation for CEO to the percentage increase in average Annual remuneration for all employees	/	+20.0%	**1.1**	0.9	6.1

*Revenue and other operating income

**The increase in the CEO pay ratio, in accordance with the Dutch Corporate Governance Code, is due to the methodology used to recognize Long-Term Incentive Plan (LTIP) costs in Financial Statements. LTIP costs are recognized over the vesting period, which spans 36 months, from the granting date to the vesting date. This valuation method means that in 2023, the remuneration costs of the CEO will include LTIP grants from 2021 (12/36 of the actual granting costs, as the 2021 LTIP is based on 2023 EBITDA), 2022 (12/36 of the assumed on-target costs), and 2023 (9/36 of the assumed on-target costs).

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EXPLANATION OF CHANGES IN COMPANY'S PERFORMANCE VERSUS REMUNERATION

The provided table offers a clear picture of InPost's performance and the evolution of remuneration over the past three years. Key metrics such as volume, revenue, and adjusted EBITDA not only underscore InPost's overall performance, but also enable comparative analysis with other companies.

InPost has experienced considerable growth in recent years, as reflected in the increase in employee numbers, revenue, and volume growth. Since the company's IPO (based on 2020 actuals), there has been a significant growth of +188% in volumes and +251% revenues.

The company's Operational performance has also markedly improved during this period, evidenced by the 175% growth in Adjusted EBITDA since the IPO. The table clearly shows that the company's performance over the last three years has outpaced the evolution of remuneration during the same timeframe.

In 2023, the total remuneration for the Board of Management was lower compared to 2022 due to additional bonus for Michael Rouse in 2022. It's crucial to understand that actual remuneration can fluctuate annually based on the actual STI payout, the vesting of performance shares (LTI) in a given year, and the prevailing share price at the time.

RELATIONSHIP BETWEEN CEO AND AVERAGE REMUNERATION

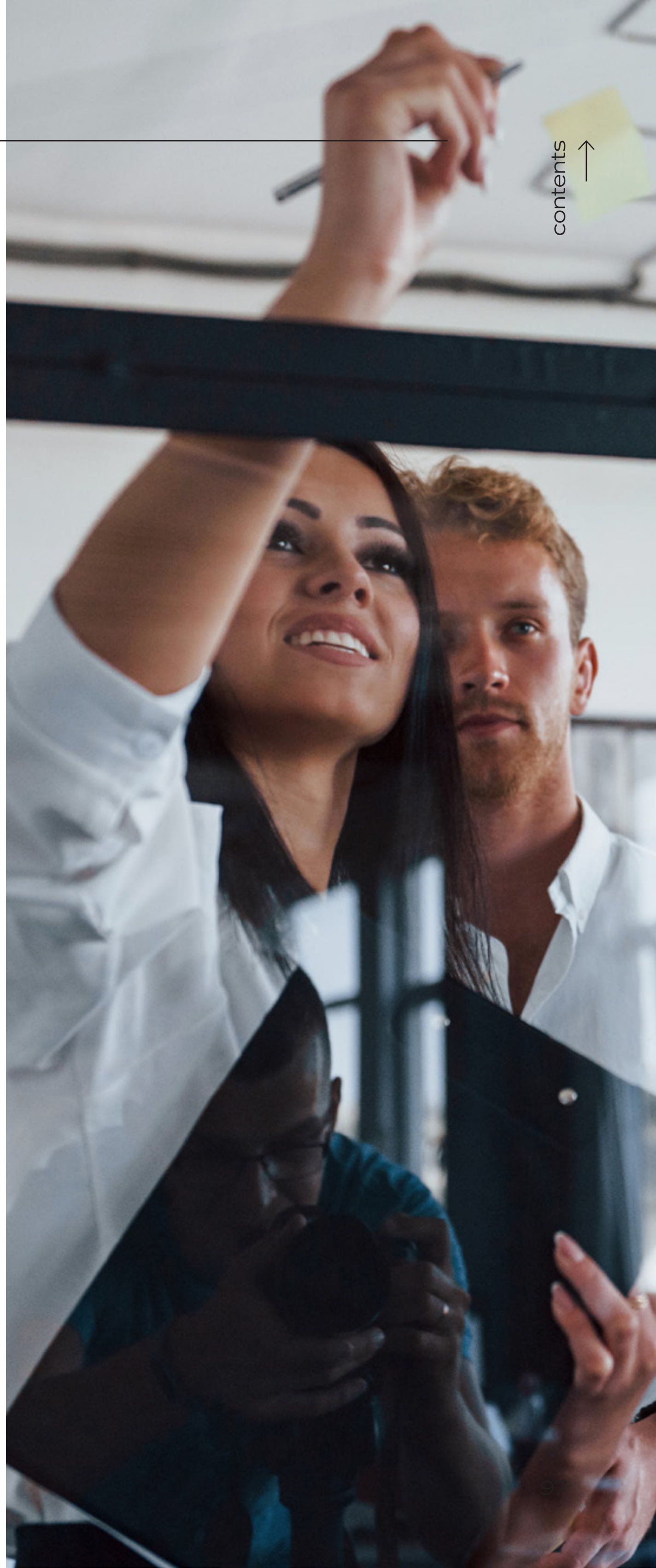
The CEO pay ratio is calculated by comparing the CEO's total remuneration, with LTIP costs alligned with financial statement (each granting valued over period of 36 months as on target) of 14,572 thousand PLN in 2023, encompassing all remuneration components, against the average remuneration of all employees. This average remuneration was calculated by dividing the total payroll expenses (including wages, salaries, social security costs, pension and retirement expenses, and share-based payments) of 1 040.5 million PLN by the average number of payroll employees, resulting in an average remuneration of 147.2 thousand PLN. This calculation method is more closely aligned with the provisions of the Corporate Governance Code.

GRI pay ratio is obtained by comparing the highest paid individual's remuneration, which includes both fixed and variable components, against median annual total compensation for all of the organization's employees in Poland excluding the highest-paid individual.

In 2023, the GRI pay ratio, declined to 217.4:1 from 252.7:1 in 2022. This decrease was primarily due to the higher growth rate of median employee remuneration in Poland relative to the growth rate of CEO remuneration.

InPost strives to offer competitive remuneration to employees at all levels within the Company. It is crucial that each level's remuneration reflects the role's responsibilities and progressively increases with additional responsibilities, in line with market practices and benchmarked against market values. At the highest levels, the increments become larger as responsibilities broaden from divisional to company/group-wide.

The Supervisory Board believes the current pay structure and the overall CEO pay ratio of 99.0:1 to be fair and equitable, considering the company's current performance.



SUPERVISORY BOARD REMUNERATION

OVERVIEW

This section of the Remuneration Report offers a detailed overview of the 2023 Remuneration Policy for the Supervisory Board, which received approval at the General Meeting on May 17, 2023. It provides in-depth insights into the execution of the 2023 Remuneration Policy for the Supervisory Board throughout the year and outlines the specific remuneration paid to the members of the Supervisory Board in 2023. The complete 2023 Remuneration Policy can be accessed in the Documents section of our website.

REMUNERATION PRINCIPLES & PROCEDURES

The 2023 Remuneration Policy for the Supervisory Board is formulated to help InPost attract and retain skilled Supervisory Board members. This diverse and balanced board is equipped with the necessary skills, competencies, and experience to supervise InPost's strategy execution effectively, with a focus on creating long-term sustainable value for all stakeholders.

The guiding principles of the 2023 Remuneration Policy for the Supervisory Board include:

1.
Attractiveness - The policy is designed to be competitive, fostering an environment that attracts and retains proficient board members by offering remuneration that reflects the market standards.

2.
Fairness - The remuneration accurately mirrors the time, effort, and expertise that the Supervisory Board members invest in their roles. This ensures that their contribution to the company is adequately rewarded.

3.
Transparency - The policy and its execution are clear and easy to understand. Every aspect of the remuneration, including its structure and components, is disclosed openly to maintain trust and integrity among stakeholders.

4.
Alignment - The remuneration policy is benchmarked against market practices to maintain competitiveness and ensure that it aligns with the industry standards.

5.
Compliance - Upholding the highest standards of corporate governance is of paramount importance. The policy adheres to all relevant regulations and governance codes.

6.
Sustainability - The policy promotes sustainability by structuring remuneration in a way that encourages long-term strategic thinking and sustainable business practices.

7.
Simplicity - The policy and its execution are designed to be straightforward and easily comprehensible, ensuring that all stakeholders can easily understand how remuneration is determined and implemented.

RENUMERATION POLICY CHANGES IN 2023

To align more closely with the Dutch Corporate Governance Code, a proposal was initiated in 2023 to revise the Supervisory Board's remuneration policy. This suggested modification, which received approval at the Annual General Meeting on May 17, 2023, mandates that board members will be remunerated solely in cash. This represents a significant shift from the preceding policy, which permitted board members to receive up to 25% of their annual remuneration in share form. This right was however never executed.

REFERENCE GROUP AND MARKET POSITIONING

The remuneration for the Supervisory Board should be competitive when compared to a corresponding reference market. This market is identified by considering a group of businesses with a two-tier board structure that are listed on the AEX Index of Euronext Amsterdam. The positioning within this group is determined by taking into account factors such as enterprise value, revenue, and the number of employees.

GRI 2-19

SUMMARY OF REMUNERATION POLICY

The Remuneration Policy, pertaining to the members of the Supervisory Board, has been formulated to ascertain that the Group not only attracts and retains a diverse and highly qualified roster of Supervisory Board members but also remunerates them suitably. The compensation provided to the Supervisory Board members is a reflection of the responsibilities incumbent upon their roles and the time dedicated to fulfilling them.

FIXED REMUNERATION

Description	Value	
Basic membership fee (not changed since 2021)	Chair of Supervisory Board	€ 220,000
	Member of Supervisory Board	€ 75,000
	Chair of Committees	€ 25,000
	In the case of Marieke Bax, over and above her role as Chair of the Audit Committee and Supervisory Board Member of InPost S.A., Ms. Bax receives an additional annual fee of € 20,000 for providing the Supervisory and Management Boards with expertise and insight into Dutch corporate governance best practices.	

EXPENSES

Description	Value
Reimbursement of reasonable expenses incurred while performing their duties, including any applicable taxes.	Depending on the level of expenses

LOANS AND GUARANTEES

Description	Value
No personal loans, guarantees, or similar financial aids will be provided.	Not applicable

SHARES AND SHARE OWNERSHIP

Description	Value
No shares or rights to shares are conferred as part of the remuneration package. Ownership of InPost shares is solely for long-term investment purposes. Any and all trading activities are strictly regulated under InPost S.A.'s Insider Trading Policy.	Not applicable

OTHER ARRANGEMENTS

Description	Value
The (re)appointment process is governed by Dutch law and the Articles of Association of InPost S.A. There are no claw-back, severance, or change in control arrangements implemented.	Not applicable

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REMUNERATION OF SUPERVISORY BOARD – TOTAL REMUNERATION

OVERVIEW

The remuneration of the Supervisory Board members based on incurred accounting expenses over last three years (amounts are in PLN thousands, compensation in Euro was unchanged over the years, differences are only due to exchange rates):

Supervisory Board	Membership fees 2023	Committee fees 2023	Proportion fixed vs. variable 2023	Total remuneration 2023	Total remuneration 2022	Total remuneration 2021
Mark Robertshaw	942.6	-	100:0	942.6	1 029.5	842.2
Mike Roth	339.6	-	100:0	339.6	351.6	343.3
Jiří Šmejc (appointed 05.10.2023)	-	-	-	-	-	-
Ranjan Sen	-	-	-	-	-	-
Ralf Huep	339.6	-	100:0	339.6	351.6	-
Marieke Bax	447.3	113.2	100:0	560.5	581.0	495.5
Cristina Berta Jones	339.6	113.2	100:0	452.8	468.8	275.0
Magdalena Dziewguć (appointed 05.10.2023)	84.9	-	100:0	84.9	-	-
Nick Rose (resigned on 13.12.2023)	-	-	-	-	-	-
Total Supervisory Board	**2,493.6**	**226.4**	**100:0**	**2,720.0**	**2,782.5**	**1,956.0**

Over the past three years, neither the current nor the former members of the Supervisory Board have been awarded any form of variable pay. This approach is consistent with our commitment to not directly link the remuneration of the Supervisory Board to InPost's performance.

This practice aligns with the remuneration principles established in 2021 and further reiterated in the updated 2023 Remuneration Policy for the Supervisory Board. This policy upholds the principle of fixed remuneration, ensuring stable and predictable compensation for board members. It reflects the role of the Supervisory Board, which entails non-executive functions and is, therefore, not directly involved in the day-to-day operations or performance of the company.

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REMUNERATION - OTHER INFORMATION

TOTAL REMUNERATION

The total annual remuneration for the members of the Management Board and the Supervisory Board, including former members, during 2023 amount to 47,511k PLN.

OTHER ARRANGEMENTS

No personal loans have been extended to members of the Supervisory Board and no guarantees or similar benefits have been offered to any members of the Management Board or the Supervisory Board.

In 2023, no severance payments were made to members of the Management Board and the Supervisory Board, and no variable remuneration was clawed back.

DEVIATIONS

The remuneration for the Supervisory Board aim to be competitive when benchmarked against a relevant reference market. This benchmark is based on a cohort of businesses listed on the AEX Index of Euronext Amsterdam that operate under a two-tier board structure. The company's positioning within this group is gauged by considering factors such enterprise value, revenue, and employee count.

SHAREHOLDER VOTING

During the 2023 Annual General Meeting (AGM), the 2023 Remuneration Policy for both the Management Board and the Supervisory Board received approval, with a significant majority of 88.57% votes cast in favor of the proposal.

The Remuneration Report for the financial year 2022 was introduced at the 2023 AGM for an advisory vote and achieved an approval rate of 87.86%. The opening message from the Remuneration Committee Chair in the Remuneration Report addresses how the committee has taken into account feedback received on the Management Board's remuneration.

In line with Dutch law, this Remuneration Report will be presented at the 2024 AGM for an advisory vote.

RISK MANAGEMENT

We treat risk management as an integral part of our long-term value creation. Therefore, in 2023, we continued to improve the Risk Management System (ERM), which is implemented in accordance with market best practices. Following comprehensive reviews during the course of the year we identified areas of focus for 2024 and beyond including extending ERM coverage to the entire InPost S.A. Group across all markets to ensure that risk is managed in an integrated and holistic manner. The mechanisms and procedures developed will allow the system to cover the entire InPost S.A. Group and manage risk in an integrated and high-level manner.

COMPOSITION OF THE RISK COMMITTEE

The members of the Risk Committee are appointed on a permanent or periodic basis by the Committee Chairman and represent different areas of the organisation and support decisions at the committee level with their knowledge and experience. In 2023, the composition of the committee has been changing, thus adapting to the current needs for making key decisions for the areas under its authority – Enterprise Risk Management, Business Continuity Plan and Insurance.

Chairman of the Committee
Vice President of the Management Board, Group CFO

Deputy Chairman
Director of Legal, Compliance & GDPR, Group General Counsel

Secretary of the Committee
Group Risk Manager

Members
Engineering Director of Global Security, Director of the Courier Operations Division, Head of the Business Process Improvement Office, Deputy Group CFO, Financial Director in PL, Director of the Office of Corporate Strategy and Strategic Projects, Financial Director in Mondial Relay

In Q2 2024, it is planned to expand the composition of the Risk Committee to include financial directors of InPost Group companies operating on foreign markets. This will increase supervision over the key project of BCMS implementation in these markets.

Meetings of the Risk Committee are held in accordance with the schedule approved at the first meeting of the year and communicated via the Intranet platform to all InPost Group employees.

In 2023, the Risk Committee held five meetings. During the meetings, the current status and changes in risks aggregated within the register were discussed. Decisions were also made on changes to the risk management system and its adaptation needs and requirements of the organisation. With regard to BCM and insurance policy, the Risk Committee has ongoing oversight of strategic decisions – the various stages of work were discussed and the most important decisions for projects were made.

At the last meeting, the Risk Management System Review Report for 2023 was also discussed, which included, among other things, sections on completed tasks, tasks planned for the next year, or an assessment of the functioning of the system. The report was further processed and approved by the Management Board of InPost S.A.

During 2023, apart from those indicated above, additional meetings of the Committee were held:

1.
Risk Deep Dive session - a workshop session involving members of the Audit Committee, Risk Committee and InPost management staff to verify the ERM framework and analyse current threats to the Group's operations.

2.
Four meetings dedicated to presenting the assumptions of the InPost Group's insurance strategy, conducted as part of the Competition for the Group's Insurance Broker.

STRUCTURE OF RISK MANAGEMENT

The ERM includes the entire management hierarchy, at the level both of individual companies and of the whole InPost Group. The Risk Committee oversees its proper functioning and receives the most up-to-date information about relevant changes related to InPost Group's corporate risks, along with quarterly reports. The Management and Supervisory Boards have a supervisory function. Each of these bodies is permitted to report new risks and direct recommendations within the scope of the ERM system.

Risk identyfication / Reporting

SUPERVISORY BOARD

MANAGEMENT BOARD

RISK COMMITTEE

GROUP RISK MANAGER
COMPANY RISK MANAGER

RISK OWNER

Risk identyfication / Recommendations

By seeking to identify the full range of relevant participants in the risk management process and assigning a role to each, the resulting ERM is targeting to deliver a comprehensive and watertight management approach.

The ERM is connected to the Integrated Management System of the Group, and the ERM's is where all areas related to risk management at InPost are brought together. As a result, dispersed risk registers built for specific parts of the business are collated, synthesised and prioritised by a unified risk management process within the organisation. This allows us to effectively manage risks identified in areas that are the most exposed and which hold key significance to InPost's strategic activities, including the continuity of strategic projects, ESG, and IT. The Enterprise Risk Management framework is also populated by risks identified through the Group's audits and internal controls (which also applies to fraud risks).

Risks identified in the areas indicated are analysed for their impact on the Group's operations (based on the ERM's methodological assumptions) and, if verified positively, are continuously monitored as part of the Group's corporate risk management process. In this way, the ERM integrates an awareness of the potential risks that may affect InPost's business and thereby helps in managing long-term value creation.

Implementing a comprehensive ERM helped significant failures in the area of risk management and internal control systems in 2023 and to minimise to minimise the likelihood risk of their occurrence in subsequent years.

Having ESG as one of InPost's strategic priorities and keeping in mind the fact that ESG risks should be analysed in a longer-term perspective, the process for this group of risks, especially those related to climate, is slightly different. The ERM includes positively verified ESG risks, but also those that might occur under changed parameters, both internal and external. It contains the continuous monitoring of ESG risks, which include factors such as a variety of newly emerging and planned regulations, rapidly changing market requirements, and the analysis and effects of climate change. The main product of the ERM system is the Corporate Risk Register, which covers both strategic risks and dispersed aggregated risks of key importance to the implementation of InPost Group's strategy.

RISK MANAGEMENT PROCESS AT INPOST

Risk management at InPost is an ongoing process defined in ERM documentation and occurring both horizontally and vertically within the Group's framework. This requires the engagement of all subsidiaries at every level of the organisation within InPost Group, regardless of scale, type or location. Each participant in the process has a defined role:

SUPERVISORY BOARD OF INPOST S.A.
The primary function of the Supervisory Board is to oversee the ERM System at InPost Group. It receives cyclical (quarterly) ERM reports via the Audit Committee and is authorised to report new risks and provide recommendations regarding the functioning of the ERM system.

MANAGEMENT BOARD OF INPOST S.A.
The Management Board of InPost S.A. is the main recipient of management information generated by the ERM system at InPost Group. Tasks related to the continuous supervision of the ERM System in the group are entrusted to the Risk Committee. The Management Board is the recipient of cyclical (quarterly) ERM reports. It is authorised to report new risks and provide recommendations regarding the functioning of the ERM system.
Once a year, the Management Board reviews the Enterprise Risk Management System and prepares a report with an assessment of the system's operation.

MANAGEMENT BOARD OF EACH INPOST GROUP ENTITY
The Management Board of each InPost Group supervises the ERM Policy and Methodology at the Group level. As part of this responsibility, the Board receives and analyses reports related to risk management in the Group that are forwarded by the Group Risk Manager.

RISK COMMITTEE
Appointed by a resolution of the Management Board of InPost S.A., the Risk Committee functions within the scope of the rules and regulations defined for it in relation to the ongoing supervision of the ERM system at InPost Group. The Risk Committee receives updated information about all relevant changes in the corporate risks of the Group as well as cyclical (quarterly) reports within the scope of ERM. It is authorised to report new risks and make recommendations regarding the functioning of the ERM system.
The Committee's competences also include issues related to the operation of the Business Continuity Management System and the Insurance Policy.
The Risk Committee is a consultative body serving the InPost Management Board on issues related to risk management, business continuity and shaping the insurance policy of the InPost Group.

RISK MANAGER FOR INPOST GROUP
The Risk Manager is appointed by a resolution of the Management Board of InPost S.A. He or she is the owner of the ERM process at the level of InPost Group, and coordinates all activities related to the implementation of the ERM Policy and Methodology

COMPANY RISK MANAGER
The Company Risk Manager coordinates activities related to the implementation of the ERM Policy and Methodology and is the owner of the ERM process at the company level

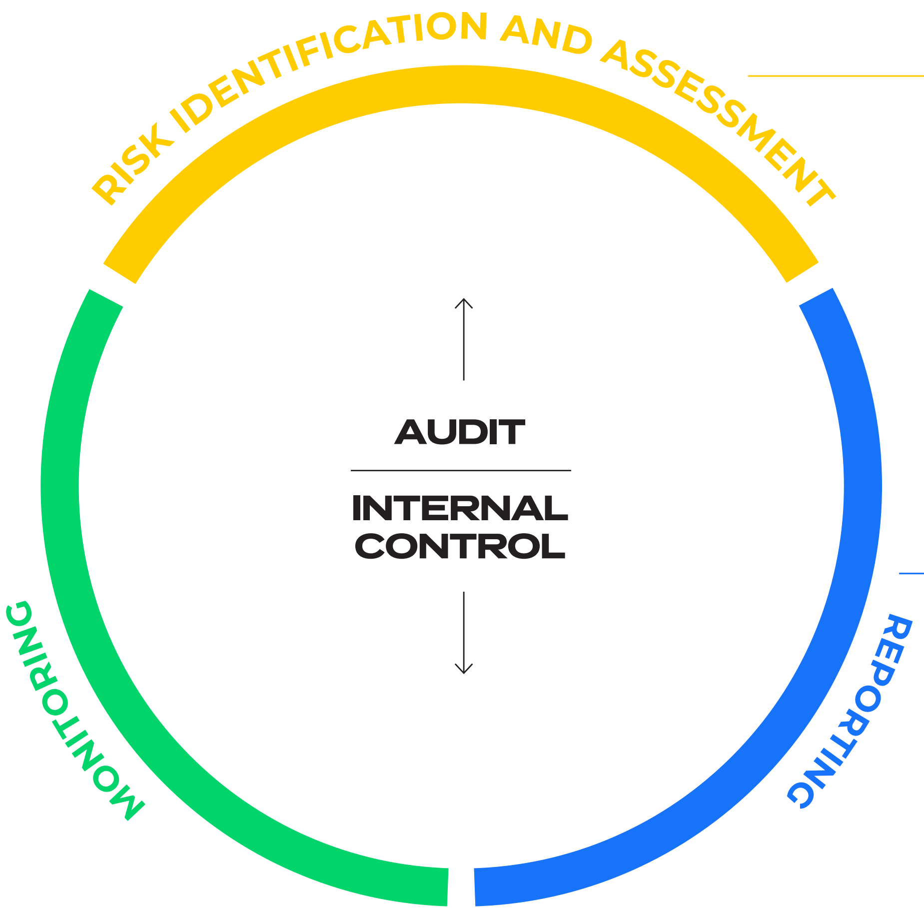
RISK OWNER
The Risk Owner performs an operational function related to the implementation of the ERM Policy and Methodology through ongoing management of the Enterprise Risk, of which it is the owner. This includes taking actions aimed at reducing the likelihood and effects of risks materialising, cyclical risk assessment, and current reporting of operational events and monitoring of risk status. The owner reports to the Company Risk Manager.

INTERNAL AUDIT
The Internal Audit performs a supporting function in relation to the ERM System and at the receives information resulting from the InPost Group Risk Register. This applies to the provision of information on identified risks during audits and the provision of the current Risk Register by the Risk Manager.

CONTROL TEAM
In the ERM process, this team provides the Group Risk Manager with information on risks that may be covered by the ERM system and have been identified by control activities. It obtains information about the risks included in the InPost Group Risk Register and mitigation actions assigned to them, and it controls the effectiveness of the mitigation actions taken as part of a given risk, forwarding the control results to the Risk Manager for InPost Group.

THE SEQUENCE OF THE ERM PROCESS IS BASED ON THREE KEY STEPS:

1. Risk identification and assessment
2. Monitoring
3. Reporting



Risk identification and assessment

- Risk assessment
- Definition of mitigating actions
- Designation of Key Risk Indicator and definition of Risk Appetite

Monitoring

- Review of risk assessments
- Review of mitigating actions
- Update of risks

Reporting

- Aggregation of Monitor data
- Preparation of Risk Manager's report
- Presentation of report to Risk Committee / Management Board / Supervisory Board

Supervisory Board | Management Board | Risk Committee | Risk Manager | Risk Owner

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GRI 2-25

At the identification and assessment stage, each of InPost Group's employees, workers and managers can report potential risks in their business area by submitting information about them to the local Risk Manager of the respective entity or to a publicly available e-mail address assigned directly to the InPost Group Risk Manager. InPost's ERM risk identification stage takes a two-way approach. This means that risks can be identified and reported both by InPost Group employees and workers (a bottom-up approach) and by the Supervisory Board, Management Board and Risk Committee a top-down approach.

With the support of the entity's Risk Manager or the Group Risk Manager, the notification of a potential risk is verified in the context of the Corporate Risk Register and the impact that a potential risk materialising would have the entity's and InPost Group's operations. If the verification is positive, a business owner is assigned to the risk, and involved in subjecting the risk to a multidimensional assessment (on a 4x4 matrix)

At the identification and assessment stage, also a risk management strategy is defined for each risk. It is defined by the Risk Owner taking into account available tools to prevent or limit exposure to a given threat. The strategy indicated by the Risk Owner is finally verified by the Group Risk Committee.

PROBABILITY				
4 very high	MEDIUM RISK	KEY RISK	KEY RISK	CRITICAL RISK
3 high	LOW RISK	MEDIUM RISK	KEY RISK	KEY RISK
2 medium	LOW RISK	MEDIUM RISK	MEDIUM RISK	KEY RISK
1 low	LOW RISK	LOW RISK	LOW RISK	MEDIUM RISK
MAX VALUE OF THE IMPACT ASSESSMENT	1 low impact	2 moderate impact	3 high impact	4 very high impact

The following points are estimated as part of the evaluation:

1.
Probability of materialisation.
Indicator described in two categories:

1. as a percentage of the possibility of a given risk materialising.

2. as the time frame in which the risk may materialise.

2.
The effect of materialisation:

financial (expressed as a sum and calculated annually as a percentage of the Group's net profit)

reputational (described in a scenario)

environmental (described in a scenario)

in terms of employee health and safety (described in a scenario)

In the process of identifying and assessing climate risks, InPost uses the list of potential risks in the whole value chain (own operations, upstream and downstream activities) presented in the TCFD recommendations (page 324). Additionally, we used the results of support from external experts to develop a list of potential risks (updated in 2022) and scenario analyses that were carried out in 2021, and are considered to be still valid. Scenario analysis is used to identify medium and long-term risks and to assess them in this perspective. Due to its specificity, this assessment is carried out by the Decarbonisation Team and, if necessary, consulted with relevant areas of the company and is performed outside the ERM system.

The monitoring and reporting process involves all levels of Group management.

Participant in the risk management process	Frequency
Supervisory Board	Receives quarterly report
Management Board InPost SA	Receives quarterly report
Management Board of each InPost Group entity	Receives quarterly report
Risk Committee	Receives quarterly report
InPost Group Risk manager	Ongoing
Each entity Risk manager	Ongoing
Risk owner	Ongoing
Internal Audit	Ongoing
Controls Team	Ongoing

The ERM system helps identify risks, including those within the scope of audits and internal controls conducted within the Group. The information on the functioning of the internal audit and its cooperation with Audit Committee are presented in the Audit Committee Report section.

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IMPLEMENTED ACTIVITIES AND CHANGES IN THE ERM SYSTEM IN 2023

The Enterprise Risk Management System, functioning in its current form, performs a number of tasks specified in the ERM Policy and Methodology. Taking into account the specific nature of InPost's operations, we are open to changes to adjust the operation of the system so that it best fulfills its role in the organisation.

For the smooth functioning of the system, at the beginning of the year we organised dedicated training sessions for process participants and the entire organisation as a whole. Nearly 94% of employees participated in sessions. These were designed to introduce the topic of risks and to outline the purpose of the risk management system and the various roles and responsibilities of its participants. All levels of the organisation's management are involved in the operation of the ERM, hence the importance of knowing about the system and how it works. In 2023, numerous meetings and workshops were conducted with owners of the areas and processes most at risk. The result of this work is the Risk Register, which has been maintained and is still being developed, and in which we currently track 46 risks from different areas of the business.

The operation of the ERM system, while maintaining the best possible market practices should be maximally tailored as to the specifics of the organisation's operations, in order to be a realistic tool for planning and organisation at the highest levels of management. Therefore, in August 2023, the Management Board of InPost S.A. approved the revised Policy and Methodology for *Corporate Risk Management* at InPost Group S.A. The main reason for the changes was to adapt the operational activities of the system to the needs of the organisation and to prepare for the planned 2024 rollout of the system to the remaining InPost Group companies.

The updated documentation includes:

- change of the risk register review cycle from monthly to quarterly
- change in the template of the risk register
- change of scale and currency in the valuation of financial effects of risk materialisation
- addition of groups of risks, which facilitates monitoring of risks and allocation of risk-mitigation resources

As part of the aforementioned aggregation of various risk registers, ESG-specific risks were implemented into the corporate risk register in 2023. They are priced according to various time horizons (2025, 2030, 2050) and in terms of two constructed scenarios of average temperature increase: the 1.5°C scenario and the 4°C scenario. The risks are presented on pages 113, 114.

The continuous development of the ERM system was also enabled by close cooperation and mutual exchange of information with the Internal Audit and Internal Control Teams. The Risk Team updated the Risk Register data on an ongoing basis, while both Audit and Controls provided the Risk Team with identified risks resulting from audits and controls. Such activities enabled the introduction of a new risk category - Fraud & corruption - in 2023, and the identification of such risks in vulnerable areas.

In 2023, the group structures responsible for risk and business continuity management were merged with the structures responsible for arranging insurance coverage. This action covered all Group companies, and its effect was to improve the flow of information necessary to dynamically respond to changes in the exposure to insurable risks of InPost Group. As part of the transformation of the risk and insurance area in 2023, a competition for the Group's insurance broker was also held, entrusting this function to the Marsh McLennan Group, which as of Q2 2024 will be responsible for arranging insurance coverage in all lines of insurance for all companies of the InPost Group.

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RISK MATRIX

In 2023, a number of external and internal events and trends were observed, that generated risks for the operations of the InPost Group.

Based on them, at the end of 2023, the InPost Group Risk Register defined 46 risks classified four main groups:

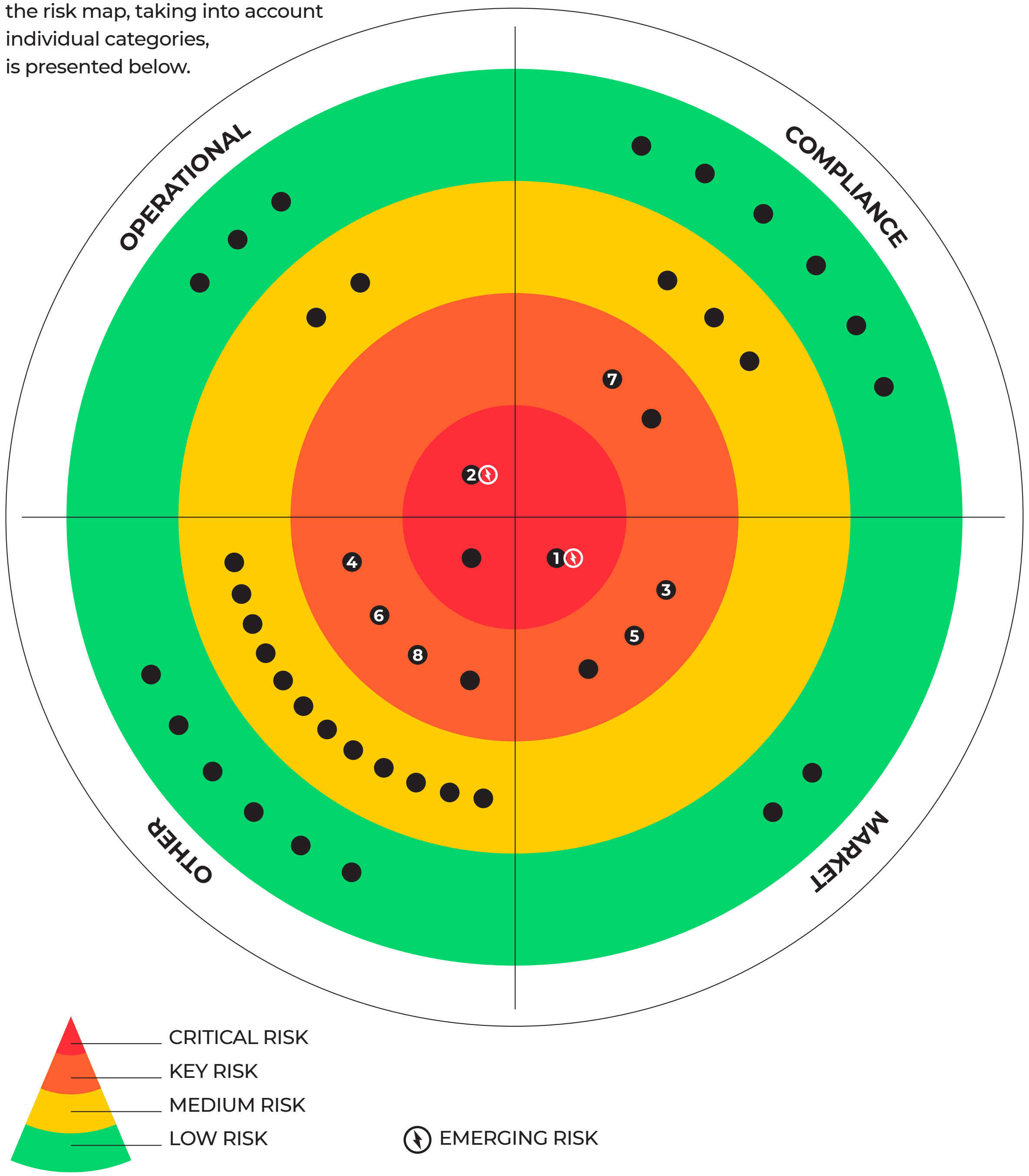
1.
Operational - mainly internal risks, resulting from the specifics of the business model adopted and projects implemented

2.
Compliance - risks arising from legal conditions, both internal and external, as well as risks related to the compliance of implemented processes with applicable legal regulations

3.
Market – risks arising from market conditions, changes in the areas of demand and supply, and competition

4.
Others – other risks associated with InPost's operations

The structure of risk distribution on the risk map, taking into account individual categories, is presented below.



Compared to 2023, the number of identified risks doubled (from 23 to 46). The number of reported incidents regarding individual threats and the scope of mitigating activities carried out to reduce them have also increased significantly. The observed trend is related to the development of a risk management culture within the entire InPost Group.

From 2023, the InPost Group estimates the financial impact of the materialization of each risk, which allows the valuation of the Group's exposure to a single threat and the total exposure of the InPost Group to risk. The estimation is made by risk owners based on the worst-case scenario of the materialization of a given risk.

The risk appetite was assessed for each individual risk, and exceeding this threshold indicates the materialization of the risk. Due to InPost's general strategy, there is a significant variation in risk appetite for individual Operational, Market, and Other risks. Risks related to Compliance, or those linked to Financial Risks, are characterized by low or very low risk appetite and a prudent approach towards them. The appetite level for Climate & Biodiversity risks ranges from very low to moderate.

According to the December 2023 valuation, the Group's total risk exposure was estimated at €1,131 M.

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The greatest financial impacts were attributed to critical and key risks, which are presented below

DEFINITION	DESCRIPTION	RISK GROUP	RISK RATING	KRI (KEY RISK INDICATOR)	POTENTIAL FINANCIAL IMPACT	RISK TREND	STRATEGY FOR RISK MANAGEMENT	MITIGATING ACTIONS
1. **Risk of failure in implementing the InPost business model on international markets** EMERGING RISK	The inherent risk of InPost's business model. There is a risk that the business formula based on deliveries via APMs will not work in some international markets, where the public is accustomed to courier deliveries. Misrecognition of the market and attempts to enter the market in countries where customers will not use delivery via APM generate the risk of financial expenses being incurred without an adequate return on investment.	Market	Critical risk	Expected shipment volume for the year compared to planned budget.	high impact	→ no incidents reported, rating unchanged	Mitigation	1. Analysis of the market and customer preferences before entering a particular market 2. Preparation of Business Case for new markets including Due Diligence in case of M&A 3. Approval of key decisions by the Management Board and Supervisory Board 4. Development of international cooperation on a group scale (e.g. Vinted) 5. Verification of X-border flows 6. Diversification of services (PUDO outside APM and supplementing with courier services).
2. **Risk of failure to implement strategic investment projects (new business lines and new products)** EMERGING RISK	The risk stems from the lack of a formal decision path related to the launch and implementation of investment projects, especially including the lack of preliminary analyses of capital expenditures (especially for new business lines or new solutions), costs incurred, and the rate of return on investment. The materialisation of this risk may result in financial losses due to the failure of the project, an increase in assumed investment costs, and image losses due to misguided decisions implemented as part of the project.	Operational	Critical risk	Deviation in the level of EBITDA compared to assumed plan in cases of new business lines.	high impact	→ no incidents reported, rating unchanged	Acceptance	1. Market analysis and customer preferences supported by external resources 2. Preparation of Business Case for new markets including Due Diligence in case of M&A 3. Approval of key investment projects by Management and Supervisory Board 4. Monitoring of budget execution 5. Monitoring on a weekly basis of key initiatives
3. **The risk of concentration of revenues with InPost's key customers**	Concentration of revenues in a narrow group of key clients may result in strengthening the negotiating position of these entities - at the time of concluding contracts with merchants, they may try to enforce cooperation conditions that are unfavourable to InPost, and if one or more such contracts are terminated suddenly, InPost's profitability will drop drastically.	Market	Key risk	Share in the volume of shipments generated by key Merchants compared to total volume.	high impact	→ no incidents reported, rating unchanged	Avoiding	1. Farming activities 2. New business lines and new products 3. Portfolio diversification and implementation of new business lines focused on smaller clients. 4. Improving the quality of services and strengthening the brand image on the market.

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DEFINITION	DESCRIPTION	RISK GROUP	RISK RATING	KRI (KEY RISK INDICATOR)	POTENTIAL FINANCIAL IMPACT	RISK TREND	STRATEGY FOR RISK MANAGEMENT	MITIGATING ACTIONS
4. **Risk related to the possible failure of the SAP project**	The SAP implementation project covers a total of five countries of the InPost Group (pilot Poland and then France, Italy, UK and Luxembourg). The implementation of the project is planned for two years (the system will be launched at the beginning of 2025) and the launch of three modules – Finance&Controlling, Purchasing, Sales. The project team is involved in the project both on the part of InPost and the external consultant Capgemini. There is a risk that the project will not be implemented for various reasons, which may result in InPost incurring financial losses in connection with the incurred expenditures and works.	Others	Key risk	A delay in the project schedule negatively impacting system's go-live date.	medium impact	→ no incidents reported, rating unchanged	Mitigation	1. Appointing an Operational Committee with a high- level view on cross-stream issues 2. Creating a forum where the BPOs may meet to discuss the shape of the final processes 3. Implementing the „comply with the standards" principle with business / team projects, reinforced by each BPO and InPost Project sponsor 4. Verifying needs for business changes by Capgemini experts 5. Regularly coordinating with parallel project in terms of milestones and require-ments 6. Early involvement of people responsible for individual systems in teams wor-king on particular processes 7. Agile approach to designing the ultimate solution 8. Detailed planning to be communicated ahead to process teams 9. Direct communication with SAP in order to properly model the standard solu-tion for KSeF into InPost target processes 10. Dedicated permanent resources on the project in the roles of business process owners and Transformation/Process Excellence Team 11. Strong Group CFO engagement & Executive Team support (big rock project prioritetization) 12. Additional monitoring from Audit Committee a quarterly basis
5. **Risk of sudden development of competing APM networks based on the InPost business model**	With the development of e-commerce and the high profitability of the business model used by InPost, there is a risk that InPost's existing competitors in the courier services market will significantly and abruptly increase spending on the development of their own APM networks. The market may also see the emergence of new players from within or outside the industry (e.g., large e-commerce chains) with significant financial resources to rapidly develop their own APM networks. The actions of other providers and their dynamic and rapid development may give reason to reduce the scale of InPost's operations. The strengthening of competition in the field of delivery may also result in an exodus of some customers to other suppliers, which will translate into a decrease in revenue and deterioration of InPost's financial performance. This risk may also be the result of state interference, whether direct (via legislation) or indirect (via the financial position of state-owned companies) in InPost's business model.	Market	Key risk	Growth dynamics of major com-petitors.	high impact	→ no incidents reported, rating unchanged	Acceptance	1. Own expansion activities 2. Signing contracts with various networks 3. Testing new machines/solutions 4. Improving the quality of services and implementing accompanying products / services not offered by competitors.
6. **Risk of attack (external or internal) on IT systems or infrastructure**	The risk of a hacker attack (external or internal) on IT systems or infrastructure aimed at: 1. Interception of access to the console and remote (unauthorised) opening of lockers multiple parcel lockers; 2. Blockades of key IT systems supporting operations; 3. Data encryption in critical areas; 4. Compromising the data of the company's clients and contractors.	Others	Key risk	Number of unhandled security incidents.	high impact	→ no incidents reported, rating unchanged	Mitigation	1. Preparing DRP plans and including them in the Business Continuity Manage-ment System - a combined response to system unavailability caused by an attack. 2. Performing switching tests 3. Implementing, testing and fine-tuning the security system. 4. Conducting vulnerability audits and penetration tests. 5. Conducting IT Sec training; OnBoarding of new employees with elements of IT Sec 6. Insurance transfer of the effects of risk materialization under Cyber insurance.

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DEFINITION	DESCRIPTION	RISK GROUP	RISK RATING	KRI (KEY RISK INDICATOR)	POTENTIAL FINANCIAL IMPACT	RISK TREND	STRATEGY FOR RISK MANAGEMENT	MITIGATING ACTIONS
7. **The risk of violating the provisions of the General Regulation on the Protection of Personal Data (GDPR) both in terms of "breach of personal data protection", i.e. violation of confidentiality, availability, integrity of personal data and violation of any of the pillars of the GDPR, the basis for processing personal data or non-performance of any of the provisions European and national data protection regulations**	Inherent risk resulting from failure to meet any of the requirements set out in the GDPR, the *Personal Data Protection Act* and other executive acts, or the inability to demonstrate compliance with the above. The risk can be defined internally – as intentional or unintentional disclosure of information by employees of sensitive data, caused by too much access to data stored in the organisation's IT systems, and externally – the possible use of confidential company data as a result of hacking attacks on databases. Presented list also shows 2 emerging risks, related to the InPost operating model based on the dynamic development of the APM network and the concentration of the main investment directions on the selected operating model. While this direction of development is currently working and brings a high rate of return, InPost sees the possibility of changes in the market caused by, among others, change in consumer purchasing behavior resulting in a decline in interest in this form of last mile deliveries. Although the impact of the materialization of these threats in financial terms was assessed very highly, the materialization perspective was set in a long-term perspective (over 3 years).	Compli-ance	Key risk	The number of proceedings conducted by Personal Data Protection Office ended with a negative decision for the InPost Group.	very high impact	↗ incidents at risk noted	Avoiding	1. Ongoing support from external law firms 2. Procedures, instructions, internal regulations in the field of Data Protection 3. Keeping the RPDP (Register of Personal Data Processing Activities), which is an inventory of all personal data processing processes, including their legality 4. Performing regular data protection impact assessments 6. Procedures and mechanisms are implemented to notify Personal Data Protection Office as well as data subjects about possible personal data breaches 7. Audits/controls carried out by advisory/consulting companies regarding the protection of personal data 8. Granting authorisations to process personal data to persons appointed to work on personal data, including persons employed under civil law contracts 9. Mandatory trainings are conducted for employees and persons employed under civil law contracts in the field of personal data protection 10. Securing assets (e.g. computer hardware and other resources) used to process personal data in a manner appropriate to the conducted risk analysis (adequate to threats) 11. In IT systems used to process personal data, we ensure the accountability of users' activities (i.e. assigning a specific activity performed on personal data to a specific user and locating it in time) 12. Protection against malware 13. Making backup copies of personal data 14. Continuous improvement of the Information Security Management System
8. **Risk of being accused of greenwashing in marketing communication to customers regarding the Group's impact on the climate**	Penalties could be imposed based accusations of: - incomplete, unauthorised or unreliable presentation of the impact of activities on the environment / climate (not based on Life Cycle Assessment (LCA) analysis or not reflecting all significant impacts), or - non-transparent or incomplete information to consumers about these impacts, which results in making the wrong purchasing decisions and choosing a company with an incorrect assumption about its lower environmental impact. At the same time, UOKiK draws attention to the use of words and symbols: green, sustainable, less impactful, etc. Rules for imposing financial penalties depend on the violation and may amount to up to 10% of the organisation's revenues.	Others	Key risk	Number of publications/ statements that may result in being accused of greenwashing.	high impact	→ no incidents reported, rating unchanged	Avoiding	1. Greenwashing training for employees 2. Acceptance of publications/press releases/campaigns by Legal Department/ external audit 3. Acceptance of publications/presses by ESG/marketing experts 4. Preparation of materials regarding the principles of ESG communication for the company

The main areas of threats arising from the business environment are those related to the InPost Group's main competitors dynamically developing their APM networks, creating pressure to reduce costs and increase the quality of services. Another consequence of increased competition on the last-mile delivery market is the tightening of cooperation with the Group's key clients and the ongoing concentration of revenues, which constitutes a risk to the Group's operations.

An increasing opportunity and, simultaneously, threat to large business entities is the development of various uses of Artificial Intelligence (AI). This also applies to the InPost Group. In this respect, potential benefits are observed in the use of AI in optimising and automating certain business processes. On the other hand, the InPost Group also identifies cases of AI interference in the business security and integrity of the Group's data, which can undoubtedly be treated as a risk in the development of this technology. The InPost Group constantly identifies and assesses risks arising from the development of AI and implements appropriate mitigating actions. Due to the ongoing work in this area in 2023, detailed disclosure of AI risks and the mitigation actions assigned to them will be disclosed in the next report.

Due to the nature of the business and the continuous development of technology, cybernetic risks remain a very important threat to the InPost Group. This applies in particular to attacks on critical IT systems and infrastructure, which may lead to the limitation or suspension of the continuity of critical business processes or the disclosure of critical data (including personal data).

Negative changes in the external macroeconomic environment (changes in interest rates and exchange rates), affecting the costs of intra-group transactions and debt servicing costs, remain a significant risk for InPost's operations. More on this topic is included in the section on financial risks.

Another significant threat to the InPost Group's operations is the rapid legal changes, both in local law (for individual business markets) and international law, mainly in the field of ESG. The high dynamics of changes causes, on the one hand, exposure to the risk of non-adjustment of the Group's internal regulations to the new requirements of local law (e.g. regarding the APM network development process), and on the other hand, it determines the need to implement large-scale projects aimed at ensuring compliance of activities with new ESG requirements.

Internal risks result from the dynamics of changes in the market and regulatory environment of the InPost Group and the ongoing process of transformation into an international group. In this area, in particular, there is a risk of failure to implement key and large-scale business and infrastructure projects, the failure of which may result in a loss of invested capital.

The InPost Group constantly monitors the internal and external environment of the organisation in order to identify new and change the strategy for managing current risks. One of the effects of such action is the ongoing integration of risk identification and management areas (e.g. ESG, fraud, project) within the InPost Group Enterprise Risk Management System. Each of the identified risks is also analysed on an ongoing basis in terms of development trends (based on the assigned individual KRI) and emerging incidents, and all cases of escalation are analysed at the Risk Committee and Management Board level.

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CLIMATE & BIODIVERSITY RELATED RISKS & OPPORTUNITIES

GRI 201-2

As part of the aforementioned aggregation of various risk registers, ESG-specific risks were implemented into the corporate risk register in 2023. They are rated according to the assumed time frame (2025, 2030, 2050) and in terms of two constructed scenarios of average temperature increase: the 1.5°C scenario and the 4°C scenario.

Climate scenario analysis

In 2021, InPost performed a climate scenario analysis. The goal of the process was to inform the identification and assessment of climate-related risks and opportunities and to comply with the Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). InPost has constructed two scenarios, that represent plausible, but differing outcomes in regard to global emission pathways and the resulting mean temperature rise: a 1.5 °C scenario and a 4 °C scenario.
The key assumptions regarding the scenario analysis and risk and opportunity assessment methodology are presented in the table here.

1.5°C SCENARIO[1]

Transition risks dominate

1. Globally coordinated effort to decarbonise in line with the Paris Agreement
2. Strict emerging regulation to limiting use of fossil fuels
3. Transition towards more sustainable and less resource-intensive lifestyles
4. **Rapid decline in costs of key green technologies** (EV and hydrogen)

[1] Based on the Intergovernmental Panel on Climate Change (IPCC) scenarios: RCP 2.6 and SS1 and the Nationally Determined Contributions (NDCs) submitted by the European Union.

4°C SCENARIO[2]

Larger physical impacts

1. Climate policies limited to the current regulation
2. Continued use of fossil fuels and energy-intensive activities
3. Unsustainable and energy-intensive consumption patterns
4. More visible physical effects of climate change

[2] Based on scenarios by the Intergovernmental Panel on Climate Change (IPCC): RCP 8.5 and SSP5.

Scenarios cover risks and opportunities relating to the transition towards a low-carbon economy, as well as risks associated with physical impacts of climate change. For InPost's operations, this meant accounting for, inter *alia*, the potential establishment of a new Emission Trading System (ETS) for buildings and transport within the EU. Regarding physical effects of climate change, the Group has analysed impacts related to all countries in which it operates using publicly available data, focusing on Southern Europe and the Mediterranean region, which is most vulnerable to mean temperature rise and extreme heat.
Climate opportunities are not yet included in the ERM system but have been rated on the basis of an analogous probability and impact scale. The identification and assessment of opportunities was carried out by the ESG, Decarbonization, Marketing and Strategy teams. Most of the key climate opportunities have been reflected in the ESG Strategy.
The following pages contain our key climate- and biodiversity-related risks and opportunities rated as critical or key risk/opportunity in either the short-, medium-, or long-term perspective.

OUR KEY CLIMATE AND BIODIVERSITY RELATED RISKS AND POTENTIAL IMPACTS ON GROUP'S FINANCIAL RESULTS

DEFINITION	DESCRIPTION *LOCATION IN THE VALUE CHAIN* *POTENCIAL FINANCIAL IMPACT*	RISK GROUP *CATEGORY*	RISK RATING *POTENTIAL FINANCIAL IMPACT FIGURE*			RISK TREND	STRATEGY FOR RISK MANAGEMENT	MITIGATING ACTIONS
			2025 – 1.5°C 2030 – 1.5°C	2025 – 4°C 2030 – 4°C	RATING TREND 2050 1.5/4°C			
Risk of being accused of greenwashing in marketing communication to customers regarding the Group's impact on the climate	Penalties may be imposed based on accusations of: - incomplete, unauthorized or unreliable presentation of the impact of activities on the environment / climate (not based on Life Cycle Assessment [LCA] analysis or not reflecting all significant impacts), or - non-transparent or incomplete information to consumers about these impacts, resulting in them in making wrong purchasing decisions and choosing a company with an incorrect assumption of its environmental impact. At the same time, UOKiK draws attention to the use of words and symbols: green, sustainable, less impactful, etc. The rules for imposing financial penalties depend on the violation and may amount to up to 10% of the organization's revenues. *Impact on own operations* *Financial impact: decreased capital availability, decreased revenue*	**ESG** ***Reputational*** ***Climate & biodiversity risk***	Key risk *EUR 17m* Medium risk *EUR 17m*	Key risk *EUR 17m* Medium risk *EUR 17m*	↓ ↓	2025, 2030, 2050 no incidents reported, rating unchanged	Avoiding	· Greenwashing training for employees · Acceptance of publications/ press releases/campaigns by Legal Department/ external audit · Acceptance of publications/press releases ESG/marketing experts · Preparation of materials regarding the principles of ESG communication for the company · Costs of actions taken: no significant additional costs
Increased operating expenditure due to introduction of a carbon tax and/or a cap-and-trade system on transport sector and buildings.	Introducing carbon taxes and ETS may affect transport sector competitiveness, potentially requiring additional investments in low-carbon solutions. The cost of outsourced courier services may increase. The Group may have a limited ability to pass on additional costs to end users. The risk of an increase in the costs of construction and/or rental of offices, sorting plants and warehouses in connection with the extension of the EU-ETS to buildings and a possible revision of the EU targets for the recovery of materials from construction and demolition waste, as well as the revised energy efficiency standards for buildings in the UK *Impact on own operations and supply chain* *Financial impact: increased operational and capital cost*	**ESG** ***Policy and legal***	Low risk EUR 0 Key risk EUR 21m	Low risk EUR 0 Key risk EUR 21m	↓ ↓	2025, 2030, 2050 no incidents reported, rating unchanged	Mitigating	· Monitoring of draft regulations · Introduction of electric cars and low emission cars · Improved energy efficiency · Installation of photovoltaic panels in branches · Analysis of the purchase of electricity in the PPA model · Costs of actions taken: detailed processes for tracking the costs of implementing mitigation activities will be introduced in 2024

The table above summarizes key so far identified climate and biodiversity risks. These may be subject to change in future.

There are other risks identified (including physical risks). However, the table above presents only the ones that we believe are key based on our current judgement.

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OUR KEY CLIMATE-RELATED OPPORTUNITIES AND POTENTIAL IMPACTS ON GROUP'S FINANCIAL RESULTS

DEFINITION	DESCRIPTION *LOCATION IN THE VALUE CHAIN* *POTENTIAL FINANCIAL IMPACT*	OPPORTUNITY GROUP *CATEGORY*	OPPORTUNITY RATING *POTENTIAL FINANCIAL IMPACT FIGURE*			OPPORTUNITY TREND	STRATEGY FOR OPPORTUNITY MANAGEMENT	REINFORCING ACTIONS
			2025 – 1.5°C 2030 – 1.5°C	2025 – 4°C 2030 – 4°C	RATING TREND 2050 1.5/4°C			
Increased revenue due to shifts in consumer preferences towards pro-environmental solutions	Increased revenues from environmentally conscious consumer increased demand for low-carbon delivery services, e.g. delivery to APMs, low or zero emission transport	**ESG** ***Products and services***	Key opportunity *EUR 16m* Critical opportunity *EUR >25m*	Key opportunity *EUR 16m* Critical opportunity *EUR >25m*	↑ =	2025, 2030, 2050 no incidents reported, rating unchanged	Reinforcing	· Realisation of ESG and Decarbonisation Strategy. · We are a developing climate label programme for our merchants products and (part of ESG Strategy). • Costs of actions taken: detailed processes for tracking the costs of implementing opportunity activities will be introduced in 2024

Potential financial impact figures of our key climate-related risks and opportunities estimations:
Risk 1: The potential financial effect is calculated as the maximum possible penalty (in the biggest market in InPost Group – Poland) awarded by the Office of Competition and Consumer Protection (UOKiK). We consider the maximum penalty to be a possibility given the serious nature of the infringement, with the level of the fine ranging from 0.2 to 1% of revenues - i.e., 1% of InPost Group's 2022 turnover
Risk 2: Increased operating expenses were calculated based on the estimated volume of emissions in 2030 from transportation - 414,000 tCO2e. Emissions from buildings are considered to be less significant from the perspective of this estimation. The cost of emission allowances was set at EUR 50 based on the report

Opp 1: At least 1% of our revenues (management judgment) are connected with our pro-environmental services (delivery to APM, ESG and Decarbonisation Strategy etc.). InPost Group's 2022 turnover was used in calculation. We anticipate that this percentage will increase in the coming years.

Potential financial impacts represent the annual impact on revenues or costs.

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BASIS OF CORPORATE GOVERNANCE

GRI 2-23 GRI 2-24

POLICIES IN PLACE

InPost Group is consistently refining and developing its compliance system, which encompasses various procedures, solutions, and company roles. This continuous improvement aims to express and embody the values that guide us, such as honesty, integrity, respect, and a commitment to conduct business ethically. The Code of Conduct serves as a foundational policy for InPost Group, establishing the standards of behaviour and providing a framework for other policies within the organisation. It embodies core values such as integrity, anti-corruption, effective and ethical interactions with third parties, reporting irregularities, fostering an antidiscrimination environment, promoting diversity and equal treatment. The corporate governance of InPost Group is structured around a collection of policies designed to improve operational transparency. These policies not only adhere to international laws but also align with the highest industry standards. Moreover, the Group maintains vigilant oversight of emerging local and international regulations.

Each document forming the Compliance System must be adopted by the Management Board of InPost S.A. and approved by the Supervisory Board. The current list of policies that constitute the compliance system can be found on InPost's corporate website (https://inpost.eu/investors/documents). The policies and codes were comprehensively discussed and were accepted by stakeholders across the different markets in the Group, ensuring they meet local demands effectively. Potential violations of the Compliance System can be reported by stakeholders to the Compliance Officer, on the terms specified in detail in the Whistleblowing policy.

INPOST GROUP COMPLIANCE SYSTEM

1. Code of Conduct
2. Insider Trading Policy
3. Anti-Harassment and Anti-Discrimination Policy
4. Whistleblower Policy
5. Supplier Standards of Conduct
6. Deviations from the Dutch Corporate Governance Code

Every staff member is obliged to comply with the rules and principles of each of the policies in the Compliance System. Therefore, they are widely communicated, and the Compliance System is supported by a set of mechanisms and trainings to mitigate risks of breaches and negative impact on the Group's operations and work environment. In case of any suspicious activities, each Staff member is obliged to report it to the Compliance Officer.

The Compliance System is supported by a set of principles and policies, where the new additions in 2023 were: the Group's Stakeholder Engagement Policy and the Social Engagement Policy, which support engagement with the Company's stakeholders. To read more about Stakeholder Engagement go to Page 264.

IMPLEMENTED OR UPDATED IN 2023:

1. Anti-Fraud Policy,
2. Diversity, Equity & Inclusion Policy
3. Stakeholder Engagement Policy
4. Social Engagement Policy

CODE OF CONDUCT

The Code of Conduct serves as a foundational policy for InPost Group, establishing the standards of behaviour and providing a framework for other policies within the organisation. It embodies core values such as integrity, anti-corruption, effective and ethical interactions with third parties, reporting irregularities, fostering an anti-discrimination environment, promoting diversity and equal treatment, and upholding human rights. Commitment to these values underlines the observance of both international and domestic laws and regulations concerning human rights, applicable to internal operations as well as in the selection of clients, suppliers, and other business partners. This ensures the prevention of forced and child labour and discrimination in all business activities in the entire supply chain. The Compliance Officer at InPost Group is tasked with monitoring any breaches of the Code of Conduct and cases of fraud to maintain these high standards of corporate governance and ethical behaviour.

GRI 2-15

ANTI-FRAUD POLICY

The Anti-Fraud Policy, which replaced the former Anti-corruption Policy in December 2023, encompasses principles of honesty, integrity, professional ethics, respect, and transparent business conduct, with a zero-tolerance stance towards any form of abuse, including fraud. It also addresses handling conflicts of interest and proactively building fraud risk awareness. This policy draws upon international conventions such as the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the 2004 United Nations Convention against Corruption.

The policy mandates that the identification, assessment, and management of risks related to fraud are integrated within the framework of InPost Group's Corporate Risk Management (ERM) System, adhering to the principles outlined in InPost Group's Corporate Risk Management policy. Reviews of processes are conducted by the supporting functions of the Internal Audit and Internal Control departments.

Furthermore, the Anti-Fraud Policy emphasises respecting human rights through ensuring the right to equal treatment and establishes general rules for preventing and handling conflicts of interest among staff members.

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The Compliance Officer is tasked with monitoring all cases of potential or actual conflicts of interest, and staff members are required to complete training on this topic.

The Company's Articles of Association include mechanisms aimed at preventing conflicts of interest among Management Board members. These include the obligation for members to disclose any conflict and to abstain from decision-making related to any transaction where such a conflict occurs. It further specifies rules for handling potential or actual conflicts and introduces a list of prohibitions aimed at preventing such conflicts. Through transparent reporting, the company's stakeholders are informed that Management Board members hold positions in several companies within the InPost Group. Meanwhile, the Compliance System establishes principles for avoiding conflicts of interest. In 2023, no conflicts of interest were reported.

Additionally, the Policy states that the Group shall not make any political donations, including cash or in-kind contributions. No such direct or indirect financial political contributions were made in 2023 by InPost Group.

GRI 2-16, 2-26, 207-2

WHISTLEBLOWER POLICY

The Whistleblower Policy is founded on the principles of fostering an ethical workplace environment, promoting sound business practices, maintaining respect for individuals who raise concerns, and ensuring the right to confidentiality for those individuals. Our process of raising concerns is transparent, accessible 24/7, and available to all of our stakeholders across the markets. This applies to all stakeholders: both within the organization (employees and collaborators), suppliers, and partners (who are informed about the reporting channels for violations, among other things, through their respective supplier and partner codes of conduct). The reporting channels are available also for employees and collaborators of these entities, who can report any violations related to the provision of services to InPost. Reports can also be submitted through a form on the website and are accessible to an unlimited number of complainants (with the reservation that they are intended for reporting violations of law, ethics, tax approach, and applicable InPost Compliance policies, rather than for handling complaints or providing technical support). To provide feedback or raise concerns about InPost's business conduct, whistleblowers can provide information in local languages by:

E-mail: compliance@inpost.eu and compliance@inpost.pl;

Traditional post addressed to the Compliance Officer – disclosed on the Corporate Website;

The SpeakUp platform;

The dedicated e-mail for concerns related to the Supplier Standards of Conduct.

The dedicated mailboxes placed in the branches that allow employees to report anonymously.

The critical concerns are communicated to the Supervisory Board through structured processes. The Compliance Officer records all significant non-compliance cases with the law and the InPost Group's policies, reporting them quarterly to the Audit Committee of the Supervisory Board. Additionally, the Internal Audit Department compiles written reports after each audit engagement, discussing findings and agreed-upon improvement measures with the audited units and their management. These reports are distributed to both the Management Board and the Audit Committee, with the Internal Audit Director maintaining direct communication with the Audit Committee, including executive sessions and interim meetings as necessary.

"We ensure that our policies stay up-to-date with changes in the law and reflect the evolving landscape of our business. By investing in training our employees, we effectively implement these policies, building a workplace that is safe, open and free from bias. This fosters a diverse and inclusive work environment that supports the growth and well-being of every team member while maintaining the highest standards of compliance and adaptability."

Arleta Adamus,
Compliance Officer

Furthermore, all crucial concerns are regularly discussed in meetings of the Audit Committee, Management Board, and Supervisory Board. During the reporting period, two critical concerns were brought to the attention of the highest governance body.

In line with the Whistleblower Policy, all staff members are required to report any suspected irregularities involving members of the Management Board or Compliance Officer directly to the Chairman of the Supervisory Board. Moreover, the Supervisory Board has the authority to independently initiate preliminary investigations into such allegations.

ANTI-HARASSMENT AND ANTI-DISCRIMINATION POLICY

The Anti-Harassment and Anti-Discrimination Policy is founded on the principles of a safe work environment that is free from prejudice, discrimination, harassment, including sexual harassment, and workplace bullying. By prohibiting discrimination and promoting inclusivity, the Company gives special attention to women, minorities, elderly persons, and LGBT+ individuals. The Compliance Officer and the HR Director are responsible for ongoing monitoring and analysis of reported incidents, including mechanisms of conducting anonymous surveys and analysis of the InPost Group's structure to eliminate undesired incidents. The hiring process of the InPost Group is designed and conducted in a way that prevents discrimination. All staff members are informed about mechanisms for raising concerns; therefore, whistleblowing mechanisms are in place, dedicated training is conducted, and principles of human rights are integrated into business relations, as stated in the Supplier Standards of Conduct.

DIVERSITY, EQUITY & INCLUSION POLICY

The Diversity, Equity & Inclusion Policy was updated in 2023. It emphasises pluralism, fostering diversity and inclusion in the work environment, with a focus on the merits and commitment of staff members and candidates. It is committed to respecting human and employee rights, positively impacting the societies in which InPost operates, ensuring fair treatment and equal access to opportunities, information, and resources, eliminating biases, stereotypes, and barriers, promoting an open feedback culture, and sharing common goals while embracing unique qualities across different markets. The policy refers to international conventions, including the ILO Convention 111, the UN Sustainable Development Goals, and the UN Global Compact Gender Equality Initiative, and is prepared in accordance with the Dutch Corporate Governance Code.

After the end of each financial year, the ESG and HR teams will prepare a report on the composition of the Supervisory Board, Management Board, Senior Management, and staff members, and will report the diversity indicators in the integrated annual reports. Together with the Anti-Harassment and Anti-Discrimination Policy, it mandates that the hiring process prohibits any form of discrimination.

INSIDER TRADING POLICY

The document outlines the rules applying to trading in InPost securities, , with the aim of ensuring appropriate handling of inside information and preventing insider trading or any kind of market manipulation. It references authoritative intergovernmental instruments such as the Market Abuse Regulation (MAR), Market Abuse Directive (MAD2), the Financial Supervision Act, and laws from Luxembourg and the Netherlands concerning market abuse and sanctions for non-compliance. InPost actively monitors compliance, reserving the right to impose sanctions for breaches according to applicable laws and employment terms.

SUPPLIER STANDARDS OF CONDUCT

The Supplier Standards of Conduct was introduced to the Compliance System in 2022, setting the principles of relations with InPost's suppliers on several core ideals. These include promoting positive social impact, minimizing environmental footprint, upholding the highest ethical standards, full compliance with local laws and international conventions - especially anti-corruption laws - avoiding impropriety or conflicts of interest, and respecting human rights (including employees' rights and the prohibition of child, forced or compulsory labour). It references the Universal Declaration of Human Rights, the UN Global Compact, and the ILO International Labour Standards. The standards afford InPost the right to request information from and conduct audits on suppliers, focusing on compliance-related issues. Additional tools for vetting potential business partners include an internal analysis procedure known as Know Your Customer (KYC) and an Anti-Money Laundering (AML) procedure that requires approval from the AML Manager to initiate business relations.

To read more about our relations with suppliers go to Page 126.

GRI 2-25, 2-26

COMPLIANCE SOLUTIONS

To effectively address compliance issues, we have been enhancing our system and establishing structures and procedures that encompass all of our markets, tailoring solutions as needed. Being a company that operates across various markets, we internally share knowledge to identify the most suitable standards for all InPost operations. In this way we provide clear ways to report and mitigate risk of non-compliance for all stakeholders in our value chain.

Legal departments in various markets have developed a customised training schedule to facilitate the communication of principles pertaining to the Compliance System of the InPost Group.

To read more about mechanism to raise concerns about InPost's business conduct go to section about the *Whistleblower Policy* on Page 117.

"Our values serve as the driving force behind our business, with a strong emphasis on placing our employees and customers at the core of our operations. We attentively listen to their needs, consistently focusing on our policies to ensure the highest level of compliance and satisfaction. We also actively support our partners in upholding these values throughout our entire supply chain, fostering a culture of shared responsibility and commitment, while working together towards a common goal of ethical and sustainable business practices."

ARLETA ADAMUS,
Compliance Officer

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GRI 205-2 GRI 205-1

We are committed to implementing comprehensive training programs within our company to effectively put our compliance policies into practice. By presenting the information in an accessible manner, including example scenarios, we aim to ensure that our employees fully understand their rights and responsibilities arising from these policies. The increasing number of reports and inquiries directed to our compliance department year after year indicates a growing awareness in this area and motivates us to continue sharing knowledge with our entire staff.

	Percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to	Percentage of employees that have received training on anti-corruption
InPost Group	100.0%	55.3%
Management Team (n-1)	94.6%	24.3%
Middle Management	100.0%	78.2%
Other employees	99.8%	50.1%
Management Board	100.0%	62.5%
Supervisory Board	100.0%	66.7%

In InPost Poland, a training schedule is established every year, with anti-corruption policy training taking place in April 2023. As of the training, 96.7% of the employees registered for the training have taken and passed it, with 99.4% passing rate across the Middle Management and 96.2% among Other Employees. The percentage in the table above show percentage as of the disclosure from GRI 2-7, as of December 31st, 2023. Anti-corruption policy and reporting irregularities training for employees who do not have access to computers due to their job responsibilities were conducted by their managers in the form of a document containing the most important issues. Due to the diverse range of duties and thus varying levels of exposure to corruption risks, we conducted training for different groups in different forms (full and simplified, with each containing basic information from the organization's security perspective). In January 2023, a dedicated anti-corruption policy training was conducted for the procurement department, with 20 participants attending.

List of trainings on the Compliance System in the Group

Type of training and test taken	Participants
POLAND	
AML for the Sales Department	204 out of 216 enrolled participants completed the training and test (94%)
Anti-harassment and anti-discrimination policy	3,760 out of 4,134 enrolled participants completed the training and test (91%)
Code of Conduct and Whistleblowing Policy	3,740 out of 3,911 enrolled participants completed the training and test (96%)

NON-COMPLIANCE CASES AND MITIGATION ACTIONS

GRI 2-27

No significant instances of non-compliance with laws and regulations occurred across InPost Group markets. No significant fines nor non-monetary sanctions occurred in the Group. No fines for instances of non-compliance with laws and regulations were paid in current or previous period.

For the purposes of this statement, the Company has assumed a materiality threshold of PLN 150,000.00 or EUR 30,000.00 (for the purposes of the present indicator) for significant instances of non-compliance with laws and regulations during the reporting period. Although we have not documented any confirmed instances of non-compliance with laws and regulations leading to significant fines, InPost Paczkomaty sp. z o.o. did incur fines totaling PLN 35,177.42. These fines were for the occupation of the road lane by APMs (Automated Parcel Machines) in connection with four administrative proceedings.

GRI 205-3

In 2023, InPost in Poland identified two confirmed cases of corruption— both cases of corruption did not directly involve InPost, but its business partners. InPost has taken the necessary steps to resolve the matter and terminate its relationship with those responsible for the violations. These irregularities were reported to the Audit Committee. Across the other markets of the Group, no cases were reported. Furthermore, no public legal cases concerning corruption against the InPost Group were initiated in 2023.

GRI 406-1

In 2023, seven confirmed incidents of discrimination were reported for InPost Poland. The reports concerned inappropriate behavior of superiors or colleagues at work and included harassment and discrimination practices consisting in unjustified reduction of bonuses, favoritism of some employees and inappropriate treatment of others, scheduling sent with insufficient notice, as well as going beyond the scope of authority and making xenophobic comments. Other cases qualified as sexual harassment (following an employee for no work-related reason, suspicion of recording them without their consent, invading a coworker's privacy).

All proceedings took place with the involvement of the HR department, and in some cases also the Operations Department. If it was found to be justified, a corrective plan was implemented for the person committing the violations (recommendations for training and monitoring further work) - after its implementation, no further irregularities were reported. In the case of serious violations (such as harassment or sexual harassment), the decision was made to terminate the cooperation. In August, the Compliance Department conducted a mandatory training on anti-harassment and anti-discrimination policies, explaining to employees how to recognize inappropriate behaviors and how to report them. A higher number of reports than last year indicates greater organizational maturity and growing awareness among employees regarding their rights, unacceptable behaviors, and the ability to report them to the appropriate units.

TAX STRATEGY

GRI 207-1

TAX STRATEGY

We emphasise applying the Tax Strategy to all business operations conducted within the Group. Therefore, it is closely aligned with the Group's organisational values set out in the *Group's Code of Conduct*, which is applicable to all companies within the Group and shared transparently with our stakeholders.

The Tax Strategy of InPost Group, in effect since 2020, is publicly available on our Corporate Website. No changes to the Tax Strategy have been implemented since the Integrated Annual Report for 2022.

TAX APPROACH AND FRAMEWORK

The Group's approach to tax matters has been formed in line with its core organisational values and principles, with the purpose of making correct and timely tax contributions, as well as protecting its reputation within the international community. The correct and reliable fulfilment of tax obligations constitutes the cornerstone of social responsibility and an important part of the Group's overall economic strategy. One of the priorities of the Group is to ensure that its tax settlements comply with the applicable tax law. This goal is achieved primarily through compliance with the provisions of the tax law in force, taking into account the prevailing tax interpretations and jurisprudence of administrative courts in relation to taxation matters. The Group has implemented procedures and processes to comply with all tax obligations under the respective tax law and to identify potential tax risks at an early stage. Compliance with these procedures is monitored by the relevant employees and supervised by the Management Board. The Group's tax planning strategy takes into account the spirit of the law.

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THE KEY PRINCIPLES OF THE GROUP'S STRATEGY CAN BE SUMMARISED AS FOLLOWS:

1.
The diligent application by the Group of tax law and its latest interpretation by the relevant tax authorities, supported by publicly available government explanations and court rulings;

2.
Current monitoring of changes in the tax law and evolutions in tax law interpretations and relevant practices;

3.
A cautious approach towards tax risks, which minimalises the likelihood of disputes in cases of unclear regulations. Identified risks are managed by the tax specialists responsible for the potentially related tax obligation in cooperation with the head of the tax department and other relevant employees. The Group is risk averse, and in cases of ambiguous tax matters it seeks confirmation from the respective tax authorities through tax rulings, opinions, etc.

4.
The inclusion of tax consequences while making economic or business-related decisions;

5.
Avoidance of involvement in activities or transactions that might be deemed artificial from a business perspective and conducted only for the purpose of generating tax savings – i.e., all operations require a sound business basis;

6.
The introduction and application of extensive and detailed internal tax procedures that ensure tax compliance at every level of the organisation and help identify tax risks early. These procedures include but are not limited to procedures regarding: proper recognition of economic events for tax purposes, calculations of tax liability, processing of tax documentation, communication with tax authorities, and spreading information about tax developments among the Group's stakeholders;

7.
The practice of hiring experienced tax professionals, continually investing in their development (including training on current tax matters) and, with regards to complex matters, seeking advice from renowned external tax advisors;

8.
Engagement in training and the exchange of experience among those responsible for managing tax functions;

9.
The use of ERP software developed by reputable external companies is a basis for proper calculation and verification of the Group's tax settlements. Technology constitutes an important role in the Group's tax strategy. We use specialised software, which addresses the management of tax data, such as obligatory standard audit files for tax (SAF-T) in Poland or electronically submitted tax declarations.

The Group does not engage in aggressive tax planning (including limiting its cooperation with entities located in tax havens) and mitigates tax risks where possible by adopting an interpretation of tax law that minimises the risk of litigation with the tax authorities in the event of an ambiguous interpretation of tax law. The Group pays attention to transparency and clarity in the execution of its tax obligations. The Group's considerations in structuring its commercial activities and making economic decisions include tax laws.

The Group benefits from certain locally available preferential tax regimes and regulations. These are mainly tax incentives related to its R&D operations and tax relief for innovative employees in Poland, as well as participation exemptions. All these benefits are used on general terms and in accordance with the letter and the spirit of the legislation behind them, with no special arrangements or agreements with respective tax authorities.

The Group strongly believes in social responsibility of business and thus monitors closely ESG-related tax legislation, ensuring full compliance in all jurisdictions in this respect.

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GLOBAL GROUP TAX LIABILITIES

The tables below demonstrate our income tax liabilities (corporate and salary-related) on the markets we operate on.

GRI 207-4 **Country-by-country reporting**

Country of tax jurisdiction	Name of the resident entity	Primary activities	Number of employees
Luxembourg	InPost S.A., InPost Technology S.a r.l.	Holding company. IT services	3
United Kingdom	InPost UK Ltd.	Logistics and courier services	118
France	Mondial Relay SASU	Holding company. Logistics and courier services	1,811
	Integer France SAS		
Italy	Locker InPost Italia S.a r.l.	Logistics and courier services	96
Poland	InPost Sp. z o.o.	Holding company. Logistics and courier services. IT services (branch)	4,641
	InPost Paczkomaty Sp. z o.o.		
	Integer.pl S.A.		
	Integer Group Services Sp. z o.o.		
	InPost Technology S.a r.l. Branch in Poland		
Belgium	Mondial Relay Branch in Belgium (BE)	Logistics and courier services	70
Netherlands	Mondial Relay Branch in Netherlands (NL)	Logistics and courier services	26
Spain	Mondial Relay Branch in Spain (ES)	Logistics and courier services	241
Portugal	Mondial Relay Branch in Portugal (PT)	Logistics and courier services	61
TOTAL			**7,067**

GRI 207-4

COUNTRY-BY COUNTRY REPORTING IN MILLION PLN

Country of tax jurisdiction	Revenues from third-party sales		Revenues from intra-Group transactions		Profit/loss before tax*		Tangible assets other than cash and cash equivalents*		Corporate income tax paid on a cash basis		Corporate income tax accrued on profit/loss*		Reasons for the difference between corporate income tax accrued on profit/loss and the tax due, if the statutory tax rate is applied to profit/loss before tax
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
Luxembourg	-	-	3.7	6.0	(1,503.5)	(1,527.1)	38,258.6	38,286.1	-	-	-	-	-
United Kingdom	437.5	175.4	1.6	-	(208.5)	(246.7)	922.7	469.9	-	-	-	-	-
Italy	200.1	32.0	34.2	64.9	(36.4)	(28.1)	237.9	151.6	-	-	-	-	-
Poland	5,334.5	4,168.0	2,787.7	2,380.7	1,801.6	1,300.1	6,873.5	6,404.5	198.3	148.9	331.8	214.4	-
France	2,199.9	2,160.3	121.4	150.5	(10.0)	66.0			(18.1)	46.2			-
Belgium	261.5	248.1	47.7	56.9	13.4	39.6			4.8	20.3			-
Netherlands	51.3	40.7	15.5	18.8	(2.2)	(6.3)	4,266.8	3,862.0	-	-	(12.6)	36.4	-
Spain	322.7	214.9	41.5	84.6	14.6	12.7			5.8	4.2			-
Portugal	36.2	20.8	8.8	5.9	(6.0)	(5.3)			-	-			-
Other European countries	-	-	-	-	-	(0.1)	-	-	-	-	-	-	-
Rest of the world	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**8,843.7**	**7,060.2**	**3,062.1**	**2,768.3**	**63.0**	**(395.0)**	**50,559.5**	**49,174.1**	**190.8**	**219.6**	**319.2**	**250.8**	

In terms of indirect tax liability, InPost Group applies local and EU regulations and standards, incurring output VAT on our sales and reclaiming input VAT from our purchases. In Luxembourg, where our holding company is seated, almost no VAT is recoverable as a result of the type of activity conducted there. Moreover, due to the intensive development of our business in certain countries and considering that a significant proportion of our operations consist of intra-Community service provision, it may occur that the deductible input VAT exceeds the payable output VAT in given jurisdictions. Nevertheless, it is worth underlining that, globally, Inpost Group paid over PLN 250m in VAT.
*Standalone data, not reconciled to consolidated data.

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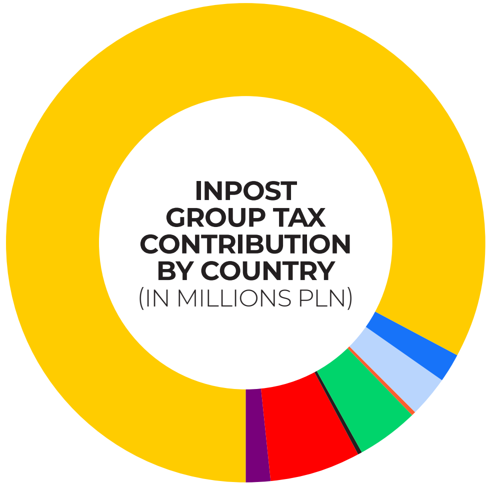
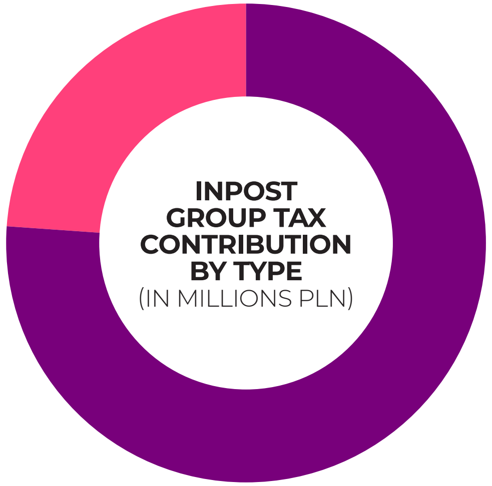


Poland	228.1
France	5.6
Belgium	7.3
Netherlands	1.0
Spain	11.2
Portugal	0.6
United Kingdom	17.3
Italy	4.0



CIT*	209.9
Tax on wages	65.3

*CIT amount that is payable for year 2023, doesn't contain any prior year income tax calculation adjustments.

GRI 207-2

TAX GOVERNANCE AND RISK MANAGEMENT

The Group's organisational structure ensures appropriate flow of information, division of duties and responsibilities within the individual departments.

The Group's tax policy is supervised by the Chief Financial Officer. The Management Board of InPost Group is responsible for undertaking periodic revisions and updates to the Group's Tax Strategy. This ensures its relevance by compliance with evolving tax legislation and alignment with the Group's broader objectives, shifting tax jurisdiction exposure, changes in business, and code of ethics. As one of the responsibilities of the Audit Committee, the Supervisory Board carries out deliberations on and supervision of the Group's compliance with its declared tax approach and framework. The Supervisory Board and Management Board frequently discuss the Group's risks, focusing on strategies to resolve tax-related issues.

More details about specific points in the agenda of the Audit Committee meetings can be found on Page 73.

Recognising the growing role of the tax function in the Group's operations, a new position was established in 2023 – the Group Tax Director, who is tasked with overseeing the preparation, revision and execution of the Tax Strategy, centralising and optimising tax procedures, analysing fiscal issues at the international level, introducing best practices, and improving processes locally, as well as facilitating cross-border cooperation on tax matters. The role also includes providing support in tax inquiries, examinations, and disputes at the local level, but with the Group perspective. Close partnership with Senior Management, Finance, Legal, and Business teams, combined with internal expertise and external assistance from local and international advisors allows us to address tax issues related to business transactions, mergers and acquisitions, cross-border concerns, and domestic tax audits. The existence of central directorship for tax also facilitates bringing all relevant stakeholders up to speed on the latest changes in tax legislation or regulatory requirements, especially at the European or global level. Lastly, the Group Tax Director will collaborate with various departments to maintain transfer pricing policies and documentation and to ensure compliance with OECD guidelines and local country regulations.

The Group's tax and accounting departments, under the supervision of the Group Tax Director and Chief Financial Officer, are responsible for carrying out the tasks related for the Group's tax functions. The tax and accounting departments are in constant dialogue with management and other teams within the organisation. This improves awareness of potential tax consequences in their daily decision-making processes. Through such tools as the implemented Tax Strategy, the use of advanced technology, tax data management, and reporting of tax-related issues and risks, the Group can oversee its tax risks and ascertain its tax risk appetite.

The Group's tax procedures and processes are regularly assessed during statutory audits, allowing the Group to amend and update the approach to tax matters. In case of any concerns related to full fiscal compliance, a more specific tax audit is performed by professional, external advisors to ensure correctness of interpretations, calculations, and submissions.

GRI 207-3

APPROACH TO STAKEHOLDER MANAGEMENT FOR TAX-RELATED ISSUES

At InPost Group, we strongly believe in open and transparent communication with our stakeholders. All of the company's employees are bound by the *Code of Conduct* and there exists a Whistleblower Policy that also covers tax matters. In addressing tax-related issues, we prioritise the interests of all our stakeholders, striving to achieve a balance between our financial interests and upholding our responsibilities towards sustainable development.

One of our primary objectives is to maintain appropriate relations with tax authorities, based on mutual respect and trust. In pursuit of open and transparent communication concerning our tax strategy and other tax matters, we strive to build strong relationships with local tax authorities and generally consider seeking additional opinions from the competent tax authorities in ambiguous tax situations, particularly in Poland. We frequently request supportive opinions or interpretations of tax law from tax authorities (e.g., various tax rulings and tax opinions issued by the respective tax authorities obtained between 2020 and 2023), for which we provide full disclosure of all relevant facts and circumstances. We fulfil our mandatory DAC 6 data reporting obligations in the EU (e.g., information on tax schemes) regularly and in a timely manner. In the event of tax control activities or tax audits, we cooperate fully with the authorities.

In the interest of transparency, the company discloses information on current corporate income tax payments, accrued corporate income tax, profit before income tax, accumulated earnings, and full-time equivalents (FTEs) on a country-by-country basis.

We are fully aware that tax compliance is not just a matter of obeying the law, but is part of our social responsibility. As a multinational group, we create value on various markets, and as so we need to share a fair proportion of our profit with the communities it derives from. Fundamental to our tax strategy are that we avoid involvement in transactions or activities that are ambiguous from a tax perspective and that we maintain conciliatory attitude towards resolving disputes with tax authorities. We are also building a mature tax function around our organisation, applying the highest standard technological solutions and working for consistency in our approach to tax matters.

AGNIESZKA KURZEJA
Group Tax Director

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PROCUREMENT

TRANSPARENT COOPERATION WITH OUR SUPPLIERS

At InPost Group, we place great emphasis on improving our cooperation within our value chain. By implementing procurement process tools, we move closer to the shared achievement of ESG goals and support objectives of the Company's risk management. We are aware of new regulations, including the CSRD directive and planned CSDDD and we commit to apply them, therefore we strive to enhance the *Supplier Standards of Conduct* and implement it to all markets within the InPost Group

PROCUREMENT GOVERNANCE

In 2023, procurement governance was restructured, transitioning from local to global management. The new Group Procurement Director role was established, promoting more effective management of the Group's procurement and ensuring adherence to the *Suppliers Standards of Conduct* across all markets. The Global Procurement Director is responsible for creating procurement strategies for various purchasing categories, considering the Group's overall requirements and needs. This executive role is responsible for introducing solutions to boost purchasing efficiency, such as establishing framework agreements available to all markets. The Director emphasises long and mid-term supply management approaches and, in order to attain business objectives, works on refining processes and procedures to cater to market needs. The role entails extensive collaboration with stakeholders from both within and outside the InPost Group. The Director leads a team of procurement coordinators across the markets and has an indirect reporting line to the Group's CFO.

GRI 308-1, 414-1

RELATIONS WITH OUR EXTERNAL STAKEHOLDERS

We strive to improve tools that we use in relations with our external stakeholders. This includes the following documents: the *Group's Code of Conduct, the Group's Supplier Standards of Conduct* and – introduced in 2023 *the Business Partner Code of Conduct* in Poland.

In 2023, we continued to communicate the Supplier *Standards of Conduct* that is applicable to all companies within the Group and covers provisions related to ESG matters, including overall environmental obligations and human rights, labour and business ethics. In 2022, we signed the document with 32 suppliers in Poland, including all agencies employing APT workers. In 2023, we additionally signed 147 suppliers in Poland, including new contracts and renegotiations, thus performing 147 social and environmental screenings. In total, that accounts for 16% of the total spend on suppliers in Poland. InPost commits to maintaining active communication and providing support in implementing the *Supplier Standards of Conduct* among its suppliers. In 2023, all discussions concluded with the successful signing of the document. The *Supplier Standards of Conduct* stipulates that InPost has the authority to conduct audits of its suppliers.

CODE OF CONDUCT FOR BUSINESS PARTNERS IN POLAND

In 2023, we implemented a *Code of Conduct for Business Partners*, which covers couriers, carriers, courier branches, entities operating parcel service points, entities providing rental services for InPost's parcel locker spaces, and companies, corporations, individuals, or other entities cooperating with InPost. This document - after the introduction of the *Supplier Standards of Conduct* last year - covers another important group of our stakeholders.

The primary objective of this code is to foster long-term, trust-based relationships while emphasising ethical standards throughout the entire supply chain.
The code highlights the importance of adhering to international regulations and norms, such as the *Universal Declaration of Human Rights*, the *United Nations Global Compact*, the Sustainable Development Goals, and the International Labour Organisation standards. This ensures protection and compliance in areas such as human rights, labour standards, environmental protection, and anti-corruption. *The Code of Conduct for Partners* establishes behavioural standards for our partners and provides guidelines for conducting business transparently and fairly, with a focus on legal compliance and high ethical standards. Our partners are expected to actively support our sustainable development goals and make a positive impact on the social environment. Adherence to the code is a crucial criterion for selecting and maintaining partnerships with InPost. Our collaboration with partners is based on equality and mutual respect. Agreements are voluntarily negotiated, and the clauses we employ are clear and unambiguous, regulating the rights and obligations of the parties involved. We expect our partners to adopt a similarly transparent approach when cooperating with their partners, employees, and associates, regardless of the form of collaboration. This primarily concerns compliance with relevant laws regarding cooperation forms, minimum wages,insurances, working hours, and ensuring safe working conditions.
We also encourage our partners to report any doubts and comments via compliance@inpost.pl or partnerzy@inpost.pl

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RISK MANAGEMENT AND CATEGORISATION OF SUPPLIERS

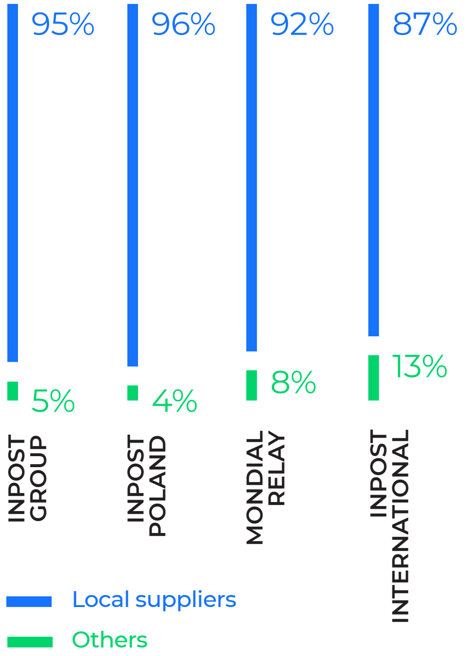
Working on global structures, we aim to ensure the highest standard of risk management in supplier procurement. In line with the plans reported last year, supplier categorisation was introduced based on the annual contract value. Suppliers were divided into three groups. The first group, with contract values up to PLN 30,000 annually, does not require the full process. For contracts above PLN 30,000, a complete Know Your Customer (KYC) questionnaire and the signing of the *Supplier Standards of Conduct* are required. For contracts above 500k - the most significant suppliers in our value chain – there is an obligation to also sign an extended version of the *Supplier Standards of Conduct*.

Based on the categorization by expenditure value in the year, in the KYC process the Buyer, together with the business owner, collects information that leads to the assessment of the risk of entering into cooperation with a given supplier.

Potential collaborators must sign a partner statement that includes aspects such as: economic, tax, legal, tax risk mitigation, data security, corporate governance, and a declaration of non-cooperation with the Russian Federation and Belarus. If a risk associated with data is detected, the agreement is additionally forwarded to the data protection team or IT security team as appropriate, and standardised annexes to the agreement are signed.

SUPPORTING LOCAL BUSINESS

At InPost Group, we prioritise expanding our collaborations with local suppliers*. The graphs below illustrate the ratio of expenditures on local businesses in comparison to the total purchasing department's expenses.



* A local supplier is a company that is headquartered and pays taxes in the country of operations.

SUPPORTING LOCAL BUSINESS

In 2023, internal and external audits were conducted, resulting in a list of recommendations for implementation in the coming years. The first initiative successfully introduced towards the end of 2023 was the centralisation of key purchasing categories by creating roles for international country managers for IT procurement, related to parcel lockers, and operational machinery. Oversight of these roles is conducted from the Headquarters according to standardised guidelines.

Main activities planned for 2024 are shown in the table below.

1.
Group Procurement Structures

We plan to continue strengthening global structures and to implement a common procurement procedure, taking into account local laws.

2.
Supplier Engagement Programme

In accordance with SBTi guidelines, we have chosen the path of involving our suppliers so that 69% of them (in terms of emissions) set science-based reduction goals within their scope 1 and 2 by 2027.

To read more go to Pillar II. on Page 163

3.
New platform for supplier qualification

Introducing support in supplier qualification using the Dun & Bradstreet platform, which assesses the financial stability and creditworthiness of our business partners by providing credit ratings, will aid in our risk management efforts.

4.
Implementing the Supplier Standards of Conduct in other markets

Engaging the Group's suppliers in ESG commitments. Besides continuing the practice of signing the document in Poland, we plan to extend this practice to other markets.

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HEALTH & SAFETY

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7

OCCUPATIONAL HEALTH AND SAFETY AT INPOST GROUP

Within our Group, which employs and cooperates with a diverse workforce ranging from sorting facilities' staff to personnel in our offices, occupational health and safety stand at the forefront of our priorities. The topic was also identified by our stakeholders as one of the most material during the preliminary double materiality assessment. Recognising the challenges and hazards connected to the industry in which we operate, we are committed to not only meeting regulatory requirements but also striving to exceed market standards by implementing management systems in accordance with the international standard ISO 45001. Year after year, we have dedicated ourselves to refining our approach to occupational health and safety issues to improve safety across the organisation. Building a culture of safety is a priority for the organisation and this is done with respect for the local law and with mutual trust between employee and employer.

In 2023, no fatalities as a result of workrelated ill health nor cases of recordable work-related ill health were reported for InPost Group.

POLAND

In Poland (InPost Sp. z o.o.), an *Occupational Health and Safety Management System* in accordance with *ISO 45001* has been implemented and has been operating since March 29, 2022. The standard provides a framework to enhance occupational health and safety performance and proactively mitigate the risk of injuries and illness. It encompasses all employees and workers at InPost Sp. z o.o., including those from temporary work agencies, across all company locations. Other employees of Polish companies are covered by local regulations in the area of occupational health and safety. The company's duty is to inform employees and workers about job-related risks through occupational risk assessment, familiarisation with health and safety procedures and instructions, initial, periodic, and supplementary training, as well as through information boards in depots, the Intranet, and aliases with email addresses, as stated in widely available internal documents. Trainings are conducted in languages accessible to employees, predominantly Polish, with selected materials available in Ukrainian and English. The effectiveness of periodic trainings is assessed through examination tests, which are crucial for maintaining workplace safety standards.

No changes were introduced to the management system compared to the previous year, while the continuous improvement of the system is achieved through occupational risk assessment, including, among others: implementation of objectives, both internal and external audits, followed by verification of the post-audit recommendations and taking corrective and preventive actions. Hazard identification within our organisation is a rigorously systematic and multifaceted process, underpinned by both routine and non-routine assessments to ensure workplace safety. These comprehensive processes are, carried out by teams of authorised specialists in line with Polish law and under the scrutiny of *ISO 45001* certification audits, aim to uphold the highest standards of occupational health and safety. The findings from these risk assessments and identification practices form a cornerstone of the monthly health and safety analysis, with conclusions and recommendations actively shared across departments and within projects for preventative measures. The organisation also places strong emphasis on a safety culture, encouraging immediate reporting of any incidents or near misses without fear of reprisal. This aligns with *Polish Labour Code* provisions that protect employees for making safety-first decisions, ensuring they are free from unfavourable consequences for flagging or avoiding hazards.

Following Polish law, medical examinations for future and current employees are crucial to determine if individuals are fit for their specific roles, thereby crucially mitigating work-related accidents and occupational diseases. These assessments are based on comprehensive analyses involving job responsibilities and associated risks, leading to the occupational physician's decision influenced by detailed referrals and medical findings. Furthermore, the organisation provides confidentiality in handling health records, with HR being the sole department accessing medical clearances. Employees acquiring a positive health clearance can proceed to their designated roles, while those with negative results are restricted from work, aligning with legal standards. The quality of examinations is regularly evaluated, with any reported dissatisfaction being promptly addressed. Compliance with data protection laws ensures secured and restricted access to medical information. In compliance with Polish regulations, all employees undergo mandatory occupational health exams at no cost, at approved clinics nationwide, enhancing accessibility and adherence to health and safety obligations.

The governance of occupational health and safety issues is maintained through the supervision of the Health and Safety Committee that meets quarterly to review safety statuses. Meetings include key management, Quality Managers, and Quality Specialists and are supported by consultations with employees' representatives. In each depot in Poland, staff elect their employee representatives and health and safety coordinators to participate in inspection meetings. Beyond safety measures, the employer enhances employee wellbeing through non-wage benefits, including a cafeteria system for personal health insurance options and access to specialist care and tests. The organisation also facilitates webinars and resources on personal wellbeing and professional relationships, accessible via a company-wide program and the intranet, reinforcing a culture of care and continuous learning.

MONDIAL RELAY

The year 2023 marked a significant period of change in security management at Mondial Relay. Although not formally *ISO 45001* certified, Mondial Relay in France implemented the occupational health and safety management system in line with the principal requirements of this standard. The Board's Occupational Health & Safety committment charter was distributed throughout the Mondial Relay's markets, in the respective local languages. All aspects, compliant with national legislation, are to be extended to the Benelux markets. Two Occupational Health & Safety Managers were employed to coordinate and manage the implementation of the OHS policy and additional projects aimed at improving the management system and assuring the quality of procedures within it. The management system encompasses all employees and workers at Mondial Relay.

Our management system for Mondial Relay is thus founded on the four main pillars that commit to maintaining a high standard of health and safety across operations, which are:

Leadership: Understanding the roles and responsibilities of everyone in the safety chain, involving and consulting workers, and leading by example.

Planning: Identifying hazards, prioritising opportunities to enhance safety, and implementing an OHS action plan.

Support: Providing a welcoming environment, raising awareness, offering training, and delegating responsibilities.

Operational: Continuously improving, managing security, and handling emergency situations with due diligence.

Throughout the year, we achieved a significant milestone in our commitment to health and safety, successfully executing most of the actions listed in the 2023 roadmap. This includes an update to the risk assessment of Occupational Health and Safety (OHS) topics. The format of risk assessment documents, summarising all hazards present on each site, underwent a comprehensive review and revision in line with ISO 45001 standards as well as national regulations. Moreover, in 2023, a new tool for identifying roots of accidents was developed, with plans for its deployment from 2024 onwards and training of operations managers resulted in the Yellow Belt certification. Finally, any worker who believes that the work situation they are involved in poses a serious and imminent danger to their life or health has the right to alert their employer and remove themselves from this situation. Additionally, the office of the plant manager is always open for discussing hazards on the plant, ensuring a frank and direct link between workers and managers. This promotes a culture of open communication and prioritises the safety and well-being of all employees.

In accordance with regulations in both France and Belgium, a Health, Safety and Working Conditions Commission convenes automatically every quarter and additionally as required by circumstances. This joint committee comprises employer representatives and elected staff members, with the mission to explore and address all matters concerning workers' health and safety. To enhance cooperation and ensure the successful implementation of the management system, the frequency of meetings was increased to once every two months in 2023. Reports containing key conclusions from these meetings are distributed to all employees, promoting transparency and inclusivity in addressing health and safety concerns.

At Mondial Relay, we cultivate a safety culture by implementing a training plan that enhances employees' awareness of OHS. In 2023, a training programme on the fundamental principles of OHS was distributed to all managers, broadcast across all sites, and followed by eleven steering committee meetings with key operational leaders. As part of the initial and ongoing training, employees are not only trained but sometimes also certified to perform their roles. This includes: instruction in first aid, fire-fighting, evacuation procedures, forklift operation, and more. In 2023, 856 employees received trainings. Training programmes are tailored to both the organisation's needs and employee interests, encompassing courses to enhance existing skills and develop new ones. The Human Resources department primarily oversees the training. Additionally, newcomers, including temporary staff, undergo an induction phase that includes intensive safety training. Moreover, a weekly safety briefing following a protocol is part of the ongoing security awareness initiatives. All resources are available in local languages and aligned with national regulations. Workers can contribute to the improvement of Health & Safety at their discretion. For example, a notable innovation implemented this year was the suggestion from employees to introduce short five-minute animations at the beginning of each shift.

Employees in France receive benefits as mandated by French law, with additional coverage from the company's health insurance scheme. Additionally, efforts to enhance working conditions feature research on ergonomic aids such as transport assistance for parcel bags, exoskeletons for manual handling, and parcel box tilters.

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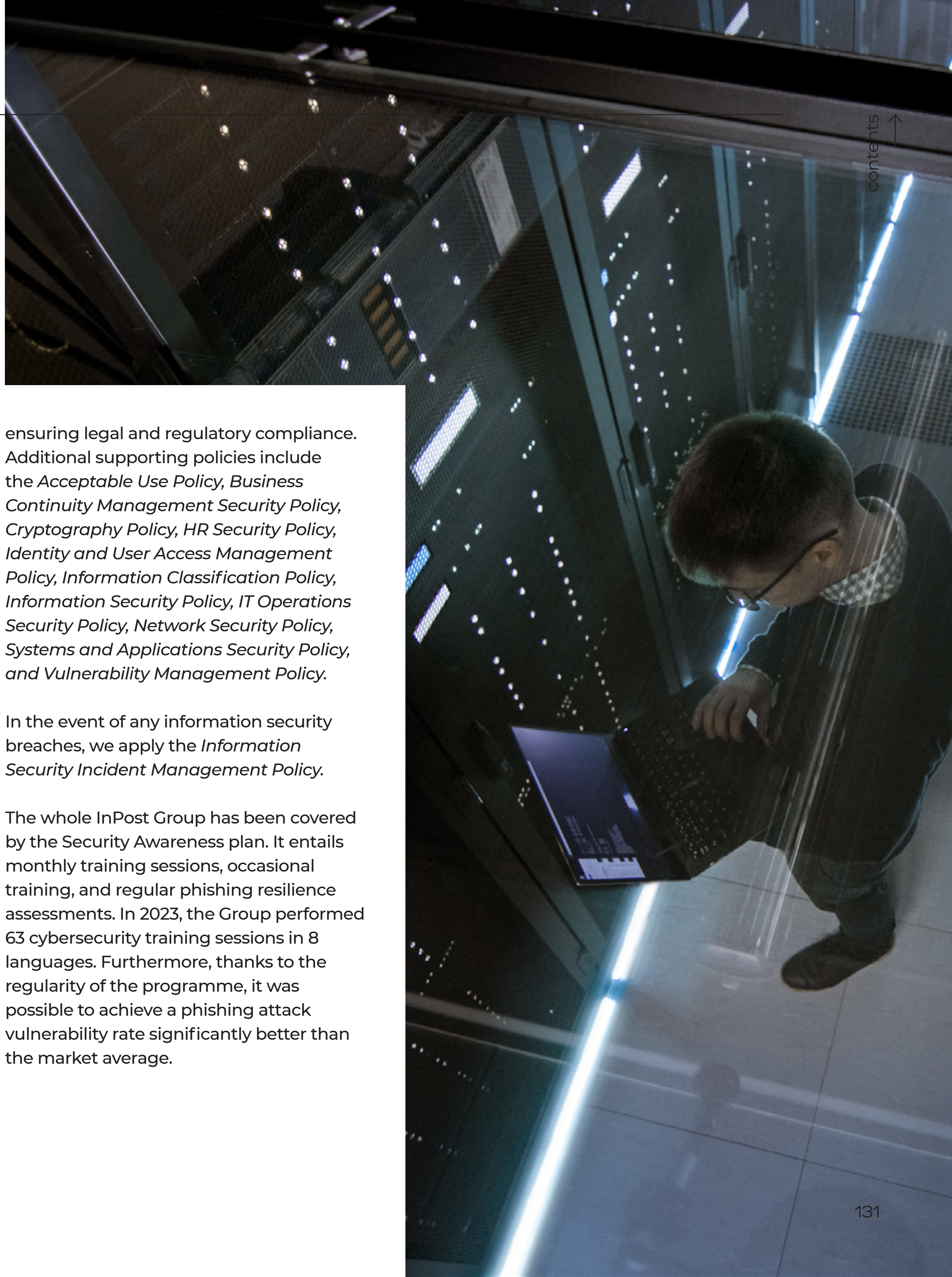
Daily "gemba walks" have been initiated on each shift across all sites in 2023 to identify safety enhancement needs and address significant accidents collaboratively with the Occupational Health and Safety department. However, a new cause analysis tool for accidents created by the S&ST department saw no use due to training deficiencies among site managers, with plans for deployment in 2024. The OHS department also collaborated with the Quality department on integrating safety points into audit grids, with pilot audits in 2023 and more comprehensive site audits scheduled for 2024.

To prevent occupational diseases, a mandatory study was conducted, and equipment was acquired in 2023 to improve working conditions, including mobile boxes with raised bottoms and equipment for heat relief. An organised approach for handling non-standard parcels was also implemented. Future plans include the use of a cause analysis tool to prevent work accidents, regular gemba walks, external safety audits in 2024, and ongoing studies to prevent musculoskeletal disorders.

Through these diligent efforts, we continue to fortify our dedication to ensuring the highest standards of health and safety across our operations.

Due to the operational model in Italy, Iberia and the United Kingdom, which is mostly based on third party operators, the OHS in these markets was not yet introduced or is based on the operators' system. The topics related to the safety of employees is done according to the national law. The objective is to protect the staff who carry out activities within offices and external areas such as construction sites and warehouses through safety trainings, medical visits, risk analyses and internal communication about transparency of raising safety concerns.



CYBERSECURITY

INTRODUCTION

At InPost Group, we greatly prioritise information security by safeguarding our IT systems and defending against potential breaches, ensuring continuous business operations for our stakeholders. Every year, we enhance our cybersecurity management not only to comply with regulations but also to set market standards. In 2023, we formalised a global approach to IT security across the InPost Group by establishing a new structure for the Global Security area and standardising job roles and responsibilities. These measures aim to improve our management of IT-related risks and our response times. The effectiveness of these improvements is reflected in the annual rise in our NIST Security Maturity assessment scores, demonstrating our achievement of the anticipated level of maturity both in Poland and internationally.

CYBERSECURITY GOVERNANCE

The introduction of the new global structure saw the establishment of the Engineering Director of Global Security role, now reporting to the Group Chief Technology Officer. Through a two-year project to build internal competences, we developed the Security Operations Centre internally, transitioning away from external outsourcing. This shift allows for around-the-clock monitoring and response to potential misuses. Both the Security Operations Centre and the Network Operations Centre globally report to the Global IT Security Governance Manager. By standardising and unifying the *Information Security Policy* across the Group, we aim to mitigate risks more effectively. With the development of the new structure and improved information protection practices, our FTE count has doubled since 2022.

The Audit Committee of the Supervisory Board, led by Chair Marieke Bax, who has experience in cybersecurity, supervises cybersecurity management. Internal oversight is ensured by quarterly InPost Security Steering Committee meetings involving the Management Board and with the participation of the Engineering Director of Global Security in internal Risk Committee discussions. The Group Risk Officer is tasked with assessing risks at least semi-annually, applying rates based on severity and likelihood of potential IT security issues.

We continually monitor market requirements and regulations regarding system and project implementation. Ready for the *NIS 2 Directive's* general framework, we await specific national guidelines. Additionally, our policies and procedures align with the *NIST Cybersecurity Framework and the ISO 27001* standard. External audits are performed yearly in accordance with the NIST Cybersecurity Framework, and internal security tests are conducted annually to assess our IT systems' technical and organisational maturity.

The Global Security area gains additional support from the Data Protection Officer, who oversees personal data protection; the Operational Security Office Manager, responsible for physical security; and the Compliance Officer, ensuring legal and regulatory compliance. Additional supporting policies include the *Acceptable Use Policy, Business Continuity Management Security Policy, Cryptography Policy, HR Security Policy, Identity and User Access Management Policy, Information Classification Policy, Information Security Policy, IT Operations Security Policy, Network Security Policy, Systems and Applications Security Policy, and Vulnerability Management Policy.*

In the event of any information security breaches, we apply the *Information Security Incident Management Policy.*

The whole InPost Group has been covered by the Security Awareness plan. It entails monthly training sessions, occasional training, and regular phishing resilience assessments. In 2023, the Group performed 63 cybersecurity training sessions in 8 languages. Furthermore, thanks to the regularity of the programme, it was possible to achieve a phishing attack vulnerability rate significantly better than the market average.

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DATA PROTECTION

GRI 415-1

INTRODUCTION

In our approach to personal data protection, we adhere to the European Union's General Data Protection Regulation (GDPR), taking into account relevant local legislation. Based on these regulations, we create tools, registers, and other documents as part of our personal data management system. A key tool introduced in 2023 to minimise the risk of data misuse is our Group Personal Data Protection Policy. This document was ratified by our Management Board and subsequently implemented across all companies within the Group. Subsequently, the local documentation was updated, followed by the conduct of workshops for market coordinators on how to implement the policy's principles. The implementation concluded with the Data Protection Officer overseeing whether local processes were conducted in accordance with the new policy. This resulted in an enhancement of the reporting quality within the Group. Consequently, a standardised methodology has been established to classify breaches according to their severity level.

GOVERNANCE

The oversight of adherence to personal data protection principles is managed by the Data Protection Officer, who is accountable to the CEO. The objectives of the Data Protection Team include verifying compliance with all legal obligations related to data, ensuring the confidentiality and integrity of personal data while guaranteeing its accessibility, implementing technical and organisational security measures, and enhancing staff awareness about the security of personal data.

Matters related to data protection are supervised by the Audit Committee of the Supervisory Board, where they are reported by the Group's Compliance Officer. Business-related risks concerning data protection are reported to the Group Risk Officer.

RAISING AWARENESS THROUGH COUNTERMEASURES

The awareness of risks related to data protection is being raised by countermeasures that are regulated by the Group Personal Data Protection Policy. Firstly, the Company's employees take part in online trainings and receive internal communication regarding data security and complying with all rules related to their processing. In 2023, training with an examination at the end was conducted for the first time in the whole Group. In Poland, it was completed by 99.5% of employees (2022: 95%), with a 100% pass rate. Additional training sessions are conducted for various units within the organisation or in response to a breach. In 2023, the team conducted around 70 such training sessions. A presentation on data protection is also communicated to every new employee during their onboarding.

Additional mitigation strategies encompass both external and internal audits, as outlined in the schedule for a given year's audits. The team identifies which departments handle substantial amounts of personal data to select them for subsequent audit rounds.

BREACHES

Employees and customers alike can report any suspected misuse or incidents related to the protection of personal data. Each company within the Group has its own communication channels for this purpose, which include:

1. a dedicated email inbox
2. a hotline for customers and employees
3. written notification to office addresses
4. an online form

Data subjects have been provided with solutions enabling communication and facilitating the exercise of their rights, which include access to, deletion, correction, supplementation, or amendment of their personal data.

Through the system of reporting potential breaches and collecting and analysing data on instances when customer privacy may be compromised, we assess the effectiveness of our personal data protection management process. In 2023, with a total delivery volume of 891.9 million parcels, only three instances of data breach necessitated reporting to the Personal Data Protection Office.

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GRI [418-1]:
SUBSTANTIATED COMPLAINTS CONCERNING BREACHES OF CUSTOMER PRIVACY AND LOSSES OF CUSTOMER DATA

	InPost Group			InPost Poland			Mondial Relay			InPost International		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Substantiated complaints received concerning breaches of customer privacy	**38**	**41**	**45**	**34**	**37**	**45**	**0**	**4**	**0**	**3**	**0**	**n/a**
Complaints received from outside parties and substantiated by the organisation	33	39	40	30	35	40	0	4	0	3	0	n/a
of low severity	30	29		27	29		0	0		3	0	n/a
of medium severity	0	9		0	6		0	3		0	0	n/a
of high severity	3	1		3	0		0	1		0	0	n/a
Complaints from regulatory bodies	5	2	5	4	2	5	0	0	0	0	0	n/a
of low severity	1	1		1	1		0	0		0	0	n/a
of medium severity	0	0		0	0		0	0		0	0	n/a
of high severity	4	1		3	1		0	0		0	0	n/a
Total identified leaks, thefts, or losses of customer data	**4**	**41**	**3**	**1**	**37**	**2**	**0**	**4**	**1**	**3**	**0**	**n/a**
of low severity	3	33		0	30		0	3		3	0	n/a
of medium severity	0	7		0	6		0	1		0	0	n/a
of high severity	1	1		1	1		0	0		0	0	n/a

The incidents that occurred in 2023 involved the mishandling of personal data of several company employees and customer complaints to the President of the Personal Data Protection Authority. Some of the complaints filed with the President of the Personal Data Protection Authority were completely unaddressed, which was confirmed by the decisions of the President of the Personal Data Protection Authority. In one case in which the complaint was justified, we concluded a settlement with the client, thanks to which the Office discontinued the proceedings.

In addition to the above, the company has implemented a number of mitigation measures so that analogous incidents do not occur in the future. These include training, communication about data processing, regulations, and new security tools. More than 99% of our personnel in Poland have received comprehensive data security-related training culminating in an exam. All employees passed the test. In addition, we have conducted more than 60 dedicated training sessions for individual departments.

In cases where employees engaged in non-compliance with internal regulations on personal data protection, the company terminated cooperation with employees who caused breaches.

We also maintain anonymity on our packaging labels, using only the last four digits of the recipient's phone number for identification. Other countermeasures include the implementation of company policies on data protection, information security and cybersecurity, incident management processes, procedures for data subjects, the appointment of a Personal Data Protection Team, support from external law firms, internal and external audits, the maintenance of a Personal Data Processing Activity Register, notifications of possible personal data breaches, and a commitment by all personal data processors to maintain the confidentiality of personal data and comply with all rules related to data processing. In addition, in 2023 we implemented the Group Personal Data Protection Policy, regulating data processing rules from the level of no longer only local companies but uniform rules for the entire group.

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SHAREHOLDER INFORMATION

Share information

Exchange	Euronext Amsterdam
Trading symbol	INPST
Identification number/ISIN	LU2290522684
Number of shares	500,000,000
Share classes	1
Nominal value	EUR 0.01
Industry	50, Industrials
Sector	502060, Industrial Transportation
Sub-sector	50206040, Delivery Services
Segment	Large Cap
IPO Date	27 Jan 2021

Share price

Year-end price	EUR 12.5	29 Dec 2023
Highest closing price	EUR 12.5	15 Dec 2023
Lowest closing price	EUR 7.4	17 Mar 2023

Share capital

InPost's issued share capital amounts to EUR 5,000,000 divided into 500,000,000 shares of EUR 0.01 each. The company's shares have been created in compliance with Luxembourg law.

InPost shares have been listed on Euronext Amsterdam since 27 January, 2021.

The Company adopted the *Insider Trading Policy*, which outlines the rules applying to trading in InPost securities, to ensure proper treatment of Inside Information and to avoid insider trading or market manipulation. It applies to all employees, incidental insiders, permanent insiders and managers of InPost Group. It promotes compliance with the *Market Abuse Regulation* and *Luxembourg Market Abuse Law.*

Treasury shares

As at 31 December, 2023, InPost S.A. and its subsidiaries held 182,500 treasury shares, which will be used for settlement of share-based programmes in future. No acquisition of treasury shares was made during 2023.

Dividend

In 2023, no dividends were paid or proposed for payment. The Company will consider paying a dividend in the medium term, while maintaining financial flexibility, to invest in its growth, both organically and inorganically.

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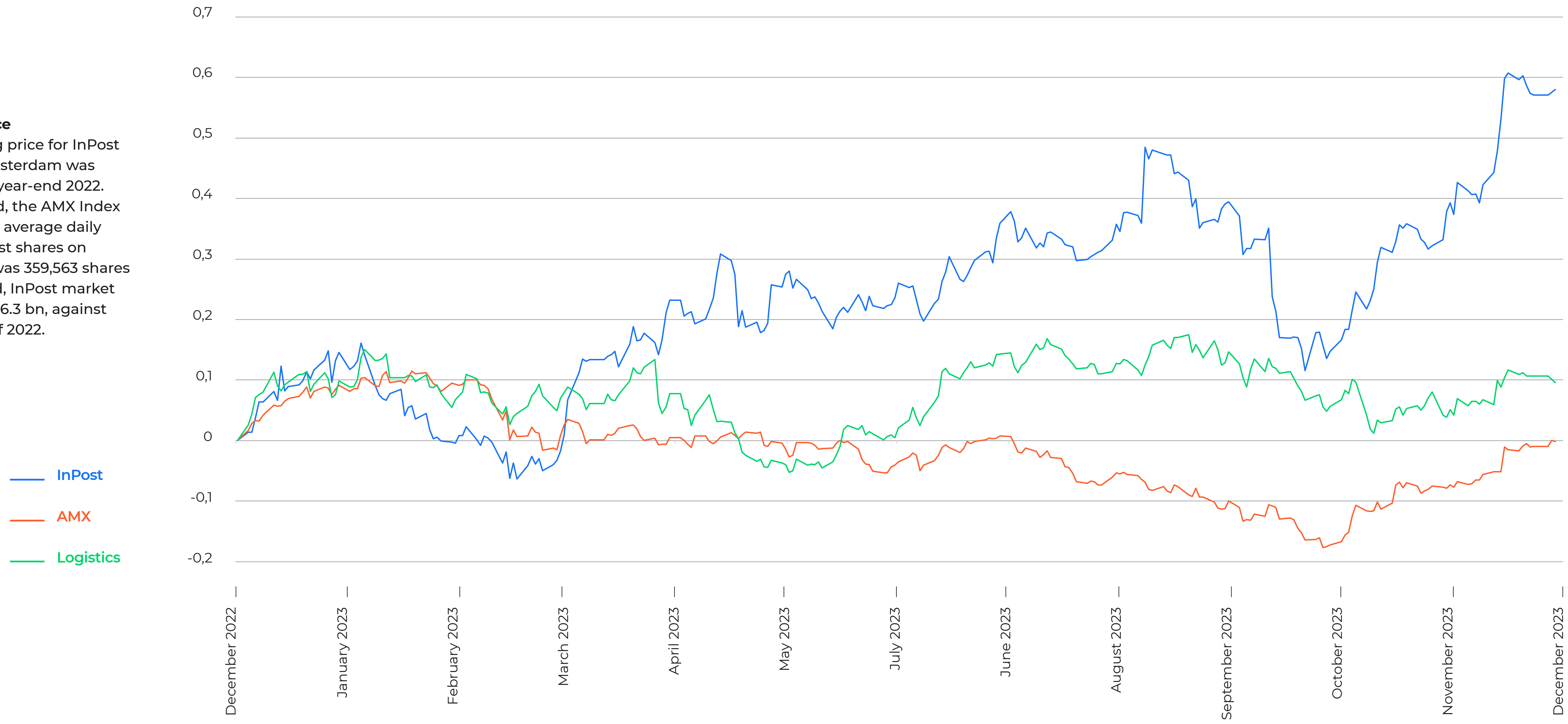
Share price performance
At year-end, the closing price for InPost shares on Euronext Amsterdam was EUR 12.5, up 59% since year-end 2022. During the same period, the AMX Index decreased by 0.4%. The average daily trading volume of InPost shares on Euronext Amsterdam was 359,563 shares in 2023. At the year-end, InPost market capitalization was EUR 6.3 bn, against EUR 3.9bn at the end of 2022.



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SHAREHOLDER INFORMATION

Shareholders structure

The Luxembourg Transparency Law, the *Luxembourg Transparency Regulation* and *Dutch Financial Supervision Act* require investors who hold a share interest or voting interest exceeding (or falling below) certain thresholds to notify their interest with the Commission de Surveillance du Secteur Financier ("CSSF") in Luxembourg, the Company and the Authority for the Financial Markets ("AFM") in the Netherlands. Based on this information, to the company's knowledge, shareholders holding more than 5% in the capital are in the table.

During 2023, the PPF Group joined the group of significant shareholders of InPost SA company. On May 25, 2023, PPF Group announced that it has agreed to acquire a 15% shareholding in InPost from Advent International. On December 8, PPF Group further agreed to acquire approximately 5% of the share capital of InPost from Advent International. Additionally, Advent has granted PPF Group an option to purchase an additional 10% shareholding in InPost. As of March 28, 2024, PPF Group holds shares representing 21.75% of the InPost share capital, while Advent International stake decreased to 25.03%.

SHAREHOLDER STRUCTURE OF INPOST
[SHAREHOLDERS ABOVE 5% STAKE, AS OF MARCH 28, 2024]

EXCHANGE	NUMBER OF SHARES	NUMBER OF VOTING RIGHTS	% OF SHARES	% OF VOTING RIGHTS
Advent International Corporation	125,130,590	125,130,590	25.03%	25.03%
PPF Group N.V.	108,736,940	108,736,940	21.75%	21.75%
A&R Investments Ltd[1]	62,455,416	62,455,416	12.49%	12.49%
GIC Private Limited, Singapore	25,045,941	25,045,941	5.01%	5.01%
Other shareholders	178,631,113	178,631,113	35.72%	35.72%
TOTAL	**500,000,000**	**500,000,000**	**100.00%**	**100.00%**

[1] A&R Investments Limited ("A&R") is a Maltese limited liability company established indirectly with the participation of Rafal Brzoska, who currently holds a direct 2.27% shares in the company. 96,98% of its shares are held by the Life & Science Foundation, which was established and is operating under the laws of the Principality of Liechtenstein

SHAREHOLDER INFORMATION

Shareholders engagement

InPost attaches great value to maintaining an open dialogue with shareholders, investors and equity analysts in order to promote transparency and receive valuable feedback. The company conducts extensive investor outreach throughout the year, involving the Investor Relations department and members of the Board of Management, to ensure that the topics that matter most to shareholders can be addressed effectively. InPost has an active investor relations approach aimed at supporting the company's long-term ambitions by keeping existing and potential shareholders well-informed about its strategy and the latest operational and financial developments.

Additionally, in June 2023 a dedicated event – Capital Markets Day – was organised to foster further engagement with the investor community. The event, which included a visit to an InPost depot, saw a high participation rate and provided valuable insights into the company's operations.

InPost publishes its financial results on a quarterly basis. The company releases a semi-annual report and trading updates for its Q1 and Q3 performance. Each quarter, the company also organises an earnings call for equity analysts and institutional investors to discuss these results. These earnings calls can be accessed and replayed on InPost's Investor Relations website. The Supervisory Board receives regular updates on the feedback from institutional shareholders and investors as well as equity analysts, giving them a clear understanding of shareholders' views and concerns.

Company website

The InPost Group website, inpost.eu, is a comprehensive source of information about our company, our activities, share performance, and shareholders. Moreover, the website ensures timely access to company announcements, including interim and annual reports, investor presentations and webcasts.

Additionally, the website features a financial and event calendar that highlights upcoming events and actions relevant to investors. We also provide a market-consensus with a list of the 19 analysts covering InPost shares.

Financial calendar 2024

Q1 Trading Update
May 15 2024

Annual General Meeting
May 16 2024

Semi-annual report for H1 2024
Sep 6 2024

Q3 Trading Update
Nov 8 2024

SUSTAINABILITY REPORT

ESG HIGHLIGHTS
ESG STRATEGY AT A GLANCE
PILLAR I - IN_CLIENT
PILLAR II - IN_PLANET
PILLAR III - IN_PEOPLE

contents

ESG HIGHLIGHTS

In 2023 InPost Group continued to make strong progress in addressing our most important environmental, social and governance priorities. ESG is at the heart of InPost's business model, which allows us to consistently reach our environmental goals.

Our customers not only enjoy convenience, high-quality service, and excellent value when using APMs , but they also significantly cut down on carbon emissions compared to 2Door delivery.

The fact that our couriers handle multiple parcels at the same stop when sending them on APM, and fewer when delivering them to the consumer's door, means that the last mile CO_2 emissions per parcel for delivery to APM are significantly reduced.

* avoided emissions were calculated as the difference in last-mile emissions that would be generated during 2DOOR delivery of the volume of parcels delivered to APM/PUDO in Poland in 2023 compared to emission from delivery to APM/PUDO. The emission per parcel used includes: emissions from transport and from heating and energy consumption in branches, sorting plants, APMs, as well as data transfer and IT infrastructure and the consumer's path to the APM and back. Details are presented on page 171.

ENVIRONMENTAL

98%

less CO2 emission from delivery to APM/PUDO vs. 2DOOR (Poland, from transport on last mile)

171,946 tCO_2

emissions avoided
(Poland)*

100%

of electricity from renewable energy sources in Parcel Lockers in Poland

27%

Scope 1&2 reduction YoY

SEE PAGES: 160 TO 184

SOCIAL

900,000

beneficiaries of social programmes

PLN 17.5m

voluntary donations

51%

Employee engagement survey

19.1

training hours per employee

SEE PAGES: 145 TO 197

GOVERNANCE

32.6%

of the Management Board and N-1 of the Group held by women

55.3%

of the employees received anti-corruption training

+90%

of employees in Poland participated in cybersecurity trainings on average

PLN 275m

taxes paid locally

SEE PAGES: 60 TO 137

InPost Group has strong sustainability ambitions and continuously strives to enhance performance in the areas of Environment, Social, and Governance. As part of these efforts, our company is evaluated by leading international sustainability rating agencies, such as MSCI, Sustainalytics, the Carbon Disclosure Project (CDP), and S&P Global.

In 2023, we improved our position in:

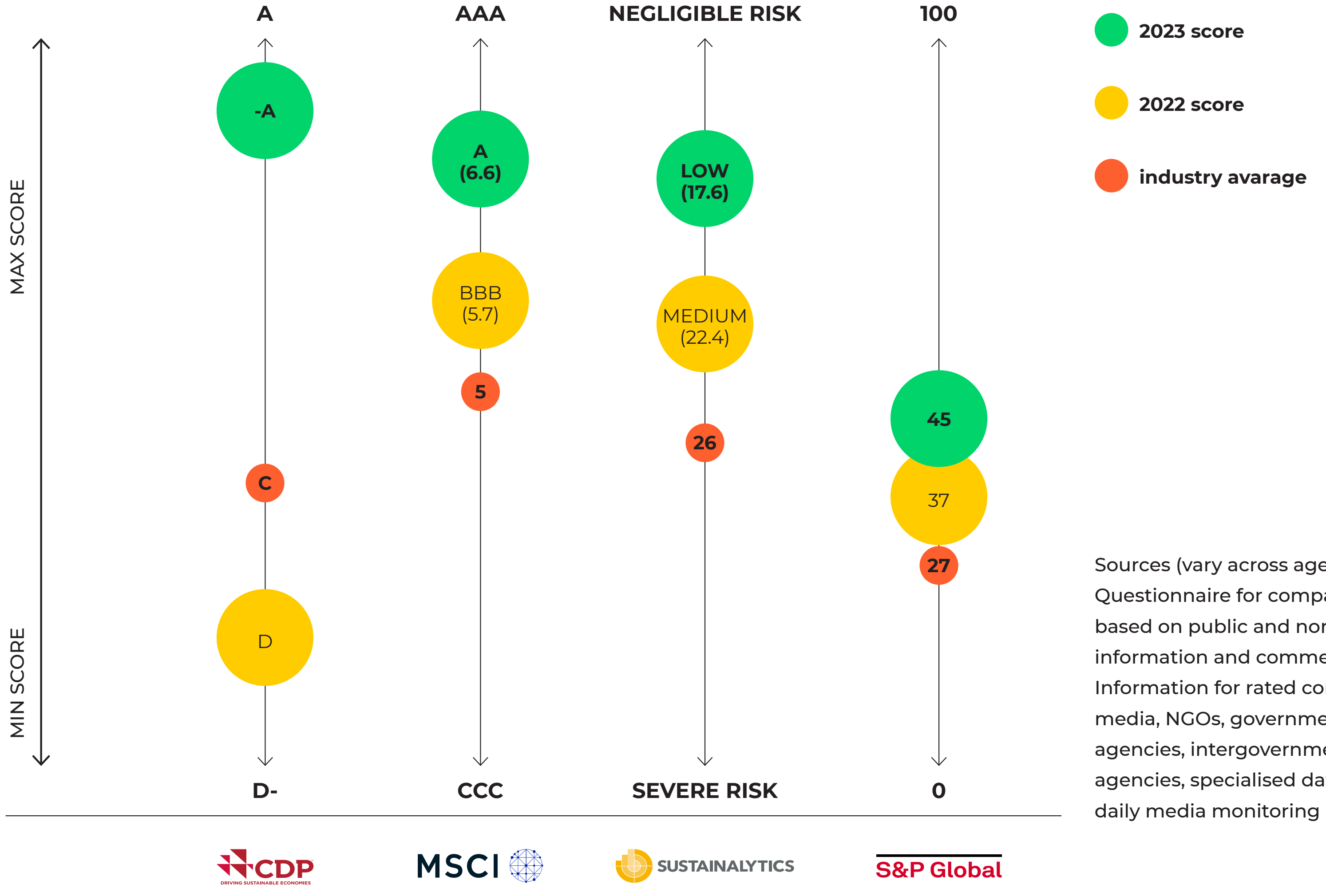
MSCI
from BBB to A
(+ 15.8 % YoY)

Sustainalytics
from Medium Risk to Low Risk
(+ 21.4% YoY)

S&P Score
from 37 points to 45 (+21.6 YoY)

In the case of MSCI, we managed to improve our rating from BBB (5.7) to A (6.6), which represents a 15.8% increase compared to the previous year. In the Sustainalytics ranking, we shifted our risk category from Medium Risk (22.4) to Low Risk (17.6), thereby a 21.4% year-over-year growth. In the S&P ranking, our score increased from 37 points to 45, thereby indicating a 21.6% improvement compared to the previous year.
The greatest increase we achieved in the CDP rating, improving our rating by five levels, was obtaining an A rating in the latest ranking. Such a high result confirms the effectiveness of InPost Group's Decarbonisation Strategy and reflects our determination and effectiveness in achieving CO_2 emission reduction goals, with noticeable improvement in 10 out of 11 categories. The average global rating for intermodal transport and logistics is C, and in Europe, it is B, which emphasised the unique position of InPost Group as an industry leader.

ESG RATING SCORES



Sources (vary across agencies): Questionnaire for companies based on public and non-public information and comments, Information for rated companies, media, NGOs, government agencies, intergovernmental agencies, specialised databases, daily media monitoring

"Sustainable development is a multi-faceted challenge. We cannot remain indifferent to the urgency and scale of the transformation currently taking place in business. **WE ARE DEALING WITH A REAL REVOLUTION THAT IS TRANSFORMING INDUSTRIES, CONSUMER BEHAVIOUR, AND CORPORATE STRATEGIES, JUST LIKE THE DIGITAL REVOLUTION DID A DOZEN OR SO YEARS AGO. WE STRIVE TO BE AT THE FOREFRONT OF THIS REVOLUTION IN OUR INDUSTRY BY INTEGRATING SUSTAINABILITY INTO EVERY ASPECT OF OUR BUSINESS.**

We are implementing innovative solutions in the field of services for end users and business partners, improvements in the operational area and ecological technologies in the design of parcel lockers. We continually evaluate our business practices to adapt to the changing ESG landscape and to meet the expectations of our stakeholders. Since implementing the ESG strategy, we have already achieved many successes, especially in decarbonisation, where we are following the path towards progressively reducing emissions."

IZABELA KAROLCZYK-SZAFRAŃSKA,
Chief Marketing & ESG Officer

ESG STRATEGY AT A GLANCE

Since formally laying out our ESG strategy two years ago, the InPost Group has made material progress in achieving its goals and setting new standards in corporate responsibility. Facing global challenges such as climate change, inflation, and international conflicts, we have not stopped striving to create a new, sustainable vision and to introduce innovative solutions for our partners and consumers.

We are fully aware that our stakeholders expect us to act by the principles of sustainable development. Knowing that we are facing a pivotal moment in ESG reporting and increasing requirements for transparency, we have taken on challenges that bring with them great expectations. Thanks to surveys and dialogue with our stakeholders as per the AA1000 Standard, we confirmed that the ESG activities undertaken by the Group are important to 87% of them. This means that our latest activities reflect a deep understanding of the needs of sustainability and social responsibility.

InPost Group's sustainability is based on the company's strategy, values, and commitments. We operate by the highest standards of law, ethics, and environmental responsibility, implementing the best market practices. As a signatory of the UN Global Compact Poland, we implement Ten Principles in the areas over which we have influence. We also take guidance from, among others, the *Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights,* and *Fundamental Conventions* prepared by the International Labor Organisation. In 2023, we introduced several policies and documents, including the *Environmental Policy, Internal Carbon Pricing Guidelines for the entire Group, Code of Conduct for Business Partners, Social Engagement Policy and Stakeholder Engagement Policy.*

At InPost Group, integrating sustainability into our everyday activities, governance, and risk management is fundamental. Our approach to decision-making goes beyond just financial considerations to also encompass the social and environmental impacts of our operations. The demand that companies act sustainably is growing, and they are expected to actively address societal and environmental challenges. Recognising shifts in our business landscape and the expectations of our stakeholders, we have further embedded sustainability into InPost's strategy and operations.

We strongly believe that environmental responsibility and customer satisfaction can go hand in hand. Therefore, we take constant care to make our processes and services as intuitive, friendly, effective, and ecological as we can. Our goal is to create an experience that not only meets our customers' expectations but also contributes to building long-term and loyal relationships with them. Delivery to APMs is not only convenient but also sustainable. We want to educate our customers, so we have introduced a service to provide customers information about CO_2 via the in Post Mobile App in Poland when their parcel is delivered to a machine or 2Door. This solution will be implemented gradually to customers in other markets where the company operates, starting with the largest ones – France and the UK.

Our goal is also to support local communities and help those in need. Thanks to our Social Engagement Policy, we have contributed to a positive change and have already helped 900,000 beneficiaries. Thanks to the InPost Green City Programme, we are already in 54 Polish cities and three cities in France, educating local communities about ecology and implementing sustainable consumer solutions. InPost Group also works closely with customers, partners, and communities at a local level to support the transition to a more sustainable and climate-resilient society. Read more what we are doing in the **In-Client Section.**

Our ESG Strategy focuses on the ten Sustainable Development Goals (SDGs), prioritising Goal 13 - Climate Action. We strive for climate neutrality by working hard to reduce CO_2 and combat climate change. Since the Science Based Targets initiative (SBTi) approved our NET-ZERO goal, we focused on decarbonisation projects. We managed to reduce CO_2 by 10% in Scope 1&2 (compared to base year) which is consistent with the goal.

In Poland all APMs were using 100% of electricity from renewable energy sources. We work hard to reduce the carbon footprint of transport by introducing logistic processes that will optimise deliveries. By concentrating on better-quality data acquisition, we can more accurately calculate the carbon footprint of transport in Poland, Spain, and Italy. Our courier fleet of 1,000 electric vehicles is the largest in Poland. Read more about our decarbonisation activities in the **In_Planet Section.**

We also continue to invest in our people - We want to create a safe and motivating workplace by investing in training and fostering an inclusive organisation. We aim to see the potential in each employee and tailor their development path. In 2023, there were 128,055 development training hours for employees in Poland.

A motivated and engaged employee is fundamental to the long term health and success of the business and so we survey our employee engagement every year. This year, the result was 51 for the overall Group showing a year on year improvement in our employee engagement scores and also enabling us to identify areas of focus for 2024.At InPost we strive for each employee to be proud to be part of our team and proud of what they accomplish. Providing meaningful work and leading with a strong sense of purpose enhances the overall experience of our employees. It also supports them as they undertake the ongoing development and growth that are bringing changes to our organisation. Read more about our employee culture in the **In_People Section.**

OUR MAIN GOALS

The ESG Strategy of InPost Group covers the years 2021-2026, unless otherwise stated by specific strategic commitments (see table below). This Strategy outlines detailed goals for the entire InPost Group across three key pillars: In_Client, In_Planet, In_People. Developed with ESG regulatory requirements in mind, the strategy of InPost ensures compliance with global standards and expectations as well as local legislation, including i.a. responsible taxation. This is crucial for maintaining transparency and accountability in our sustainability efforts. The Strategy undergoes regular reviews—this dynamic approach enables us to adapt and evolve our goals in response to the changing market, environmental, and societal needs. In addition, the Strategy provides clear guidelines for managing, monitoring, and reporting specific target outcomes. The ESG targets reflect the most material issues to our business and stakeholders and shall be measured using both quantitative and qualitative indicators to track and report performance. This allows stakeholders to effectively track progress and impact. In the design of the selected KPIs, we decided to consider voluntary reporting frameworks and standards.

Through this comprehensive approach, we demonstrate our commitment to embedding sustainable development deeply within our operations. This puts us on course for a long-term, positive impact in the regions where we operate.

Pillar	Topic	Commitment/Scope of action	Baseline year	Time horizon	Status 2023		Status 2022	Progress
IN_Client **WE CHANGE the lifestyle of tomorrow**	We create innovative and sustainable services.	We define the direction of changes in the industry by implementing at least 2 sustainable consumer solutions in e-commerce per year.	2021	2026	3 services launched: - CF in InPost Mobile App in Poland - TerraCycle in the UK - Hipli in France	vs.	2 services launched - Eco-returns - Screenless APM	**150%** ↑
	We improve the quality of life in cities.	InPost is the first choice of customers (industry-leading NPS on all markets).	2021	2026	NPS 60 (leading in Poland)	vs.	NPS 62	**3%** ↓
	We are part of local communities.	We are a key player in local communities by creating community involvement programmes reaching 2 million beneficiaries.	2021	2026	Beneficiaries: 900,000 (PL)	vs.	Beneficiaries: 350,000 (PL)	**157%** ↑

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Pillar	Topic	Commitment/Scope of action	Baseline year	Time horizon	Status 2023		Status 2022	Progress
IN_Planet **WE DELIVER lowcarbon e-commerce**	We are committed to decarbonisation, especially through the continuous improvement of operational efficiency.	We commit to reducing absolute Scope 1 and Scope 2 GHG emissions 42% by 2030 from the 2021 base year.	2021	2030	Detailed data are presented on page 162			
		We commit that 69% of our suppliers by emissions covering the categories of purchased goods and services, capital goods, and upstream transportation and distribution, will have science-based targets by 2027.	-	2027				
		We commit to reaching net-zero GHG emissions across the value chain by 2040. We commit to reducing absolute Scope 1&2 GHG emissions by 95% by 2040 from the 2021 base year.	2021	2040				
		We commit to reducing absolute Scope 3 GHG emissions by 90% by 2040 from the 2021 base year.	2021	2040				
		Apart from SBTi: We commit to achieving climate neutrality by 2025 in Scope 1 and 2 (unreduced emissions in Scope 1 and 2 will be compensated).	-	2025				
	We support the second life of products and raw materials.	By 2024, we will ensure that 100% of the packaging in our own operations will come from recycled materials and it will be possible to process them in recycling plants.	2021	2024	• Poly-mailers that do not come from recycled materials have been withdrawn from sale (PL) • EcoBox relaunched (PL)	vs.	• Blue Angel certified poly-mailers are available for sale at InStore (PL) • EcoBox launched (PL)	
IN_People **WE MOTIVATE our employees and business partners**	We are committed to the development of our employees.	The level of commitment of our employees will be above 50% (according to the Kincentric methodology).	2021	2026	InPost Group: 51%	vs.	InPost Group: 50%	1 p.p. ↑
	We support the growth of business partners.	We will employ 1,000 employees and couriers by implementing equal opportunity programmes on the labour market.	2021	2026	Papilons Blanc (FR): 15 workers 1.2% people with disabilities in Poland	vs.	Papilons Blancs (FR): 15 workers	
	Diversity is what lets us grow.	We create a workplace that thrives on diversity. Strong support for gender equality is a foundation for our growth (30% of the Management Board and N-1 of the InPost Group are women by 2026).*	2021	2026	32% (Senior Management) 38% (Supervisory Board)		Due to the change in the calculation methodology in accordance with the Dutch Governance Code, which was implemented in 2023, we are unable to provide the percentage for 2022.	

*The specific goal has been changed to better reflect the specificity of the InPost Group

PILLAR I IN_CLIENT

SUMMARY

HOW DO WE CONTRIBUTE TO SDGS?

Goal	3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	5 GENDER EQUALITY	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
SDG target	By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination (3.9)	Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women (5.b)	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life (5.5)	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries acting in accordance with their respective capabilities (9.4)
Inpost Group contributing actions – examples	• + 114% APMs with air quality sensors YoY (PL) • Anti-smog paving stones near APMs – 22 cities in Poland, 106 locations	• IT Girls – 5,500 beneficiaries • Cosmos for Girls – 1,800 beneficiaries	• E-commerce Women – 250 beneficiaries • Vital Voices Programme	• +116% EV cars (YoY PL) • +60% EV charging stations (YoY PL) • 9 APMs with solar panels (PL) • Battery Parcel Locker development • Two solar bus shelters with APM

PILLAR I – IN_CLIENT
SUMMARY

HOW DO WE CONTRIBUTE TO SDGS?

Goal	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
SDG target	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status (10.2)	We contribute to the achievement of targets: 11.1 11.3 11.6 11.7 11. 8	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse (12.5)	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning (13.3)
Inpost Group contributing actions – examples	• Avalon Campaign – 800,000 people reached by the educational campaign • Training for seniors - 1,500 beneficiaries • The Noble Gift – 47,000 beneficiaries	• InPost Green City Programme in Poland • InPost Green City Programme in France • More details: page 151	• ECOreturns – 64,812 parcels (+410% YoY) • Hipli – 20,000 parcels • TerraCycle – 2,000 parcels	• Clean Tatras – 6,000 beneficiaries • Carbon Footprint Calculator for end customers • World CleanUp Day

PILLAR I - IN_CLIENT

WE CREATE INNOVATIVE AND SUSTAINABLE SERVICES

OUR IMPACT

GRI 2-29

We take great pride in the fact that our stakeholders perceive us not only as a trustworthy company (87%) and distinguish us from the competition (89%), but also see us as an innovative company that develops new technologies (86%). This recognition directly demonstrates that our brand's investments in innovative solutions are appreciated and recognised for the tangible benefits they bring. In terms of environmental protection, stakeholders appreciate the implementation of green technologies and procedures in the production of APMs and sustainable deliveries (including EV logistics).*

The Group's efforts in waste management and recycling were also valued. In Poland, the most valued service in this area is Eco-Returns; in France, it's the cooperation with Hipli, a manufacturer of returnable packaging. In the social dimension, the InPost Group is lauded for increasing access to logistics services, thereby playing a key role in customer convenience. Furthermore, stakeholders appreciate InPost's efforts to encourage eco-friendly consumer habits.
The materiality analysis conducted among our stakeholders plays a significant role in assessing the impact of the InPost Group on the environment and society, ensuring a comprehensive understanding of the company's role and responsibilities. We strive to incorporate this feedback into current and future sustainability efforts, ensuring that its activities remain aligned with both stakeholder expectations and global sustainability goals.

87%
of stakeholders perceive us as a **trustworthy company**

89%
of stakeholders **distinguish us from the competition**

86%
of stakeholders see us as an **innovative company, developing new technologies**

* based on Materiality Matrix survey, December 2023

OUR SUSTAINABLE SERVICES FOR END CUSTOMERS

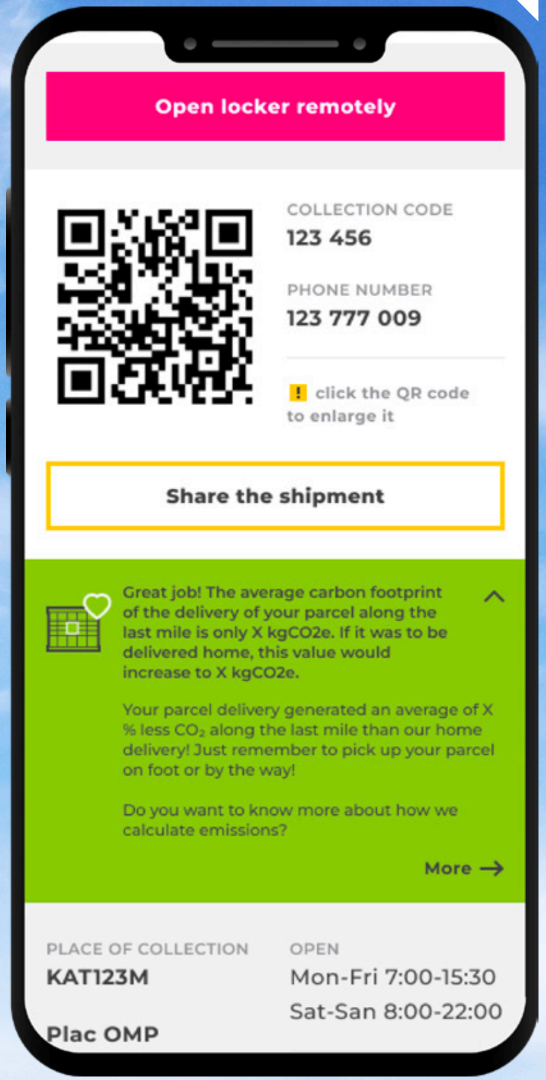
In the rapidly evolving global e-commerce landscape, the role of sustainable services and innovation is becoming ever more important. Consumers are increasingly aware of the environmental impact of their purchases, leading to a shift in their preferences towards brands that demonstrate a commitment to sustainability. Our recently launched services and innovations reflect our understanding of our role in shaping a more sustainable future.

These initiatives also set pioneering benchmarks in the industry. Our range of services for both individual consumers and businesses, are designed to minimise the environmental impact of logistics, distinguishing us in the marketplace. InPost's strategy exemplifies how integrating sustainability into business operations can forge a compelling blend of ethical accountability and commercial prosperity. This approach not only benefits the planet but also reshapes the consumer landscape, fostering a positive and lasting influence on both the environment and market dynamics.

In November 2023, we introduced an innovative feature for Polish users in our mobile application, which allows customers to check the amount of CO_2 emissions resulting from the delivery of their parcels to APM or directly to their homes by an InPost courier. This functionality aims to deepen knowledge about the impact of parcel delivery on the environment. By making customers aware of the carbon footprint associated with their deliveries, InPost encourages them to make conscious choices to protect the climate. Our application provides insight into how even routine activities such as delivering parcels can impact the planet, supporting collective efforts to protect it.

The InPost Mobile application shows the ecological efficiency of APMs deliveries, emphasising not only the convenience but also a measurable reduction in greenhouse gas emissions compared to door to door deliveries. This one choice brings many benefits to both the user and the planet. As part of the InPost Group's commitment to sustainable development and achieving NET-ZERO by 2040, this app function is part of our broader ecological initiatives.

UNIQUE IMPLEMENTATION IN THE LOGISTICS SECTOR FOR END CUSTOMERS



CO_2 RESULTS IN INPOST MOBILE APP

APPROACH

We show emissions from the entire value chain: transport, data transfer, heating and energy consumption by branches/APMs.

EXTERNAL REVIEW

To be credible, our methodology and assumptions have been externally verified

BUILDING A COMPETITIVE ADVANTAGE

Building a strong brand in logistics through an ecological form of delivery.

METHODOLOGY

Methodology compliant with GHG Protocol

CALCULATOR FOR MERCHANTS

From 2024, our merchants will receive quarterly CO_2 results from the entire route of their parcels.

UNIQUE FUNCTIONALITY

The consumer will be able to check his carbon footprint delivery to APM/2D (from the last mile).

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At InPost, we calculate the carbon footprint of the shipment along its entire route, but we show the user the carbon footprint of the last mile – the most important stage of the shipment's journey in terms of CO_2 emissions. The result is given in kilograms of CO_2e, according to the WTW (Well to Wheel) method.
The carbon footprint of a shipment includes not only transport emissions, but also heating and energy consumption in branches, as well as data transmission and IT infrastructure. In the case of delivery to an APM, we will also add emissions resulting from its electricity consumption. The CO_2 value displayed in the application is the average value for the branch from which we delivered the shipment. The value is updated monthly taking into account many variables, including: how many times the courier stopped to deliver parcels to APM and to the indicated address, the number of kilometres travelled by conventional and EV vehicles and the number of parcels delivered. Thanks to the carbon footprint calculator we have created, we will be able to provide data on CO_2 emissions from the entire route to our merchants from the first quarter of 2024. Find out more about this in the **In_Planet** section.

In 2023, we implemented three services aimed at promoting circularity and managing packaging waste.

In France, in cooperation with Hipli, we introduced returnable packaging that can be recycled up to 100 times.

In the UK, in cooperation with TerraCycle, we introduced a service that will allow users to send waste that is difficult to recycle via a parcel locker.

In Poland, in addition to the Eco-Returns service, which has been operating since 2022, we are introducing a new version of the EcoBox service (one that is more refined in terms of UX) to better respond to the needs of end customers and merchants.

More about these services can be found in the **In_Planet** section.

As part of the Innovation Lab - a unit in the organisation that supports the development of innovative sustainable development solutions, we have used new ideas and technologies to implement several initiatives promoting creativity, productivity, and innovation in various fields. We constantly educate our employees on Design Thinking, the Canvas Business Model and Product Discovery. Under an EU grant, Innovation Lab received funds to implement projects supporting the circular economy (EcoBox) and to develop low-emission delivery methods. As part of this project, we will cooperate with partners from, among others, Spain, Greece and France.

We also work to ensure equal participation of customers and employees with special needs in economic, social and workplace activities in line with the European Accessibility Act. We want our services to be built with all our clients in mind and set trends in creating service accessibility. We expand our teams' awareness of accessibility, including digital and architectural accessibility, so that the services we provide and the solutions we design enable the inclusion of everyone, regardless of capabilities or special needs. We want to make sure that the processes we build are not temporary solutions, but in a responsible way allow us to maintain availability at the appropriate level in a dynamically changing world.

ESG IN ACTION

1. SCREENLESS

APM without screen

– fremote opening of lockers through the application.

Energy saved by 53% in central module.

132 tCO_2e **saved in 2023**

691 **devices in Poland**

2. DEVELOPMENT OF APMX

Temperature-controlled lockers

R290 refrigerant

has a zero ODP index, which means no negative impact on the ozone layer, and an extremely low GWP index, which indicates a minimal impact on global warming.

3. SILVER GENERATION INCLUSION

Familiarising members of the older generation with the technology in APMs – **how to use the device and application**

Educational campaigns implemented in Poland together with the National Institute of Senior Economy

Almost **1,500 training participants in PL**

4. SOLAR BUS STOPS WITH APM

2 locations in Poland

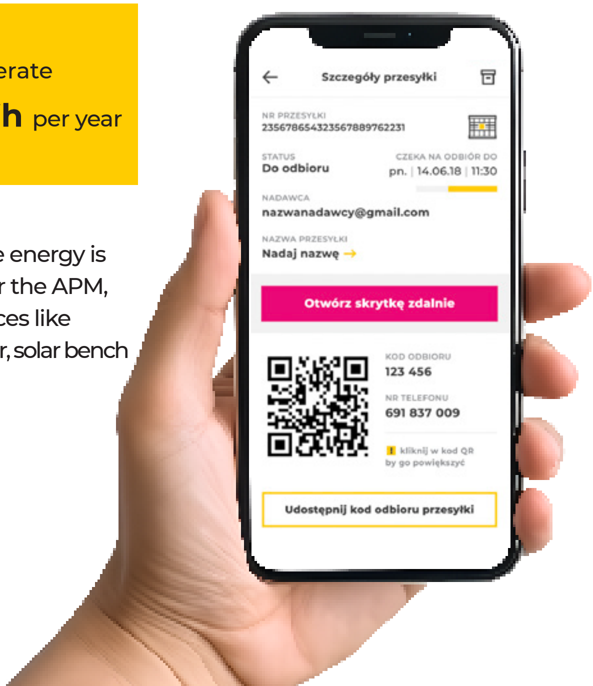
4 solar panels on the roof of the bus stop

Solar panels generate **680 kWh** per year

79% of the energy is intended to power the APM, **21%** for other devices like a telephone charger, solar bench

5. INPOST MOBILE APPLICATION

48,407 ECOreturns via Mobile App



PILLAR I - IN_CLIENT

WE IMPROVE THE QUALITY OF LIFE IN CITIES

WE ARE CLOSE TO OUR CUSTOMERS

Investments in improving and enhancing our network in Poland have meant that almost 61% of our customers are only a 7-minute walk from the nearest APM or PUDO. Thanks to this ease of access, approximately 64% of them pick up parcels while going shopping or on their way back from work. This encourages the use of more ecological transport methods – 60% of our users get to parcel lockers on foot or by bike, thus reducing CO_2 emissions. Consumers count on us to contribute to sustainable and safe courier transport and to increase the availability of logistics services, and we readily adopt these expectations as our responsibilities. To meet these needs, we are developing our APM/PUDO network, offering a wider and more durable range of services for both our business partners and individual clients.

POPULATION COVERAGE BY OUR PARCEL LOCKERS/PUDO POINTS (WALKING DISTANCE)

POLAND:

7 min walking distance	5 min walking distance	3 min walking distance
61%	51%	21%

FRANCE:

Population coverage **APM+PUDO**	Population coverage **PUDO**	Population coverage **APM**
32.9%	31%	11.5%

UK:

Tier 1 Cities population coverage within 7 min walking distance	**Country** population coverage within 7 min walking distance
53%	31%

Catchment calculation is a metric that shows the total population coverage within a specified distance or walking distance. Overlapping catchment areas are taken into account only once in the final aggregation.
APM – population coverage of the APM Network Size
– PUDO – population coverage of the PUDO Network Size

APM + PUDO – population coverage of APMs and PUDOs avoiding overlaps

Distances for stock exchange purposes:

PL – 7 minutes walking distance (equivalent of ~500 m)

FR – 7 minutes walking distance (equivalent of ~500 m)

UK – 7 minutes walking distance (equivalent of ~500 m) from an InPost location
Tier 1 Cities – The 12 largest cities in the UK

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INPOST GREEN CITY PROGRAMME IN POLAND

We are convinced that our initiatives have a significant effect on the quality of life of our customers. Our efforts primarily revolve around enhancing convenience and time efficiency for our customers by expanding our APM/PUDO network. Furthermore, we are investing in solutions to address urban issues, particularly those linked to climate change, with an emphasis on fostering sustainable and resilient urban environments. The rise in global temperatures, escalating pollution levels, and the urgent need for sustainable living practices underscore the importance of initiatives like the InPost Green City Programme. Hence, the role of parcel lockers in urban areas is crucial in reducing traffic congestion and emissions. As the number of online purchases increases, the use of parcel lockers can significantly reduce the number of delivery vans and passenger vehicles on the road. This, in turn, can help reduce greenhouse gas emissions and protect the environment.

Such programmes play a pivotal role in transforming urban landscapes to be more resilient and environmentally conscious, aligning with the global movement towards sustainability.

In these extraordinary times, profound collaboration is essential. Businesses and cities need to work together to create the extraordinary economic shift required to achieve a net-zero future.

Launched in 2021, InPost Green City exemplifies this shift towards eco-friendly urban development. Initially implemented in Łódź and subsequently expanded to 54 other municipalities, the programme underscores InPost's commitment to sustainable development. Its initiatives include expanding the network of machines, installing air quality sensors and green roofs in APMs, transitioning to electric vehicles which contribute to cleaner air and to reducing our carbon footprint. Collaborations with local governments have also led to tangible benefits, such as the creation of children's playgrounds, the development of green spaces and pocket parks and many other initiatives.

Education is a cornerstone of the Green City Programme, with InPost engaging in numerous activities to heighten ecological awareness. This includes projects like EduZones, which have reached thousands of residents across several cities. Future plans include expanding EduZones to more cities and developing scholarship programmes.

"HERE AT INPOST, WE TRULY CARE ABOUT OUR PLANET, AND THAT'S WHY WE LOVE WORKING TOGETHER WITH LOCAL GOVERNMENTS AND COMMUNITIES THROUGH OUR INPOST GREEN CITY PROGRAMME. We've accomplished a lot together, and just last year, we pulled off some awesome projects like funding a playground for the City Hall of Łódź, or holding a primary school Minecraft contest about greening cities. But we're not stopping there! We've kicked off new projects too, like creating educational zones during city events and adding a touch of green to our Parcel Lockers with plants or special sedum. I'm super proud of how we're joining forces with city authorities to make a real difference for local communities and our environment."

MARTA ZALEWSKA
InPost Green City
Programme Director

INPOST GREEN CITY IN FRANCE

In 2022, Mondial Relay also began implementing the Green City Programme, establishing cooperation with the Metropolitan Area of Lille (Marcq-En-Baroeul, Hem,Croix, Forest Sur Marcq,Wattrelos), the Metropolitan Area of Paris (L'etanglaville , Saint Cyr l'Ecole) and the Metropolitan Area of Bordeaux (Lormont, Pessac). An innovative aspect of Mondial Relay's programme is "City Lockers", which includes the provision of deliveries via electric vehicles. Mondial Relay's commitment extends beyond just service delivery; it's about enabling impactful actions for the community. This involves reducing traffic congestion by lessening dependence on automotive transport, replacing diesel delivery vehicles with more sustainable electric options, and expanding the network of parcel lockers and Points Relais® to facilitate easier, more eco-friendly customer access. The first machines under the programme in France were installed in 2023, with more widespread implementation planned for 2024 to maximise the environmental benefit.The development of InPost Green City is a priority in the InPost Group's ESG plans, hence we will focus not only on increasing the scale of our impact by including more cities in the initiatives, but also on increasing the flexibility of the tools we offer to respond even better to local needs.

OUR ACTIVITIES SUPPORT THE IMPLEMENTATION OF URBAN CLIMATE POLICIES THROUGH:

1. Reducing car traffic
2. Deployment of low-carbon vehicles (electric or non-electric)
3. Expanding our network of Parcel Lockers and Points Relais to encourage customers to pick up their parcels on foot
4. Implementing individual projects to improve quality of life in cooperation with local authorities and communities

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HOW DOES OUR GREEN CITY PROGRAMME CONTRIBUTE TO SDG's?

11 SUSTAINABLE CITIES AND COMMUNITIES

	Target	Our activities	Key numbers
11.1 AFFORDABLE AND SUSTAINABLE TRANSPORT SYSTEMS	By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.	E-commerce is changing the way we use infrastructure in cities. The nature of traffic on the streets is also changing. The number of courier and delivery vehicles is increasing, so setting up parcel lockers effectively relieves traffic jams. By introducing electric vehicles, the programme helps develop more sustainable, accessible, and environmentally friendly transport systems.	• 1,000 EV vehicles in Poland • +60% EV charging stations (YoY PL)
11.3 INCLUSIVE AND SUSTAINABLE URBANISATION	By 2030, enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.	The programme's collaboration with local authorities in planning and managing urban spaces aligns with this target, fostering more inclusive and sustainable urban development.	• 10 green urban development projects
11.6 REDUCE THE ENVIRONMENTAL IMPACT OF CITIES	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.	This is a key area where the InPost Green City programme aligns strongly. Through initiatives like air quality sensors greening of urban spaces, and the use of eco-friendly vehicles, the programme helps significantly reduce the ecological footprint of cities.	• anti-smog paving stones next to APMs: 22 cities in Poland, 106 locations
11.7 PROVIDE ACCESS TO SAFE AND INCLUSIVE GREEN AND PUBLIC SPACES	By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities.	The programme's efforts in creating and enhancing green spaces, such as the development of parks and rain gardens, directly contribute to this target by providing safe, inclusive, and accessible green public spaces.	• 2 playgrounds • 5 rain beds • 3 urban meadows • 1 butterfly house • 1 pocket park • 6 solar benches
11.8 STRONG NATIONAL AND REGIONAL DEVELOPMENT PLANNING	Support positive economic, social, and environmental links between urban, suburban and rural areas by strengthening national and regional development planning	Thanks to the programme, we can participate in planning urban space and contribute to the optimal arrangement of APMs.	25 APMs installed in cooperation with the conservator of monuments (Poznań)

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OUR ACTIONS WITH CITIES

In addition to the Green City Programme, InPost actively cooperates with cities under the “Polish Recycling Capital” programme, emphasising ecological education and electronic waste recycling. This initiative, which launched its second phase in 2023, aims to provide practical environmental education focused on e-waste recycling and a circular economy perspective. As part of the programme, the city authorities promote selective collection of electronic waste among residents, which is then processed in professional recycling plants. The winning city, based on the amount of e-waste collected per capita, will receive the title of the Polish Capital of Recycling and a unique recycling trophy. The competition involved Polish 44 cities, responsible for sending 6.048 parcels with Łódź coming out as the winning city.

The significance of combating waste, particularly in urban areas, cannot be overstated. Cities, as dense population centres and hubs of industry, are major contributors to waste generation, including e-waste. Effective waste management in these areas is crucial for maintaining environmental health and sustainability. The “Polish Recycling Capital” programme plays a vital role in this context by not only promoting recycling but also by educating the public about the importance of waste reduction and responsible disposal. By engaging city authorities and residents in this initiative, the programme fosters a culture of environmental responsibility and sustainability. Such efforts are instrumental in shaping a greener future and they demonstrate the power of collective action in tackling environmental challenges. The programme’s success, as seen in the significant volume of e-waste collected in 2023, underscores the potential for cities and business partners to lead the way in environmental stewardship and sustainable living.

The InPost Green City Programme is also active in projects related to biodiversity. Thanks to the support of our programme, a peat bog with at habitat of the Star Swertia, which is an extremely rare plant in the EU and a strictly protected species in Poland, has been protected in the Biebrza National Park.

86% of municipal representatives view InPost Group as a leader in e-commerce, environmentally conscious, and socially responsible, and believe the company cares for its employees. 71% hope to see InPost as the most environmentally-friendly parcel delivery company in five to ten years, while 43% wish for it to focus on enhancing city life quality and promoting good consumer habits. All municipal representatives agree that InPost’s activities significantly contribute to education on the impact of consumer decisions on the environment and improve access to logistics services (Materiality Matrix, December 2023)

PILLAR I - IN_CLIENT

WE ARE PART OF LOCAL COMMUNITIES

WE MAKE A POSITIVE IMPACT ON SOCIETY

GRI 201-1, 203-1 GRI 413-2

As delivery experts, we interact with communities daily. Our dedicated team members are committed not only to their jobs, but also to making a positive impact on the neighbourhoods we serve. Through their volunteer efforts, they invest their time, skills, and resources to support various local initiatives aimed at helping communities prosper and thrive.

These initiatives range from partnering with charitable organisations, launching educational programmes, and participating in environmental conservation projects. By leveraging our expertise and passion for delivering exceptional service, we can create lasting connections with community members and contribute to their well-being.

Working together with local stakeholders, we strive to address pressing issues and create opportunities for growth and development. Our community-engagement efforts bring added value to our business and enable us to maintain a strong, tangible presence in the areas where our services are needed most. In this way, our commitment goes beyond simply providing delivery solutions; we also foster a sense of belonging and contribute to building a better future for everyone involved.

We make every effort to ensure that our corporate social responsibility activities align with the brand's vision and competencies, as well as our business and strategic goals. To guide all our charitable and social commitments, we have developed a *Social Engagement Policy*. This policy outlines the main objectives, scope of activities, and principles of support. The InPost Group's *Social Engagement Policy* aligns with our ESG strategy and contributes to the implementation of global Sustainable Development Goals.

Our business operations generate substantial economic benefits for various stakeholders. With PLN 1,051.5m paid in salaries and benefits and PLN 202,3m in governmental payments, we significantly enhance the well-being of our social surroundings.

Our commitment to investing in local communities is ever-increasing. In 2023 we dedicated over 17.5m PLN to initiatives aimed at, f.e. elevating the quality of life in Polish cities. These investments encompassed major projects like the installation of charging stations, expanding the network of air sensors, and supporting various educational programs, which are detailed further in the Green Cities Programme section.

We have not noticed any substantial adverse impacts of our operations on local communities. On the contrary, our customers are well-informed about our charitable endeavours, and investors acknowledge our significant role in positively transforming local communities.

PLN 1,051.5m
salary&benefits

PLN 202.3m
governmental payment

PLN 17.5m
community investments

OUR ACTIONS

As a company with a significant market position, we can widely influence various social and environmental challenges. We see more opportunities to use our influence to build a world that is healthier, more just, and more inclusive. Our goal is to make a positive contribution through social investment and volunteer activities and to help individuals and communities move towards a more sustainable and healthier future.

InPost Group, with a keen focus on fulfilling multiple Sustainable Development Goals (SDGs), is deeply committed to driving positive social change. As we embark on various actions, our efforts are strategically designed to address a spectrum of global challenges. This commitment to the SDGs reflects our dedication not only to excel in our business endeavours but also to contribute meaningfully to the betterment of society and the environment. Through these initiatives, InPost Group illustrates its role as a proactive contributor to the global movement towards sustainable development, showcasing how corporate actions can significantly align with and support global goals.

At InPost, we support activities aimed at equalising opportunities for women on the labour market and counteracting gender discrimination. In 2023, we cooperated with the IT Girls Foundation, which challenges deeply rooted stereotypes and opens doors for women in the technology sector. Through educational programmes tailored to the needs of children and adolescents, the foundation develops a passion for technology among girls, encouraging them to dream big and pursue a career in the technology industry. Continuing its commitment to gender equality, InPost has also joined forces with the Cosmos for Girls Foundation. The aim of this collaboration is to develop self-confidence, creativity and decision-making skills in young girls. By providing resources and support, InPost and Cosmos For Girls aim to break stereotypes and empower girls from various backgrounds, including orphanages, foster homes and community centres. For the second year, we also supported the "E-Commerce Woman 2023" campaign, which honours women with an innovative and visionary approach to the e-commerce sector.

We are also strongly committed to promoting mental health support. For another year, we have been cooperating with the "Therapy is not a shame" Foundation, which aims to break the stigma surrounding mental health problems. We also don't ignore the needs of the youngest, which is why we sponsor the printing of children's therapeutic literature as part of the "Library of Power" project.

In addition to our other efforts we also support the sports passions of the youngest. We facilitate sporting events and support initiatives to ensure children's access to sport. InPost UK proudly sponsors the girls' football teams under Platform Sports. We support the training and sports development of girls aged 5-11 in the county of Surrey in the UK.

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CHARITY AND VOLUNTEERING

An important part of our social and charitable activities involves helping the poorest. In early 2023, Mondial Relay launched several philanthropic initiatives in collaboration with various organisations. The “Les Lockers Solidaires - Le Mois du Love” initiative, organised in partnership with Secours Populaire, encouraged customers to donate gifts throughout February to support lonely people. The campaign aimed to collect as many donations as possible through Mondial Relay, which offers free shipping labels. Mondial Relay has also established cooperation with the Lucie Association to collect books via the PUDO and APMs networks. These books were then sold with the proceeds going to support associations helping the poor. Following the earthquake in Morocco in September 2023, Mondial Relay donated €15,000 to the Red Cross to help victims. In Poland, we once again supported the campaign of collecting shoes through APMs, which, after cleaning and repairing, were given to people coping with homelessness.

In 2023, we actively implemented our social and environmental obligations. We continued our InPost InHelp programme, which is our main channel of our volunteer activities. Driven by a sense of social responsibility, our employee community participated in various forms of volunteering: corporate, grant, and individual.

In the area of employee volunteering, we organised three large company-wide initiatives, in line with our ESG strategy. These activities not only engaged our employees from the grassroots, but also strengthened our organisational team spirit. For example, during the “Together we move mountains” campaign, nearly 100 members of our InPost InHelp team cooperated with other volunteers to collect 330 kilograms of garbage from the Tatra National Park in Poland. Additionally, as part of the global movement of World Clean Up Day 2023, our branches in various regions, including Poland, France, Benelux, Iberia, Italy, and the United Kingdom, undertook significant clean-up activities.

Each region made its own contribution, from tidying riverbanks to creating awareness campaigns. We also showed our solidarity and support for those in need through our involvement in The Noble Gift project last year, which provided significant help to numerous families and individuals through generous donations.

Through grant volunteering, employee groups directed their efforts toward having positive impacts in local communities. The inaugural edition of our grant programme in 2023 was a huge success – 11 projects received funding and almost 900 hours were devoted to various initiatives that had a positive impact on nearly 1,000 beneficiaries. Individual volunteering was also promoted, allowing employees to pursue their personal passions and engage in charity projects. This not only facilitated the development of social skills, but also enabled personalised support for NGOs.

The InPost Foundation, in accordance with its mission, continued to support its employees in various aspects of life. Whether resolving difficult personal situations or supporting community and sporting involvement, the Foundation has established itself as a key part of our mission. In 2023, it provided significant support to several employees, underscoring our commitment to employee well-being.

As we move forward, we remain steadfast in our commitment to evolving not only as a business entity, but also as an active participant in improving society. Our joint efforts in 2023, from environmental initiatives to social action, underline InPost’s commitment to supporting meaningful, positive change in the world.

THE NOBLE GIFT RESULTS

20
LEADERS FROM INPOST

410
PEOPLE INVOLVED

62
PEOPLE SUPPORTED

380
PARCELS

120,150 PLN
ESTIMATED VALUE OF PARCELS

PILLAR II - IN_PLANET

WE DELIVER LOW-CARBON E-COMMERCE

WE ARE COMMITTED TO DECARBONISATION, INCLUDING BY SUCCESSIVELY IMPROVING OPERATIONAL EFFICIENCY

"We believe in transparency and accountability, which is why we've set near- and long-term emissions reduction targets for our business. These targets have been approved by the Science Based Targets initiative, an independent organisation that verifies companies' emissions targets align with the latest climate science. **WE'RE PROUD TO BE ONLY THE WORLD'S THIRD GLOBAL PARCEL DELIVERY COMPANY TO HAVE BOTH TYPES OF TARGETS APPROVED BY THE SBTi, AIMING FOR CO_2 REDUCTION AND NET-ZERO EMISSIONS BY 2040, TEN YEARS AHEAD OF THE PARIS AGREEMENT'S REQUIREMENT.** But setting targets is just the beginning – we're committed to a long journey of decarbonisation, and we'll work alongside our stakeholders to tackle every new challenge. We have very ambitious goals ahead of us, which we must approach thoughtfully because we know that the market and consumers will diligently hold us to account for the actions we announce and take."

MICHAŁ STALMACH
Decarbonisation Team Manager

PILLAR II - IN_PLANET

SUMMARY.

HOW DO WE CONTRIBUTE TO SDGS?

Goal	13 CLIMATE ACTION	13 CLIMATE ACTION	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	17 PARTNERSHIPS FOR THE GOALS
SDG target	Integrate climate change measures into national policies, strategies, and planning (13.2)	Build knowledge and capacity to meet climate change (13.3)	By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse (12.5)	Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships
Inpost Group contributing actions – examples	• Decarbonisation Strategy – actions implemented in all markets • Scope 1 & 2 emissions decreased by 10.2% compared to base year • Scope 1 & 2 emissions decreased by 27% YoY • 100% of electricity from renewable energy sources in Parcel Lockers in Poland • 171,946 t CO2e - emission avoided in Poland (WtW last mile delivery to APM/PUDO vs 2DOOR including emissions from transport and from heating and energy consumption in branches, sorting plants, APMs, as well as data transfer and IT infrastructure)	• NET-ZERO 2040 – educational campaign in Poland for end-users • CO_2 results in InPost Mobile App in Poland launched • ECOreturns educational campaign	• TerraCycle - InPost UK – almost 2,000 parcels • Hipli in Mondial Relay – 20,000 parcels • ECOreturns in Poland – 64,812 parcels • EcoBox – relaunch in Poland • Circularity project in Poland • Share of sales of recycled poly mailers - 100%	• Partnership with 17 Goals Campaign, • Partnership with The Responsible Business Forum • Partnership with UNEP/GRID, UN Global Compact • InPost Green City Programme – partnership with 54 cities in Poland and three cities in France

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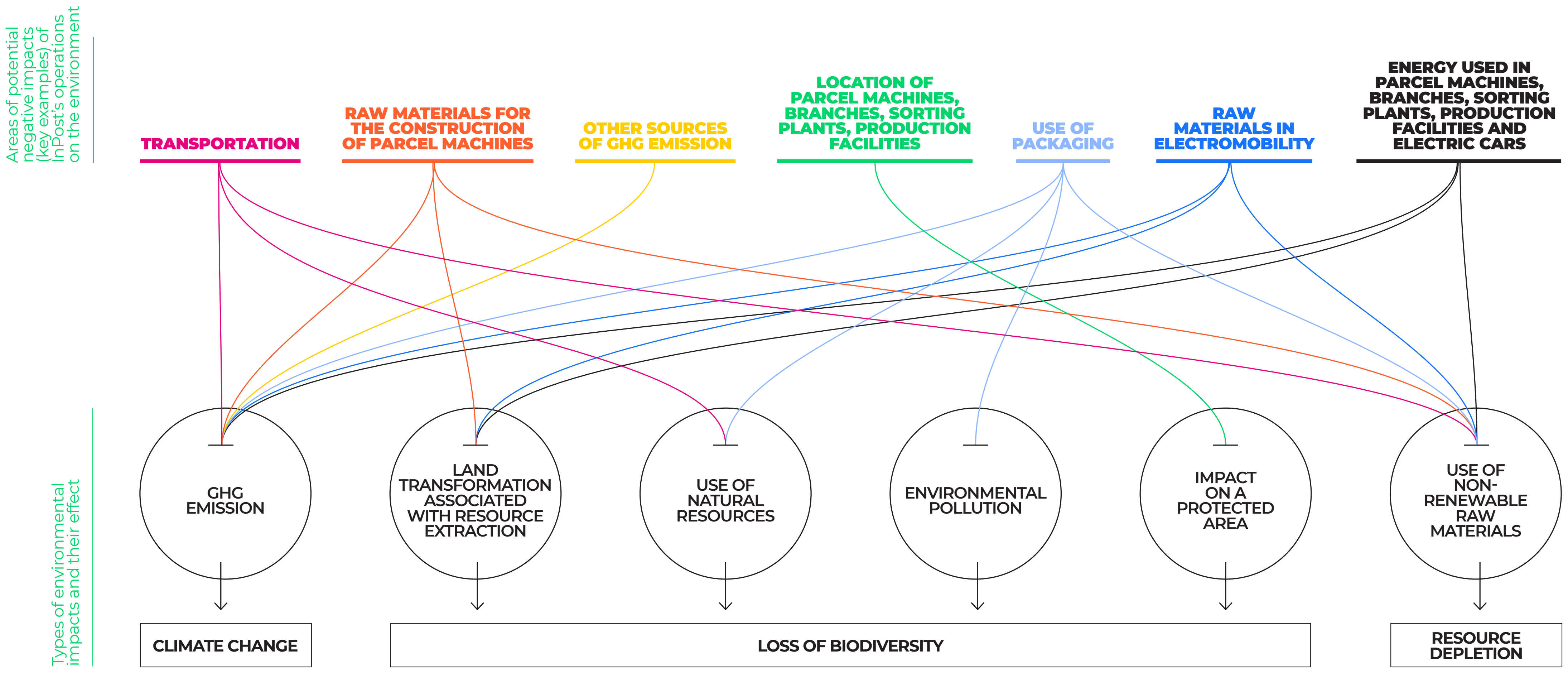
DECARBONISATION STRATEGY & BIODIVERSITY& CIRCULAR ECONOMY

In 2023, we began implementing the Decarbonisation Strategy, but we also explored issues such as biodiversity and the circular economy. We identified interconnections and synergies between them. The diagram shows examples of InPost's current actions in individual areas. In 2024, we will develop biodiversity and the circular economy goals to which we will commit, and we will continue and start activities that will contribute to their implementation.



InPost action

ESG STRATEGY

DECARBONISATION STRATEGY

1. GHG emissions reductions and NET-ZERO by 2040
2. emissions reductions will reduce indirect impacts on biodiversity loss
3. decarbonisation actions will be assessed from a biodiversity and circular economy perspective

BIODIVERSITY ACTIVITIES

1. implementation of the Decarbonisation Strategy
2. FSC-certified cardboard and paperboard packaging
3. Blue Angel certified foil packs (80% recycled material)
4. InPost Green City Programme

CIRCULAR ECONOMY ACTIVITIES

1. implementation of the Decarbonisation Strategy
2. implementation of biodiversity activities
3. increase in the use of reusable logistics carriers that do not require additional packaging materials

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DECARBONISATION STRATEGY - STATUS

	OUR TARGETS	KPI	BASE VALUE 2021	TARGET 2023	RESULT 2023	TARGET 2024	DEACRBONISATION LEVERS
NEAR-TERM TARGETS	InPost S.A. commits to reducing absolute Scope 1 and Scope 2 GHG emissions 42% by 2030 from the 2021 base year	Emission [t CO2 e] - market-based method	29,462	26,713	26,459	25,338	Improving energy efficiency Increasing the share of energy from renewable energy sources in total consumption Gradual replacement of standard car fleet with electric fleet (company's cars and VANs)
		Emission reduction in Scope 1&2 vs base year [%]	-	9.3	10.2	14	
	InPost S.A. commits that 69% of its suppliers by emissions covering categories purchased goods and services, capital goods, and upstream transportation and distribution, will have science-based targets by 2027.	Share of suppliers by emission that have Science Based Targets in Scope 1&2 [%]	0	0	0	5	Supplier Engagement Programme
	Apart from SBTi: InPost S.A. commits to achieving climate neutrality by 2025 in Scope 1 and 2 (Unreduced emissions in Scope 1 and 2 will be compensated)	Climate neutrality	To be implemented from 2025				
LONG –TERM TARGETS	InPost S.A. commits to reducing absolute Scope 1&2 GHG emissions by 95% by 2040 from a 2021 base year.	Emission reduction in Scope 1&2 [%]	-	9.3	10.2	14	Improving energy efficiency Increasing the share of energy from renewable energy sources in total consumption Gradual replacement of standard car fleet with electric fleet (company's cars and VANs)
	InPost S.A. commits to reducing absolute Scope 3 GHG emissions by 90% by 2040 from a 2021 base year.	Emission [t CO_2e]	418,986	Emissions may increase until 2027-2030	486,350	Emissions may increase until 2027-2030	Decarbonisation of last-mile and middle-mile Change of used materials
		Emission reduction in Scope 3 vs base year [%]	-		-16.1		
	InPost S.A. commits reaching net-zero GHG emissions across the value chain by 2040.	Net-zero	To be implemented from 2040				Neutralising the remaining 5-10% of emissions (residual emissions)

DECARBONISATION STRATEGY SUPPLIER ENGAGEMENT PROGRAMME - STATUS

Scope 3 emissions generated in the value chain were responsible for 93% of emissions in the base year, so we must take action to reduce them. In accordance with SBTi guidelines, we have chosen the path of involving our suppliers so that 69% of them (in terms of emissions) set science-based reduction goals within their scope 1 and 2 by 2027. Their beginning to implement these goals will further reduce our carbon footprint in Scope 3

We focus on the most important groups of suppliers which include:

1. Upstream transportation and distribution

2. Capital goods

3. Purchased goods and services

WE HAVE DIVIDED THE SUPPLIER ENGAGEMENT PROGRAMME CREATION PROCESS INTO THREE PHASES:

PHASE 1:	2023–2025	Assigning calculated emissions to the supplier Identifying providers that already have science-based or other goals Identifying of suppliers with whom we are already implementing reduction activities
PHASE 2:	2024–2028	Educating and supporting of suppliers in the field of emission calculation, setting goals, and methods of implementing reduction activities
PHASE 3:	2024–2028	Collecting and verifying information on emission levels, compliance of goals with science and implementation of goals

OUR GHG EMISSIONS AND ENERGY CONSUMPTION

We are committed to reducing absolute Scope 1 and Scope 2 GHG emissions by 42% by 2030 from the 2021 base year, and we aim for NET-ZERO emissions in 2040 according to SBTi methodology. In 2023, we reduced our Scope 1&2 emissions by 10% compared to base year and by 27% YoY. This was achieved mostly through increasing consumption of energy from renewable energy sources in Parcel Lockers and branches and by electric cars, but also by electrifying its own car fleet and reducing the energy consumption of screenless Parcel Lockers.

In 2023, emissions in scope 3 increased by 16% compared to the base year and by 10% YoY. This is due to business growth and we anticipate that these emissions may continue to increase in the coming years. At the same time, we are improving the efficiency of our operations and the emission intensity index from scope 1, 2 and 3 - market-based per volume of shipments decreased by 34% compared to the base year and 11% y/y. According to the Decarbonisation Strategy by 2027, 69% of our suppliers by emissions covering categories purchased goods and services, capital goods, and upstream transportation and distribution, will have science-based targets by 2027 for their Scope 1 and 2, and this should result, in our emissions starting to decline in 2027-2030.

In 2023, energy consumption increased by 21% y/y and compared to the base year. The growth is mainly due to the growing network of APM's and electric courier cars. From the perspective of GHG emissions, emissions from courier cars are reported in scope 3, and from electric courier cars mainly in scope 2. Therefore, due to the ongoing electrification of transport, energy consumption will increase in the coming years. That is why we implement activities that increase the use of energy from renewable energy sources. Energy consumption from renewable sources in 2023 amounted to 22% of total energy consumption and increased by almost 7 times y/y and almost 20 times compared to the base year. In 2023, APM's in Poland used only green energy. 16,619 MWh of electricity from renewable energy sources was covered by the purchase and redemption of Guarantees of Origin from wind and solar sources. The Guarantees confirm that the appropriate amount of energy was generated from renewable energy sources and fed into the distribution network. In the coming years, the share of energy from renewable sources in our consumption will increase.

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OUR GHG EMISSIONS

GRI [305-1, 305-2, 305-3]

tCO_2e	InPost Group			InPost Poland			Mondial Relay			InPost International		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Scope 1	**7,148**	**6,459**	**9,605**	**6,126**	**5,113**	**8,321**	**974**	**1,092**	**1,248**	**48**	**254**	**36**
Stationary combustion	3,670	3,107	6,964	3,670	2,644	6,320	-	353	609	-	110	35
Mobile combustion	3,462	3,330	2,459	2,440	2,447	1,819	974	739	639	48	144	1
Fugitive emissions from air-conditioning	16	22	182	16	22	182	-	-	-	-	-	-
Scope 2 - location-based	**31,149**	**29,040**	**18,687**	**29,388**	**27,709**	**18,025**	**798**	**672**	**405**	**963**	**659**	**257**
Scope 2 - market-based	**19,311**	**29,763**	**19,857**	**17,276**	**28,173**	**19,043**	**884**	**720**	**465**	**1,151**	**870**	**349**
Purchased electricity - location-based	30,747	28,474	18,176	29,008	27,156	17,514	798	672	405	941	646	257
Purchased electricity - market-based	18,909	29,197	19,346	16,896	27,620	18,532	884	720	465	1 129	857	349
Purchased heat and steam	402	566	511	380	553	511	-	-	-	22	13	-
Scope 3	**486,350**	**442,166**	**418,986**	**248,475**	**295,588**	**283,774**	**148,638**	**108,935**	**103,125**	**89,237**	**37,643**	**32,087**
Cat. 1 Purchased goods and services	42,884	50,262	23,368	20,071	37,556	13,286	9,923	12,525	8,263	12,890	1,431	1,819
Cat. 2 Capital goods	115,313	101,891	133,048	45,394	78,111	102,654	40,057	4,475	4,262	30,679	19,305	26,132
Cat. 3 Energy – related activities	8,652	10,936	6,722	7,758	10,143	6,348	522	429	323	372	364	51
Cat. 4 Upstream transport and distribution	234,624	229,610	216,692	134,650	143,601	138,984	76,446	75,059	75,940	23,528	10,950	1,768
Cat. 5 Waste generated in operations	2,297	394	1,643	1,046	269	1,462	1 251	115	153	-	10	28
Cat. 6 Business travel	1,482	204	175	1,024	72	75	414	128	99	44	4	1
Cat. 7 Employee commuting	5,935	6,288	4,417	3,379	4,136	2,335	2,266	1,994	2,026	290	158	56
Cat. 9 Downstream Transportation and Distribution	60,157	39,736	30,945	27,758	20,257	17,015	17,629	14,246	11,711	14,770	5,233	2,219
Cat. 12 End of Life of Sold Products	346	27	1,585	346	21	1,236	-	1	348	-	5	1
Cat. 14 Franchieses	7,700	2,818	391	7,049	2,635	379	130	-	-	521	183	12
Cat. 15 Investment	6,960	-	-	-	-	-	-	-	-	6,960	-	-
Outside of scope	**22,297**	**170**	**133**	**8,653**	**123**	**92**	**13,314**	**41**	**41**	**330**	**6**	**-**
Biogenic emissions from Scope 1	172	170	133	122	123	92	48	41	41	2	6	-
Biogenic emissions from Scope 2	1,679	-	-	1,679	-	-	-	-	-	-	-	-
Biogenic emissions from Scope 3 (Cat. 4 Upstream transport and distribution)	20,446	-	-	6,852	-	-	13,266	-	-	328	-	-
Scope 1+2+3 - location-based	**524,647**	**477,665**	**447,278**	**283,989**	**328,410**	**310,120**	**150,410**	**110,699**	**104,778**	**90,248**	**38,556**	**32,380**
Scope 1+2+3 - market-based	**512,809**	**478,388**	**448,448**	**271,877**	**328,874**	**311,138**	**150,496**	**110,747**	**104,838**	**90,436**	**38,767**	**32,472**

OUR GHG EMISSIONS METHODOLOGY

InPost Group GHG emissions were calculated according to GHG Protocol Standards: GHG Protocol Corporate Accounting and Reporting Standard, GHG Protocol Scope 2 Guidance, Corporate Value Chain (Scope 3) Standard.

The year 2021 was selected as a base year, taking into account the recent acquisitions and for which the carbon footprint was calculated for the first time for all scopes 1, 2 and 3. 2021 is also our base year for our GHG emission reduction and NET-ZERO target approved by SBTi. Operational control was chosen as the consolidation approach, which means that in scope 1 and 2 we report emission generated in APM's, buildings where we operate: offices, warehouses (excluding our partners warehouses – emission reported in scope 3, franchises category) sorting hubs, fulfilment centres, production plant and our car fleet. Gases included in the calculation, and global warming potential values are the result of emission factors used. For the vast majority of our emission sources by emission, the indicators used are not able to specify the emissions of individual greenhouse gases, which is why we provide the results in tonnes of CO2e. Emission sources, data sources, assumptions and emissions factors are presented on pages 315-317.

In 2023, InPost UK Ltd. invested in Menzies Group Distribution Group Limited and holds 30% of the shares from July 19, 2023. InPost Group does not have operational or financial control in Menzies, which is why we report these emissions in scope 3 category 15 Investments. At the same time, Menzies was responsible for realizing of some transport services for InPost UK, which we report in scope 3 category 4 Upstream transportation and distribution. Therefore, in category 15 we report 30% of Menzies emissions generated in the period in which InPost held shares less Menzies emissions reported in category 4.

In 2023, the InPost Group partially used 100% biodiesel and electricity from biomass combustion. Additionally, in the markets in which we operate, diesel oils and gasolines with different contents of biocomponents appear, which is why we have specified the methodology for calculating generated emissions and applied it also for previous years.

In 2023, we carried out surveys to find out how our customers and consumers send and receive parcels at parcel lockers and PUDO points. We included these emissions in scope 3 in category 9 Downstream transportation and distribution (details are presented on pages 164, 315).

Due to our ambitious plans to reduce GHG emissions and achieve NET-ZERO by 2040, we are constantly improving the quality of data used for emission calculations in order to be able to precisely manage them. In 2023, we significantly improved the quality of input data in many categories (e.g. electricity consumption in parcel lockers, energy consumption in branches, production of parcel lockers and emissions from transport). Due to new data collection methodologies, we noticed that in previous years we had overestimated GHG emissions.

We have also introduced several improvements in the data (e.g. updated the assignment of a thermal energy source to a branch), revised the organisational boundaries in previous years (e.g. we assigned emissions related to partner branches to the scope 3 franchises category), made the used sources of emission factors consistent and identified new GHG emission source (scope 3 cat. 9).

According to our Base Year Recalculation Procedure the following cases might potentially trigger a recalculation of InPost' base year emissions: structural changes in the InPost Group, mergers, acquisitions, and divestments, outsourcing and insourcing of emitting activities, changes in calculation methodology or improvements in the accuracy of emission factors or activity data, discovery of significant errors, or a number of cumulative errors, (when are collectively significant for scope 1+2 or scope 3). The significance threshold is 5%.
Changes in calculation methodology and improvements in the accuracy of emission factors and activity data appeared and the threshold was exceeded in 2021, so we have recalculated emissions, but in order to analyse trends, we have also made recalculations for 2022. The above also applies to the recalculation of energy consumption data. Tables on pages 164, 166, 176 present recalculated data.

The details of the recalculation are presented on pages 318-322. We did not exclude any sources, facilities, or operations.

Our GHG emissions ar not part of regulated trading schemes.

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OUR ENERGY CONSUMPTION

GRI [302-1]

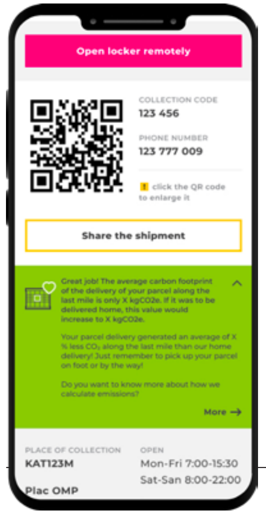
ENERGY CONSUMPTION WITHIN THE ORGANISATION: [GJ]

	InPost Group			InPost Poland			Mondial Relay			InPost International		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Fuels (non-renewable sources)	**118,869**	**97,185**	**155,560**	**105,006**	**78,529**	**135,807**	**13,216**	**15,067**	**19,040**	**647**	**3,589**	**713**
Diesel oil (mineral part)	21,289	23,909	20,717	15,046	16,315	12,423	5,734	6,609	8,286	509	985	8
Petrol (gasoline) (mineral part)	26,123	21,248	12,268	18,503	16,990	12,177	7,482	3,254	83	138	1,004	8
Natural gas	66,900	42,967	119,530	66,900	36,659	108,162	-	5,204	10,671	-	1,104	697
LNG	-	266	-	-	-	-	-	-	-	-	266	-
LPG	3,661	7,806	2,779	3,661	7,607	2,779	-	-	-	-	199	-
Heating oil	896	989	266	896	958	266	-	-	-	-	31	-
Fuels (renewable sources)	**2,367**	**2,322**	**1,863**	**1,663**	**1,706**	**1,281**	**673**	**573**	**582**	**31**	**43**	**-**
Biodiesel (as diesel oil biocomponent)	1,453	1,594	1,439	1,121	1,117	859	402	461	580	30	16	-
Bioethanol (as petrol biocomponent)	914	728	424	642	589	422	271	112	2	1	27	-
Purchased electricity and heating (non-renewable sources)	**141,974**	**171,278**	**117,876**	**78,371**	**128,657**	**91,852**	**47,853**	**29,311**	**21,156**	**15,750**	**13,310**	**4,868**
Electricity (branches, APM's, electric cars, offices)	133,890	159,334	109,591	70,728	116,993	83,567	47,853	29,311	21,156	15,309	13,030	4,868
District heating (branches, offices)	8,084	11,944	8,285	7,643	11, 664	8,285	-	-	-	441	280	-
Purchased electricity (renewable sources)	**70,287**	**6,038**	**763**	**70,287**	**6,038**	**763**	**-**	**-**	**-**	**-**	**-**	**-**
Electricity (branches, APM's, electric cars, offices)	70,287	6,038	763	70,287	6,038	763	-	-	-	-	-	-
Total energy consumption [GJ]	**333,497**	**276,823**	**276,062**	**255,327**	**214,930**	**229,703**	**61,742**	**44,951**	**40,778**	**16,428**	**16,942**	**5,581**
Percentage of renewable electricity in total electricity consumption	**34.4%**	**3.7%**	**0.7%**	**49.8%**	**0.3%**	**0.9%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Percentage of renewable energy in total energy consumption	**21.8%**	**3%**	**1.0%**	**28.2%**	**3.6%**	**0.9%**	**1.1%**	**1.3%**	**1.4%**	**0.2%**	**0.3%**	**0.0%**
Percentage of fossil sources in total energy consumption	**78.2%**	**97.0%**	**99.0%**	**71.8%**	**96.4%**	**99.1%**	**98.9%**	**98.7%**	**98.6%**	**99.8%**	**99.7%**	**100.0%**

Methodology is described on pages 165, 315-317. Data sources are the same as for 305-1, 305-2 presented on pages 315-317. DEFRA 2023 net calorific values were used, and previous versions were used for recalculations for 2022 and 2021 to unify the source of emission factors. Recalculated data sources and assumptions for 2021 and 2022 are the same as for GRI [305-1, 305-2, 305-3] and described on pages 318-322. The effects of the recalculations are presented on page 322.

PIVOTAL STEPS TOWARD ACHIEVING NET-ZERO BY 2040

2023 was a milestone on our pathway to fulfilling our commitments to reducing our impact on the planet. We have implemented numerous activities and projects that bring us closer to achieving the NET-ZERO goal by 2040 including:



1. GREEN ENERGY PROJECT

100% of electricity from renewable energy sources in APMs in Poland

34% of electricity from renewable energy sources in InPost Group

22% of energy from renewable energy sources in InPost Group

2. OUR ENERGY & GHG EMISSION REDUCTION INITIATIVES

- The Battery Parcel Locker
- Parcel lockers lightning schedule
- Low emission branch
- Increased consumption of electricity from renewable energy sources
- Electrification of transport

3. PARCELS CARBON FOOTPRINT CALCULATOR

4. PARCEL LOCKER – PRODUCT CARBON FOOTPRINT

5. DEVELOPMENT OF THE ELECTRIC FLEET IN POLAND AND THE CHARGING NETWORK

6. DECARBONISATION OF FREIGHT IN POLAND (EV FREIGHT)

7. IMPROVING THE QUALITY OF TRANSPORT DATA IN POLAND, ITALY AND SPAIN

8. 1ST PHASE OF DEVELOPING OF SUPPLIER ENGAGEMENT PROGRAMME

GREEN ENERGY ROADMAP

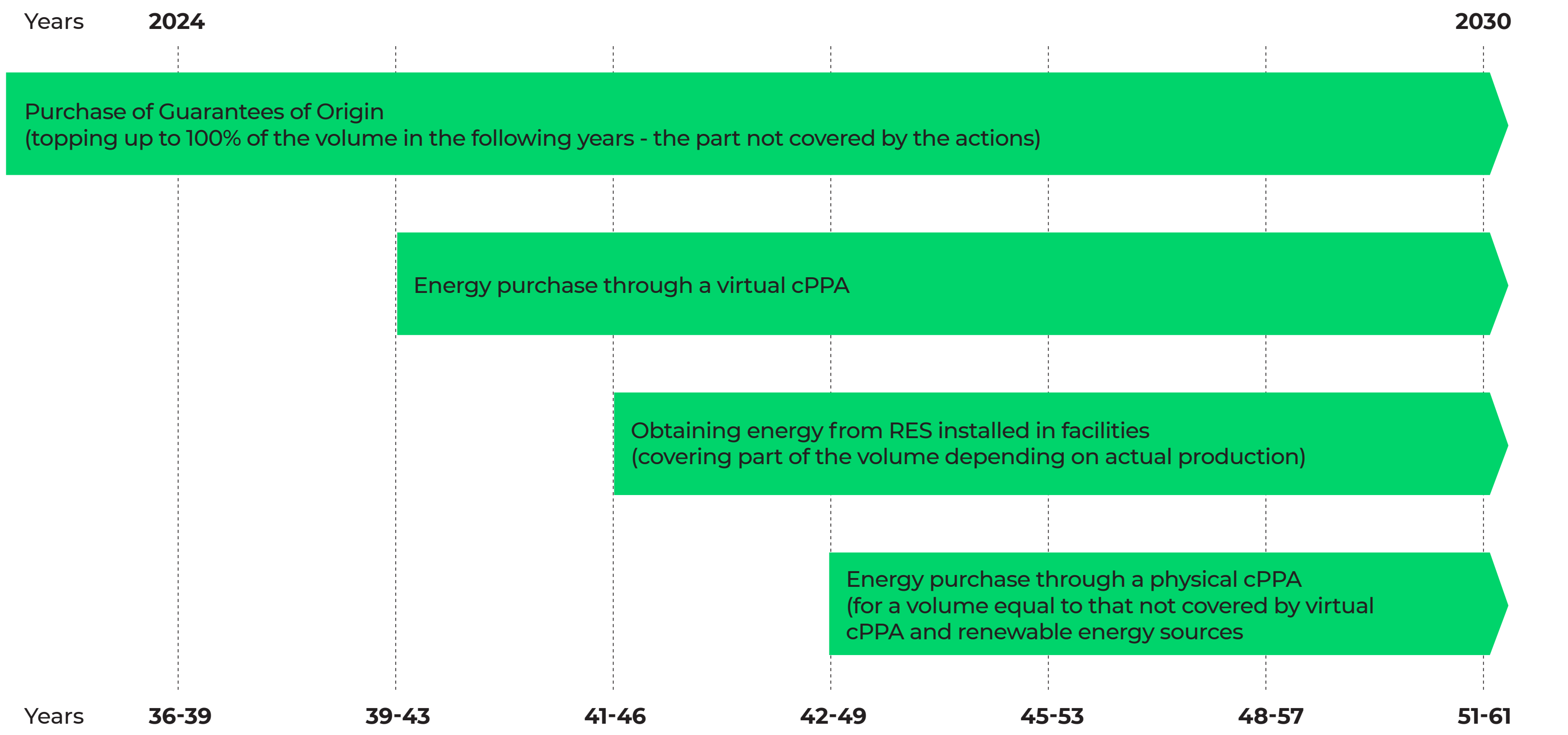
We have begun working hard on the Green Energy Project in Poland. Its goal is to devise a model for supplying the company with 100% energy from renewable sources in an economically justified manner (Green Energy Roadmap). In 2024, we will extend our analysis to the remaining markets of the Group. The project involved a detailed analysis of current energy consumption in operations in Poland, focusing on electricity consumption and covering areas such as parcel lockers, real estate, and EVs. The next stage was forecasting future consumption until 2030, identifying opportunities to reduce energy consumption, and providing green energy with an analysis of risks and opportunities.

Our electricity consumption occurs:
- in Parcel Lockers
- in branches, sorting plants, other buildings, including electricity used by electric VANs and other electric vehicles
- in other vehicle - charging locations

The current method of supplying parcel lockers with electricity limits the possibilities of greening this energy to purchasing Guarantees of Origin or generating them in the virtual cPPA model. There are the first parcel lockers with photovoltaic panels, and battery parcel lockers are also appearing, that can be charged with energy from renewable sources. We will equip buildings with photovoltaic panels. Unfortunately, the highest energy production occurs when the demand for energy is not at its peak; therefore, the shortage of green energy will be supplemented, for example, by energy purchased on the green tariff or through physical cPPA. In other vehicle charging locations that we control, we will require suppliers to use green energy. Currently, 34.4% of our electricity comes from renewable energy sources.

In 2023 we used 100% of electricity from renewable energy sources in Parcel Lockers in Poland. The goal for 2024 is to again provide 100% of electricity from renewable energy sources in parcel lockers in Poland and to partially cover the demand for such energy in buildings/ electric cars.

PLANNED SEQUENCE OF ACTIONS REGARDING THE SUPPLY OF GREEN ENERGY IN POLAND



OUR ENERGY & GHG EMISSION REDUCTION INITIATIVES

We have created a register that serves as a central hub for monitoring initiatives at various stages of development, aimed at reducing energy consumption and GHG emissions. Below, we describe the most interesting initiatives.

BATTERY PARCEL LOCKER

In 2023, our R&D team implemented a number of innovative solutions, including optimising APMs and integrating them with the InPost Application, the merging of offline and online services into a single ecosystem, and the development of new functionalities that reduce the environmental footprint of our parcel lockers. The team focused on various activities aimed at reducing the energy consumption of machines and the possibility of replacing individual input materials with recycled ones, in order to minimise waste and protect natural resources. We also spent the last year working on a new model of the machine - the Battery Parcel Locker.

The main benefits of the new machine include:

- Lower production costs due to mechanical and electronic improvements,
- Possibility to install parcel lockers in locations without access to the power grid,
- Reduced energy consumption and fewer components, resulting in lower CO_2 emissions from the production and operational phase,
- Additional configuration options, including the ability to operate on batteries or batteries supported by photovoltaic panels,
- Using the battery as a power source and controlling its charging will allow us to supply the parcel locker with green energy.

During the pilot implementation planned for the first quarter of 2024, we will test a new model of parcel locker layout based on the so-called “Swarm Concept”. This test, will be run in Poland, the UK, France, and Italy, and will enable us to determine the most logistically and energy-efficient method of planning urban space in terms of machine arrangement.

PARCEL LOCKERS LIGHTING SCHEDULE

We've discovered a way to reduce electricity consumption in our parcel lockers. We've introduced a lighting schedule that deactivates the LED lighting in the modules from 00:00 to 04:00 unless someone interacts with the machine. This includes customers sending or receiving parcels, couriers, and technicians. When someone interacts with the machine, the lighting control reverts to the twilight sensor, which then decides whether to activate it. This simple change saves approximately 100 kWh of energy per machine per year. In Poland alone, this initiative is expected to save an average of 1,800 tonnes of CO_2 annually. But that's not all - we're also implementing a dashboard that allows us to monitor energy consumption in real-time. This helps us achieve our decarbonisation goals by providing better quality data.

ELECTRIFICATION OF TRANSPORT

We must act decisively to reduce our emissions. That's why decarbonisation in transport is a priority for our company. Parcel transport is the principal source of emissions within the InPost Group. Consequently, we are making significant strides in electrifying our delivery fleet. Last year, we invested in significantly expanding our fleet to 1,000 electric vehicles delivering parcels over the last mile, making it the largest fleet of its kind in Poland. This initiative enabled us to deliver 73m parcels in Poland via electric vehicles, marking an increase of 143% compared to the previous year. In 2024, we plan to add 350 more EVs to our Polish fleet. Additionally, we installed 133 EV charging stations, primarily in InPost's warehouses and depots but with 19 of them accessible to the public. This is part of our commitment to decarbonisation and ensuring our branches are outfitted with the latest technology. Electric vehicles currently account for approximately 12.5% of the InPost fleet. Until now, these were exclusively couriers' vehicles. However, we're also exploring alternative options to reduce emissions in freight transport, such as utilising 15 LNG-powered tractor units and testing electric tractor units, including the Mercedes eActros and Volvo. During our tests, we covered 18,000 km and delivered 220,000 parcels.

INVESTMENT IN LOWER EMISSION TRANSPORT IN THE UK

Our decarbonisation efforts extend beyond Poland. In July 2023, the InPost Group acquired a 30% stake in Menzies Distribution Group, a leading courier company in Great Britain and Ireland, where shipment time is crucial. This acquisition will benefit all UK stakeholders, offering consumers a safe, affordable, and environmentally sustainable method of sending and receiving parcels, while suppliers will enjoy a fast, cost-effective, safe, and sustainable route to the consumer. Menzies Distribution has pledged to achieve net zero Scope 1 and 2 emissions by 2035, 15 years ahead of the targets set by the Paris Agreement and UK legislation. This is vital if we are to fulfil our NET-ZERO target by 2040. Menzies will focus on a fleet strategy that reduces emissions through efficiency and optimisation, and maximises the use of clean fuels. Menzies Distribution has a long history of innovation and action in minimising its environmental impact. This includes using advanced telematics and route planning to reduce fuel consumption and pioneering the use of Longer Semi-Trailers (LSTs) to significantly cut road miles, alongside developing network vehicle technology.

URBAN MICROLOGISTICS

We are also investing in the development of micro-logistics in urban areas. Currently, we are conducting larger-scale tests of deliveries by electric bikes and planning to expand these tests to five cities as part of the InPost Green City Programme in April 2024. These tests will explore various models of routes and parcel storage to determine the most cost-effective and efficient model.

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CONSUMER'S CARBON FOOTPRINT

We aim to encourage environmentally friendly habits among our customers while still providing top-quality service and convenience. We carried out survey research to learn about the habits when receiving and sending parcels.

A survey we conducted in Poland found that 64% of people pick up their parcels while they're already out and about, which means there's no extra carbon footprint from us. That means that the remaining 36%, go out of their way to some degree to pick up their parcels. Of those, 80% only pick up one parcel, while 20% pick up at least two. The average emission in Poland from picking up parcel was 0.046 kg CO2e, and in the case of dropping off via APM 0.048 kg CO2e.

Emission presented in WTW scope.

PARCEL CARBON FOOTPRINT CALCULATOR

We've created a Parcel Carbon Footprint Calculator that allows customers in Poland to see the carbon footprint generated by the delivery of their parcels. Our merchants will also automatically receive emission reports from April 2024, enabling thousands of customers to access accurate data on their carbon footprint. Our goal is to provide the highest quality data to help merchants monitor their carbon footprint and report in accordance with environmental guidelines. We will provide data on a quarterly basis, in accordance with WTW and TTW scopes, covering not just transport but also emissions from, energy consumption in branches, sorting plants and APMs, as well as data transfer and IT infrastructure. Data in the table represents average emission in Poland in 2023.

Deloitte Advisory sp. z o.o. sp. k. conducted an independent review of the compliance of the methodology and assumptions adopted by InPost with the GHG Protocol guidelines.

	Carbon footprint per parcel – emissions from transport [kg CO_2e]				Carbon footprint per parcel, including emissions from transport and from heating and energy consumption in branches, sorting plants, APMs, as well as data transfer and IT infrastructure [kg CO_2e]				Carbon footprint per parcel, including emissions from transport and from heating and energy consumption in branches, sorting plants, APMs, as well as data transfer and IT infrastructure and the consumer's path to the APM and back [kg CO_2e]			
	TTW		WTW		TTW		WTW		TTW		WTW	
Delivery Type	Last Mile	Whole Route	Last Mile	Whole Route	Last Mile	Whole Route	Last Mile	Whole Route	Last Mile	Whole Route	Last Mile	Whole Route
APM/PUDO	0.007	0.125	0.009	0.155	0.022	0.167	**0.024**	0.198	0.059	0.204	**0.069**	0.244
2DOOR	0.344	0.465	0.418	0.568	0.358	0.507	**0.433**	0.611	0.358	0.507	**0.433**	0.611
CO_2 reduction from delivery to the APM/PUDO vs. 2Door	98%	73%	98%	73%	94%	67%	**94%**	68%	84%	60%	**84%**	60%

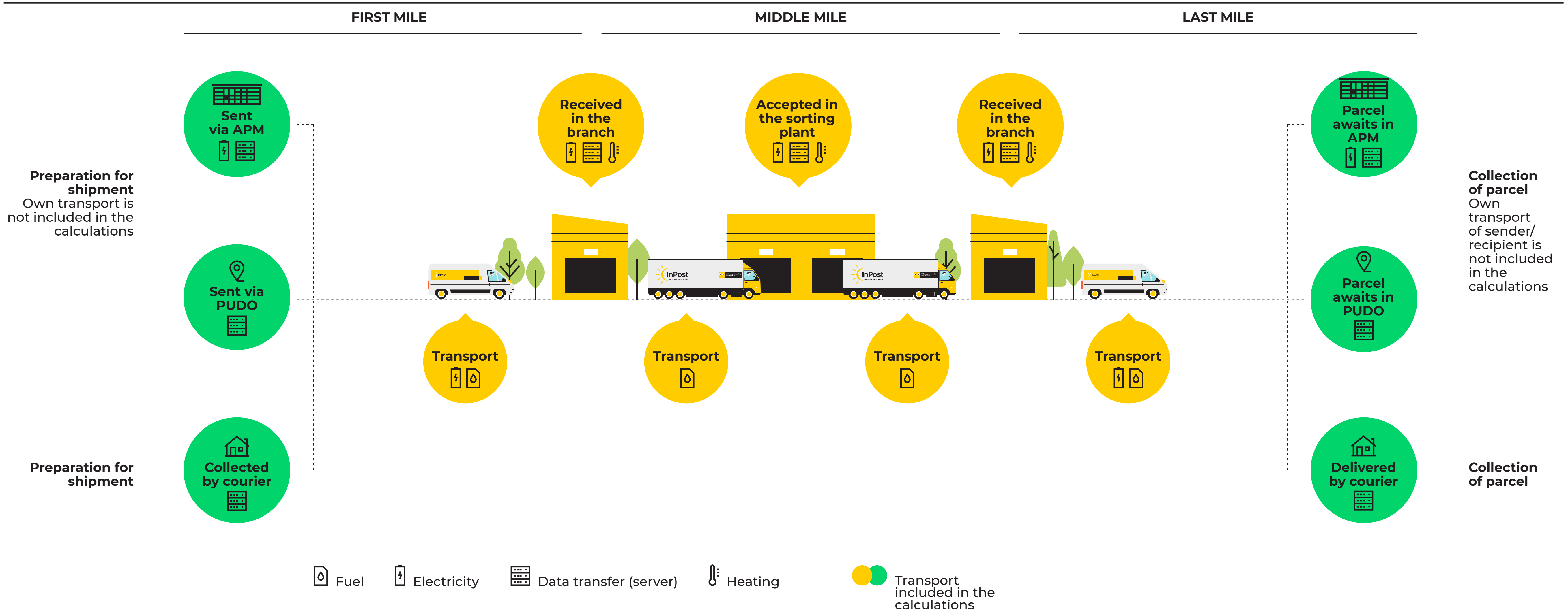
Whole route include first mile, middle mile and last mile – they are presented on the next page. Last mile and whole route also take into account emissions from the emission sources shown above the table.

What do the WTW and TTW mean?

WTW (Well-to-Wheel) is a term related to the analysis of energy efficiency and emissions associated with motor vehicles. It refers to an analysis that takes into account the entire energy life cycle, from the extraction of raw materials, through the production and transport of fuel to its combustion in a vehicle engine.

This comprehensive approach considers the full environmental impact of a given type of fuel or energy source, in contrast to the TTW (Tank-to-Wheel) method, which only accounts for emissions generated during fuel combustion. We use the term WTW to refer to fuels, electricity, and heat used in vehicles, buildings, and APMs.

WE DEVELOPED THE PARCEL CARBON FOOTPRINT CALCULATOR BASED ON THE FOLLOWING LOGISTICS MODEL:



We also include the method of delivering the parcel to us. For example, if a merchant brings parcels to, e.g. if a merchant brings parcels to our branch or sorting centre with his own transport, we do not include emissions from this stage in the report for the merchant. Furthermore, the calculation results are adjusted upwards for emissions that may arise from additional logistics processes on the last mile (e.g., re-delivery to the door or the return of an uncollected parcel to sender).

For the first and last mile, we separately calculate the emissions for each branch based on data from the previous month. This includes the distance covered by diesel and electric vehicles, the number of stops for deliveries and drop-offs, the number of parcels per stop for both deliveries and drop-offs, and the total number of parcels. Using this data, we determine the average emissions for deliveries to parcel lockers, PUDO locations, or direct to door.

The carbon footprint for the middle mile is calculated in real-time through the integration of the calculator with the InPost operating systems on this section of the route. By using these assumptions, the calculator can accurately determine the carbon footprint of parcels in an efficient and reliable manner, based on type of truck, fuel type and number of parcels on one route.

Emissions related to real estate, parcel lockers and data transfer are calculated based on data for the previous year. Using the number of parcels delivered in that year, we determine the average emissions per parcel.
The methodology is available at our website.

Such accurate results regarding the carbon footprint of transport would not be possible without continuously improving the quality of data in our operational and logistics systems, which we use to further optimise deliveries.

Thanks to these systems, we can take action in particular areas such as:

1. MIDDLE MILE

Maximising freight filling and setting goals based on analytical models

Optimising the number of kilometres in the middle mile, which will minimise the number of freights and route lengths

2. ELECTRIC CARS IN THE LAST MILE

A project to optimise the allocation of electric cars to branches and recommendations for better use of these cars

Optimisation of the use of chargers for electric cars (planned)

3. LAST MILE

Optimisation of courier routes in the branch (under testing)

Optimisation of approach times to the parcel locker (to drive less and with more parcels)

Profiling of courier parcels for afternoon and morning based on when customers collect parcels to minimise failed deliveries

Redirecting surplus parcels to nearby parcel lockers so that they do not have to be returned to branches.

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CARBON FOOTPRINT OF PRODUCING AN APM

A very important project was the accurate calculation of carbon footprint emissions from the production of APMs. This knowledge is neededcessary to be able to monitor the environmental impact of production activities to look for activities on the environment and to look for alternative solutions for the most emissive components and processes. The analysis was carried out in accordance with the ISO 14067 norm based on data from 2022. The analysis covered 11 types of APM modules produced in our production plant in Cholerzyn (Poland) and by our suppliers. Calculations for our suppliers' production were made based on the raw material composition of the machine and assumptions made based on data from our plant. We assumed local electricity emissions.

Our calculations showed that the carbon footprint of the modules ranges from 790 to 2,942 kg of CO_2e. The amount of emissions is not only determined by the weight of the modules but also by the content of raw materials that are characterised by high emissions. The stage of purchasing and pre-processing of raw materials has the greatest impact on the carbon footprint of modules, accounting for an average of 83% of emissions. The group of raw materials that has the most significant impact includes, steel, concrete, electronics, and plastic materials. The production stage accounts for 13-19% of the carbon footprint. The transport of production raw materials includes road transport, which accounts for an average of 0.7% of the carbon footprint. Transporting modules to Opole from the plant in Poland has a negligible impact on the results, accounting for an average of 0.4% of emissions. However, in the case of transporting modules from China, this stage's share increases significantly to an average of 10% of emissions. The management of production waste has the smallest impact on the carbon footprint, accounting for only 0.01% of emissions.

Assessment scope	**From cradle to gate**			
Life cycle stages	**Extraction of raw materials**	**Raw material transportation**	**Manufacturing APM modules**	**Product transportation**
Input streams	Steel Concrete Copper Aluminium Plastic materials Electronic components Glass Packaging Powder coating Other raw materials	Transport	Electricity Natural gas Water Management of waste and sewage	Transport

contents ↑

OUR BUILDINGS

The main sources of CO_2 emissions in our properties are electricity consumption and methods of heating the facilities. To meet the goals of our Decarbonisation Strategy, we must use green electricity, but in the long term we must heat facilities in a zero- or low-emission way. Last year we made significant progress in this regard.

Modern Building Management Systems and smart metering systems were installed in the first facilities. We anticipate that their use will significantly reduce in electricity and heating energy consumption through the automatic control of lighting, heating, ventilation and cooling. We are currently observing the results, and if favourable we will decide to use such systems in other buildings. As a result, the company can save electricity and heat, which translates into both employee comfort and a reduction in energy consumption. By the end of 2023, this system was active in five locations. Additionally, the company has implemented the DALI System for effective lighting management, which corrects artificial lighting depending on the inflow of natural light, resulting in electricity savings and a reduced carbon footprint. To minimise heat losses when loading courier cars, we use strip curtains in the doors used by couriers, which limit air exchange and thus the escape of warm air from inside the building. Additionally, the company is introducing new software that will enable the gates to be raised only to the height necessary for convenient loading, further reducing heat losses. The challenge in our facilities is to heat them in a zero-emission way. The solution is a heat pump, which, powered by electricity, can heat the warehouse and office parts of the branch. The first test facility will be the branch in Ciechanów. It will be put into operation in 2024. The test results will be used to design heating methods in subsequent facilities. In next 3 branches, there will be a similar heating system for the office part.

Currently, in Poland, we conduct operations in buildings over which we have operational control.

24% of the buildings over which we have operational control have BREEAM sustainable construction certification with the following ratings:

26% Excellent

70% Very good

4% Good

The BREEAM system (Building Research Establishment's Environmental Assessment Method) is a multi-criterion system for assessing the environmental impact of buildings.

We will use green electricity in accordance with the provisions of the Green Energy Roadmap. Already 2,677 MWh of energy consumed came from renewable energy sources. It was purchased under green tariffs.

In France, Mondial Relay provides certification for new buildings. This includes buildings in Réau and a building in Tremblay that are BREEAM or HQE certified.

HQE is a multi-criterion evaluation system for buildings (Haute Qualité Environmentale)

The centre located in Reau has even won a award in the "Green supply chain" category for sustainable solutions and innovations that reduce the environmental impact of buildings. The facility is also BREEAM-certified at the Very Good level, as well as being Biodiversity certified, which evaluates aspects such as aligning building design with diversity strategies, designing ecological architecture, optimising performance in relation to the environment, and emphasising expected benefits for employee well-being.

GRI [305-4]

GHG EMISSIONS INTENSITY

Intensity factors	InPost Group		
	2023	2022	2021
Total GHG emissions - Scope 1, 2, 3 - market-based [t CO2e]	512,809	478,388	448,448
Revenue and other operating income [m PLN]	8,863	7,079	4,602
Scope 1, 2, 3 - market-based emissions per revenue [t CO2e/m PLN]	**58**	**68**	**97**
Total parcel volumes (million)	892	745	518
Scope 1, 2, 3 - market-based emissions per volume [t CO2e/million]	**575**	**642**	**866**
Emissions directly related to the delivery of parcels - Scope 1, 2, Scope 3: categories 3 Energy related activities, 4 Upstream transport and distribution, 14 Franchieses	277,435	279,586	253,267
Emissions directly related to the delivery of parcels [t CO2e/million]	**311**	**375**	**489**
TTW Emissions directly related to the transport of parcels - Scope 2 - consumption of electricity by EV Scope 3: category 4 Upstream transport and distribution - first & last mile, middle mile freight	181,997	181,225	170,836
TTW emissions directly related to transport of parcels/volume [t CO2e/mln]	**204**	**243**	**330**
WTW Emissions directly related to the transport of parcels - Scope 2 - consumption of electricity by EV Scope 3: category 4 Upstream transport and distribution - first & last mile, middle mile freight	225,446	224,155	210,528
WTW emissions directly related to transport of parcels/volume [t CO2e/mln]	**253**	**301**	**407**

Restated data sources and assumptions for GHG emissions in 2021 and 2022 are the same as for GRI [305-1, 305-2, 305-3] and described on pages 318-322.

Emissions directly related to the delivery of parcels and TTW and WTW emissions directly related to the transport of parcels [t CO2e/million] - these intensity indicators have been calculated for the first time this year and presented for the years 2021-2023.

GRI [305-5]

REDUCTION OF GHG EMISSIONS

Initiative		Emissions reduction - tCO2e		
		2023	2022	2021
InPost Poland		**21,264**	**1,890**	**556**
Electricity from renewable energy sources for parcel lockers, branches, electric cars Reductions due to consumption of electricity from renewable energy sources instead of standard electricity	Scope 2	16,799	1,117	196
	Scope 3	3,893	250	-
Electric passenger cars, and APM Cleaning cars reductions resulting from lower emissions compared to diesel, petrol cars	Scope 1	31	-	-
	Scope 3	4	-	-
LNG trucks reductions result from lower emissions compared to diesel trucks	Scope 3	272	-	-
Screenless Parcel Locker - Scope 2 Screenless Parcel Locker consume less energy than the previous model	Scope 2	101	-	-
	Scope 3	31	-	-
Screenless Parcel Locker Screenless Parcel Locker production generate less emission than previous model	Scope 3	133		
Use of electric VANs	Scope 3	-	523	360
Mondial Relay*				**748**
Use of „Objective CO2" chartered and/or labelled transporters in collect and linehaul segments (HGV) - Scope 3	Scope 3	-	-	293
Purchase of decarbonised LCV transport - Scope 3	Scope 3	-	-	108
Purchase of decarbonised HGV transpor - Scope 3	Scope 3	-	-	199
Bulk loading development - Scope 3	Scope 3	-	-	148
InPost Group				
Total reduced emissions	Scope 1, 2, 3	21,264	1,890	1,304

Gases included and methodology the same as for GRI 305-1, 305-2, 305-3

PILLAR II - IN_PLANET
SUMMARY

WE SUPPORT A SECOND LIFE OF PRODUCTS AND RESOURCES

GRI 301-1; 301-2

DISTRIBUTION AND TRANSPORTATION

As the Group grows, so too does the amount of materials used and waste generated, which obliges us to make increasingly responsible decisions regarding the resources we obtain to conduct our business. We already promote sustainable behaviours. More than half of the materials the InPost Group uses come from renewable sources. In Poland, in Q1 2023, we started selling only poly mailers that are 80% recycled and have the Blue Angel certificate.

We are aware that operations in the transportation sector need to be more circular. At InPost we treat this topic seriously – this year we took a next step and started a project that aims to implement circular actions in every area of our business.

Accordingly, in 2023, we performed an analysis according to BS 8001 - *Framework For Implementing The Principles Of The Circular Economy,* which helped us to identify our key strengths and weaknesses in our business model, followed by key areas in which we want to promote a circular approach. These were consulted with internal key stakeholders and presented as the scheme shown below, together with an action plan for the following years. It is based on the 5R principle, which stands for: Refuse, Reduce, Reuse, Repurpose and Recycle, aiming to promote sustainability by maximising resource efficiency and minimising waste generation in our business. It will allow us in the next year to take actions towards the transformation of our business on all the Group's markets. We believe, that we can improve our internal processes and build market partnerships, to provide better products and services to our customers and merchants, thereby creating and commercialising new, sustainable business models.

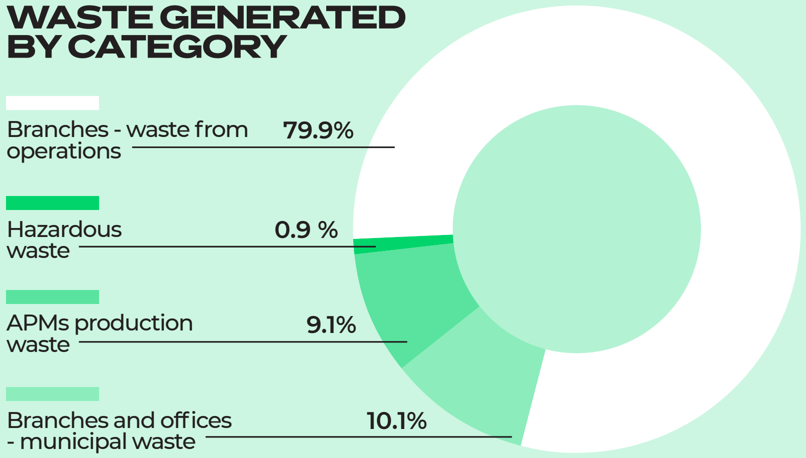
GRI 301-1

MATERIALS USED BY WEIGHT IN INPOST GROUP [TONNES]

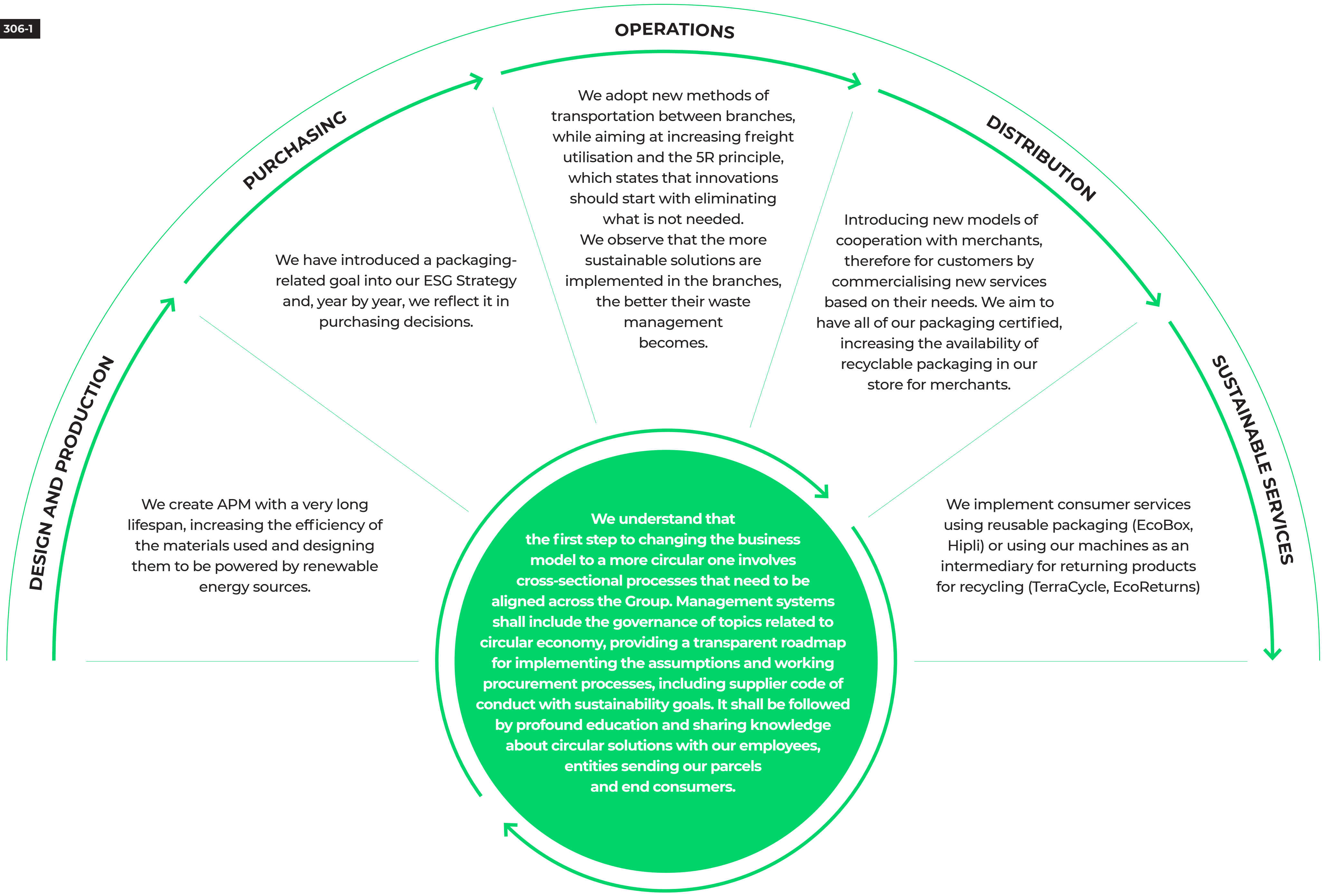
	InPost Group	
	2023	2022
Non-renewable materials used	**6,430.2**	**4,854.9**
Plastic	2,255.2	2,302.6
Metal	2,059.8	1,475.1
Glass	2.8	1.5
Other non-renewable materials	2,112.4	1,075.7
Renewable materials used	**7,795.4**	**3,364.5**
TOTAL	14,225.6	8,217.8

GRI 306-3

WASTE GENERATED BY CATEGORY



GRI 306-1



In 2024, we plan to form the basis for developing a circular economy strategy, aligned with the key ESG objectives and business strategy of the InPost Group. The strategy will include strategic objectives and indicators for the areas of focus identified in the policy, a plan of key initiatives based on the recommendations, and an implementation to enact recommended changes to key processes.

GRI 306-2

OUR APPROACH TO CIRCULAR ECONOMY

As we take the first steps to implement a strategy that would help us to promote the circular economy, in 2023 we launched a number of activities.

Packaging waste continues to be a serious environmental problem, and the growth of e-commerce is exacerbating this issue. As a logistics company, we believe it is our responsibility to address this issue and provide our customers with sustainable solutions. That's why we introduced reusable packaging services in France, Poland, and the UK. Our goal is to raise awareness and encourage our customers to make more sustainable choices.

COOPERATION WITH HIPLI

In 2023, Mondial Relay began cooperation with the Hipli start-up specialising in returnable packaging. Together, we introduced packaging that can be reused up to 100 times, saving 25 kilograms of waste and reducing carbon emissions by 83% compared to standard cardboard. These packages are available in flexible and hard versions and come in three different sizes, making them suitable for parcel lockers. Customers can reuse parcels for their own shipments by arranging delivery and printing labels via the Hipli app, or by sending the parcel back to Hipli in a prepared bag made of 80% recycled materials. The returns process is free and the packaging is cleaned and reused, promoting recycling and reuse in today's economy. In 2023, consumers sent as many as 20,000 parcels in Hipli packaging.
Mondial Relay also offers the opportunity to bring certain waste to its PUDO points (coffee capsules and batteries). These capsules and batteries are recycled by third-party service providers. In 2023, 438.14 tons of used coffee capsules and 11,270 kg of batteries were collected for recycling.

COOPERATION WITH TERRACYCLE

We are also proud to work with TerraCycle in the UK, a company that develops solutions to recycle non-recyclable materials. The global waste crisis has been fueled by overconsumption and a disposable lifestyle. Although technically all types of waste, (even complex ones), can be recycled, not all materials are economically viable to recycle. Consequently, waste accumulates in landfills, contaminating our world while virgin materials are extracted from the Earth to create new products. TetraCycle is a mission to eliminate of waste. For the past two decades, they have worked together with businesses, communities, and individuals across 20 countries and are on a journey to move the world from a linear economy to a circular one. They collaborate with environmentally conscious startups and some of the world's biggest brands to convert products into raw materials that are then sold to manufacturing companies. Thanks to this partnership, customers in the UK can send special bags of waste via parcel lockers, making recycling more accessible than ever. Since the implementation of the service, almost 2,000 customers have used it.

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ECOBOX

One of the most important actions taken to accelerate the transition to a circular economy model is the use of EcoBox, a type of reusable packaging. These cardboard boxes were created specifically for the project by the Danish company, Rezip, and can be used up to ten times, helping to reduce the amount of packaging waste. In 2023, we worked on improving the service model to make it as user-friendly as possible for both the end consumer and the merchant. This model is based on the sale of EcoBox packaging to online stores, providing consumers with a circular packaging service. If a consumer chooses this service, they have the opportunity to register the return on a dedicated landing page. After the goods are received, the consumer places the packaging in the Parcel Locker, and InPost sends them a coupon for their next purchase from the merchant. The packaging then goes to the fulfillment InPost, where it is cleaned and made ready for reuse. Through this model, InPost and ReZip have created an ecosystem that enables the reuse of packaging, contributing to the reduction of waste and protection of the natural environment.

The EcoBox project was awarded a subsidy of EUR 411,406 under the “EU Life” European grant, which accounts for 60% of the total project amount. The goal of the “EU Life” (Circular Economy and Quality of Life Sub-programme) project is to test and validate the concept of circular packaging in the e-commerce industry as an alternative to disposable packaging. This sub-programme aims to facilitate the transition towards a sustainable, circular, toxic-free, energy-efficient, and climate-resilient economy, while also protecting, restoring, and improving the quality of the environment.

We are aware of the importance of consumer’s decisions and the need to change their packaging habits. Therefore, we are also conducting multiple educational campaigns aimed at showing the benefits of using reusable packaging. We will also focus on this next year.

ECORETURNS IN POLAND

The ECOreturns service has been operating in Poland since 2022. It allows, consumers to send recyclable or reusable items via APMs free of charge. In 2023, InPost handled 66,742 ECOreturns in Poland reflecting a significant increase of 410% year on year.
Our stakeholders in Poland highly value this service with 54% of our consumers considering it to be the most valuable service in the field of sustainable development that we have introduced. Similarly, 42% of our employees, 59% of our suppliers, and 57% of city representatives think similarly*.

*source:
Materiality matrix, 2023

2023 ECORETURNS RESULTS

	H1	H2	TOTAL
number of parcels	21,180	45,562	**66,742**
weight (kg)	38,700	161,100	**199,800**
type of parcels			
electronics	18%	6%	**10%**
textiles	53%	57%	**56%**
toys	6%	8%	**7%**
shoes	10%	6%	**7%**
books	13%	23%	**20%**
% reused			
total:	65%	74%	**70%**
electronics	42%	52%	**47%**
textiles	80%	82%	**81%**
toys	52%	57%	**55%**
shoes	77%	83%	**80%**
books	50%	65%	**58%**
Charity			
number of institutions that received subsidies	10	26	**36**
number of eco-gifts donated	500	1,400	**1,900**

OUR APPROACH TO BIODIVERSITY AND ECOSYSTEMS

In recent years, we have focused on understanding our impact on the planet and developing a plan to mitigate climate change. Last year, we were interested in the topic of the circular economy, but also in biodiversity.

Biological diversity encompasses the variety of living beings, considered in three aspects:

1. Genetic diversity within species;

2. Richness of species;

3. Diversity of ecosystems, i.e., communities of organisms inhabiting a given environment and remaining in networks of relationships.

The diversity of nature in each of these dimensions is not only extremely valuable in itself but also important from a human perspective. It affects well-being and is a source of cultural values, but also has practical significance. It depends on the "ecosystem services" provided by the environment, such as food production, climate regulation, water cycle management, and erosion prevention. The proper functioning of ecosystems, which is improved high biological diversity, allows high levels of natural capital to be maintained in the form of resources that are useful natural inputs for human activity. These resources can be renewable (forests, water, air) or non-renewable (fossil fuels, mineral resources). Degradation of natural capital is associated with incurring additional economic costs (e.g., the necessity of mechanical pollination in the case of disappearing pollinating insects), which, as it progresses, may become unbearable for the economy.

In 2023, we conducted an analysis to assess our impact on biodiversity and ecosystems. This analysis was linked with a risk assessment study, based on the analysis of legislation and internal company documents and input from representatives of various departments. The selection of elements that could pose a risk to the enterprise was decided to be based on an analysis of its impact on the environment, based on the following elements: →

The analysis of our impact on biodiversity and our dependence on biodiversity was prepared in cooperation with external experts. The risk analysis additionally used the requirements of the Taskforce on Nature-related Financial Disclosures (TNFD). Identified biodiversity risks have been incorporated into the ERM system. One risk was identified as key. Please see pages 113-115 for more details.

1.
KEY RESEARCH ON HUMAN IMPACT ON NATURE IN THE IPBES *GLOBAL ASSESSMENT REPORT ON BIODIVERSITY AND ECOSYSTEM* from 2019, which identified five main factors of human influence (including economic activities) on biodiversity:

- Changes in land and sea use
- Overexploitation of organisms (e.g., overfishing)
- Climate change
- Pollution (soil, air, water)
- Spread of invasive species

2.
ESRS INDICATORS (EUROPEAN SUSTAINABLE REPORTING STANDARDS), forming the basis of reporting on sustainable development issues, fulfilling the requirements of the EU CSRD directive. A separate notebook dedicated to biological diversity and ecosystems, ESRS E4, besides providing a series of dedicated indicators, emphasises the link between biodiversity issues and other environmental indicators (climate change, pollution, water and water resources, circular economy), as well as the impact on local communities.

3.
THE ENCORE TOOL, enabling the analysis of the impact and dependencies of various economic sectors on nature and the ecosystem services it provides. In the case of the distribution sector, the main benefits it derives from ecosystem services (and therefore whose protection is most important from the perspective of the resilience of the business model) are climate regulation, flood protection, and erosion prevention.

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OUR IMPACT ON BIODIVERSITY AND ECOSYSTEMS

The highest	Moderate	Less important
APM production	APMs locations	Offices
Transport	Branches, sorting centres and other facilities	IT services
	Packaging	
	Impact on greening cities	

GHG emissions are responsible for the impact of this area. This impact is managed through the implementation of the Decarbonisation Strategy.

In 2024 we will define our biodiversity goals and introduce procedures to avoid negative impacts on biodiversity and ecosystems

Legend:

Red: Priority areas, selected for their key role for the InPost Group's business model and its interactions with nature.

Yellow: Areas important to monitor due to their impact on the business model or image-related issues.

Green: Areas with secondary impact on biodiversity and ecosystems.

As the first measure used to monitor the biodiversity area, we permanently add water consumption to the report. Our activities do not involve large water consumption, but we are aware of how valuable this resource is and we want to monitor it in order to manage it. We use water for drinking, sanitary purposes, washing floors and for washing sheet metal before painting in the production plant.

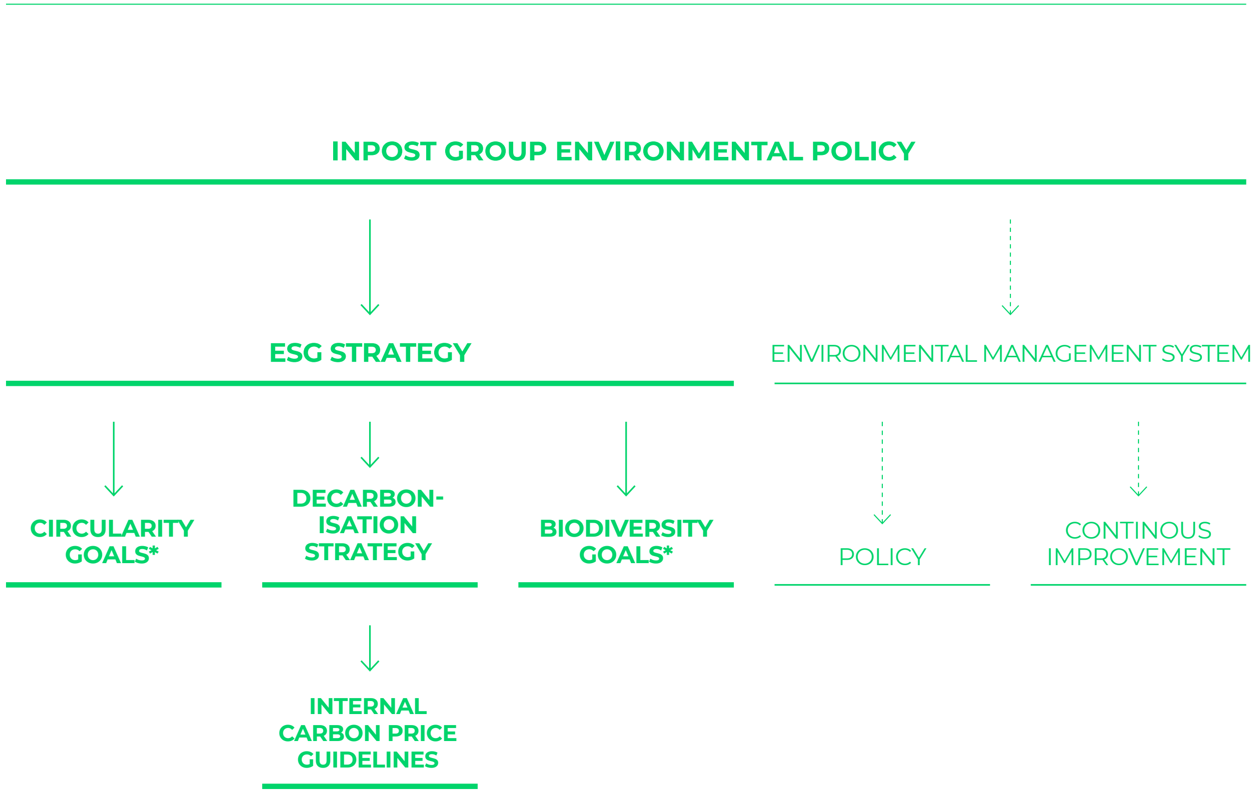
Currently, biodiversity issues are covered in the InPost Group's Environmental Policy, where we commit to taking steps to protect biodiversity and minimize our impact on natural ecosystems. We follow the mitigation hierarchy, which is a widely used tool that guides users towards minimizing negative impacts on biodiversity as much as possible. It emphasizes the best practice of avoiding and minimizing any negative impacts, then restoring ecosystems, before finally considering offsetting residual impacts.

OUR WATER CONSUMPTION [2023]

m3	InPost Group	InPost Poland	Mondial Relay	InPost International
Water consumption [m3]	90,998	44,896	46,102	-
Total parcel volumes (million)	892	590	240	63
Water consumption/ million of parcels [m3/million of parcels]	102	76	192	-

In Poland, for most facilities water consumption is read from invoices, and for others it is estimated based on average consumption per m2. For Mondial Relay for 47% of facilities, consumption is read from invoices, and for the rest it is estimated similarly.

ENVIRONMENTAL MANAGEMENT



* to be defined in 2024

At the top of environmental management is the *Environmental Policy*. It contains our key environmental impacts and sets the directions for our activities. The policy is publicly available on our website.

Quantitative environmental goals are included in the ESG Strategy under the In_Planet pillar. A natural consequence of implementing the ESG Strategy was the development of Decarbonisation Strategy for the entire InPost Group. Strategy is in line with the *Paris Agreement* and our targets are approved by the Science Based Targets Initiative (SBTi). In 2024, the ESG Strategy will be supplemented with goals related to the circular economy and biodiversity.

In 2023 we implemented *Internal Carbon Price Guidelines.*

The ICP is a monetary value assigned to carbon emissions or savings generated by selected projects under the portfolio of our key projects to include the cost of emissions or savings in its business case. By incorporating this factor, InPost is motivated to reduce its greenhouse gas emissions and make more environmentally sustainable decisions. The implementation of an internal carbon price enables the company to manage climate change risks, drive innovation, enhance its reputation, and align financial and environmental objectives. Ultimately, it facilitates informed decision-making and supports global efforts in mitigating climate change.

The *Environmental Management System (EMS)* is part of the *Integrated Management System (IMS)*. It is carried out in accordance with the *ISO 14001:2015* norm, and is regularly reviewed and certified. In 2023, the system was audited and certified by external auditor QS Zurich AS. The EMS covers operations at InPost sp. z o.o. The *ISO 14001 Certificate* states that the system includes "Modern courier and fulfillment services". These services are provided by InPost sp. z o.o. and they are the core activities of the parent company InPost S.A. and key operations in Poland. Based on revenue in 2023 operations in InPost sp. z o.o. represented 60% of Group's revenue.. On this basis, it can be said that EMS covers 60% of the InPost Group's operations. Environmental targets are included in Integrated management system policy.

The ESG Strategy is part of the mandatory initial training for every new employee. In 2024, we plan to start conducting mandatory training in each market in the local language, the topic of which will be climate change and InPost's goals.

In 2023, we did not receive an environmental penalty.

PILLAR III - IN_PEOPLE

SUMMARY.

HOW DO WE CONTRIBUTE TO SDGS?

Goal	5 GENDER EQUALITY	5 GENDER EQUALITY	10 REDUCED INEQUALITIES	10 REDUCED INEQUALITIES	3 GOOD HEALTH AND WELL-BEING	8 DECENT WORK AND ECONOMIC GROWTH
SDG target	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life (5.5)	Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women (5.b)	By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status (10.2)	Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality (10.4)	By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being (3.4)	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value (8.5)
Inpost Group contributing actions – examples	• 32.6% of the Management Board and N-1 of the Group held by women	• 'Top women in e-business' - educational programme • IT Girls Programme	• 30% Club Partnership in Poland • Vital Voices Programme in Poland	• Adjusted gender pay gap calculated in Poland and further steps planned across the markets	• WellTime programme - continued and developed • ESG trainings and webinars	• Papilons Blancs Programme in France • 1.2% employees with disabilities in Poland • Launch of the programme in Poland aimed at creating an inclusive workplace

PILLAR III - IN_PEOPLE

WE MOTIVATE OUR EMPLOYEES AND BUSINESS PARTNERS

"Our empowering values help us create a truly unique workplace at InPost Group. **WE THRIVE ON A CULTURE THAT CHAMPIONS CREATIVITY, ENTREPRENEURIAL DRIVE, AND TRANSFORMATION, ALL ROOTED IN A WELL-DEFINED AND COMMON VISION THAT SPURS CREATIVITY.** We continuously pay attention to creating a greater sense of belonging so everyone feels they are part of an organisation where they can help to build and shape. We are deeply invested in the growth of our employees, and we show it by cultivating loyalty through the advancement of their professional development and satisfaction.
Our leadership and wellness programmes are designed to ensure that all members of our team feels significant and fulfilled in their professional roles."

AGATA WÓJCIK-RYSZAWA
HR Director, Poland

OUR PEOPLE STRATEGY

At the InPost Group, we hold the belief that our employees are the cornerstone of our success. We aim to foster an environment where everyone aligns with the values that characterise us as a company and are in tune with our vision for future growth. Our priority is to establish a supportive work environment in which each team member feels valued and has opportunities for development. We concentrate not only on professional growth, but also on personal development. To facilitate this, we have rolled out numerous well-being programmes that uphold a healthy work-life balance and encourage individual progress.

We recognise that our success stems from our uniqueness and the diversity of our teams. As an equal opportunity employer, we are dedicated to building a diverse and inclusive workforce that fuels innovation and bolsters creativity within our company. We hold the conviction that a diversity of perspectives and backgrounds enriches our company and enables us to better cater to the customer - our primary stakeholder. However, diversity and inclusion are not merely about representation – they are about creating an environment where everyone feels valued and can contribute with their unique skills and perspectives. This includes cultivating a culture of trust where everyone feels comfortable expressing their ideas and knows they will be heard.

Despite the broad range of diverse talent already present within our team, we acknowledge that there is always room for growth. We strive to ensure that our workforce mirrors the available pool of skilled talent, and we continuously aim to be more inclusive. We believe that by fostering an environment that respects and values all forms of diversity, we can continue to flourish as a company and as a team.

EMPLOYEE ENGAGEMENT

Employee engagement is crucial to the performance and long-term success of our organisation. We measure the overall impact of our actions on the employee experience through the Kincentric survey, which we conduct across the Group. This annual survey serves as a key tool for collecting and measuring employee feedback and provides insights that enable us to improve the employee experience and refine our policies and processes. We are delighted that so many of our employees participated in our survey.

In 2023, Italy led the way with 97% of employees completing the survey, followed by Poland (94%) and Spain (91%). We achieved a response rate of 89% across the entire Group. The engagement for the entire Group in 2023 was 51% (a 1 p.p. increase from 2022). We saw the most significant increase in Poland, where the result was 55% (a 4 p.p. increase from 2022).

Thanks to the survey, we identified our strengths and weaknesses, which we are gradually addressing and improving. Our goal is to achieve and maintain over 50% employee engagement, ensuring we exceed the minimum benchmark. Throughout the next year, we will endeavour to enhance our performance and utilise this invaluable feedback from our team members.

OUR PEOPLE

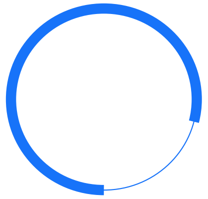
GRI 401-1, 401-2

The dynamic development of the Company would not have been possible without being able to recruit and retain capable and committed employees. In 2023, we hired approximately 2442 new employees and experienced a turnover of 10.8%. The logistics industry is characterised by high turnover and the Group's average turnover rates are in line with market norms. We are also experiencing rapid growth on an international scale, as evidenced by the high rate of new employee hires: 50% in the UK and 47.5% in Mondial Relay

A common feature in the logistics industry is the hiring of temporary employees to support operations during periods of heightened traffic, such as the peak period beginning in November and ending before Christmas. During these periods, we increased our employment numbers in response to a rise in delivered parcels, a result of our strong growth. To ensure optimal working conditions for temporary employees, we have implemented numerous solutions for temporary work agencies in Poland that collaborate with us. All our full-time employees have access to additional services across markets, such as life insurance, multisport cards, and subsidies for the purchase of glasses or lenses.

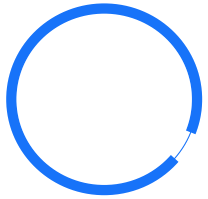
GRI 2-7

NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE IN INPOST GROUP IN 2023



5,124
Permament employees

1,943
Temporary employees

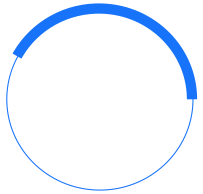


6,950
Full-time employees

63
Part-time employees

GRI 2-7, 2-8

NUMBER OF EMPLOYEES AND WORKERS WHO ARE NOT EMPLOYEES INPOST GROUP IN 2023



7,067
Employees

9,166
Workers who are not employees

GRI 401-2

BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES

	InPost Poland		Mondial Relay		InPost International	
	2022	2023	2022	2023	2022	2023
Provided benefits	Group life insurance Healthcare Benefit option for all Additional days off depending on length of service at the Capital Group: over 3 years – 1 day, over 6 years – 2 days, over 10 years – 3 days Multisport card Staff Discounts with retailers Subsidy for the purchase of glasses/lenses	Group life insurance Healthcare Benefit option for all Additional days off depending on length of service at the Capital Group: over 3 years – 1 day, over 6 years – 2 days, over 10 years – 3 days Multisport card Staff Discounts with retailers Subsidy for the purchase of glasses/lenses	Reimbursement of travel expenses, mileage, tolls, parking fees Company car Restaurant tickets	Vitality DenPlan Volunteering Day Enhanced Maternity/Paternity Pay Rail Discount Scheme Expensed Travel (over 1.5 hours) Meal Vouchers (€4/worked day) Ecovouchers (€250/year) Group Insurance (1% of annual gross salary for retirement), Daily allowance (€17/day spent on the road) Net allowance (€100-€200/month) Laptop, Smartphone + subscription Company Car Yearly Bonus	Vitality DenPlan Volunteering Day Enhanced Maternity/Paternity Pay Rail Discount Scheme Expensed Travel over 1.5 hours	Ticket restaurant for each day spent in office/co-working/warehouse Voluntary Pension fund Supplementary health insurance Contractualised smart working GoodHabitz training platform Vitality DenPlan Volunteering Day Enhanced Maternity/Paternity Pay Rail Discount Scheme Expensed Travel over 1.5 hours

AN ATTRACTIVE WORKPLACE FOR ALL

GRI 404-2

We strive to provide best-in-class employee experience, helping individuals to perform at their highest potential. This approach enables us to attract and retain top talent. The employee experience encompasses all interactions an individual has with a company throughout their employment journey, from recruitment and onboarding to departure. Consequently, our efforts are concentrated on employer branding and fostering employee commitment. Human and intellectual resources are fundamental to company growth; therefore, we encourage our employees to invest in their development. Expecting continuous growth in the coming years, we intend to expand Learning and Development (L&D) activities. In Poland and France, we continue to structure career paths, manage skills and talents, conduct job evaluations, and adapt our remuneration policy to market standards. Our efforts to ensure that our employees in Poland feel comfortable in their workplace have been recognised by the prestigious Forbes, "Best Employer ranking". We have consistently climbed the ranking, placing 19th in 2021, 9th in 2022, and 6th in 2023. This demonstrates our ongoing commitment to creating a supportive and positive work environment for our team in Poland.

THE GOAL of CoE

Development and engagement of employees in the implementation of the company's strategy.

TALENT MANAGEMENT

PEOPLE OUT OF THE BOX PROCESS

DEVELOPMENT PROGRAMMES FOR KEY PEOPLE & TALENTS

INDIVIDUAL SUPPORT (COACHING, MENTORING)

2023 AREA OF IMPACT → 2024

Poland, TECH organisation, GROUP roles

TRAININGS & DEVELOPMENT

TRAINING PLATFORMS (UDEMY, COACH.HUB, GOODHABITZ, MULTILANGO)

PERSONAL EVALUATION (360, INSIGHTS, COMPETENCES, ASSESSMENTS)

SOFT SKILLS TRAININGS & MANAGERIAL SUPPOR

2024

Closer cooperation & implementation of projects for other markets.

CULTURE PROJECTS & INITIATIVES

ENGAGMENT SURVEY

LEADERSHIP FRAMEWORK

INCLUSION & DIVERSITY

INNOVATIONS

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KEY L&D DATA

In 2023, 89.5% of our employees participated in regular performance assessments. Simultaneously, we have concentrated our efforts on broadening the evaluation procedures at the Group level. All markets conduct performance appraisals, and in the UK, we have introduced a formal performance process that encompasses 100% of our employees. Additionally, in Poland, we have devised a talent management process that begins with talent identification, followed by its development and culminating in succession planning. This process includes all employee categories, from junior roles to senior management. Moreover, our employees regularly participate in numerous training sessions, and the number of training hours progressively changes from year to year.

GRI 404-1, 404-3

DEVELOPMENT PROGRAMMES IN POLAND

TALENT MANAGEMENT

602 PEOPLE IN PEOPLE OUT OF THE BOX

214 PARTICIPANTS OF DEVELOPMENT PROGRAMMES

37% OF MANAGERS HAVE A SUCCESSOR

DEVELOPMENT REVIEW

OVER **450** MANAGERIAL SKILLS ASSESSMENTS PERFORMED (INCLUDING SELF-ASSESSMENTS AND 360 SURVEYS)

OVER **1,000** PERSONAL DEVELOPMENT PLANS PREPARED BY EMPLOYEES

LEARNING & UPSKILLING PROGRAMMES

128,348 TRAINING HOURS IN TOTAL

23,827 HOURS OF LEARNING LANGUAGES

15,655 HOURS OF DEVELOPMENT TRAININGS COMPLETED BY EMPLOYEES FROM VARIOUS DEPARTMENTS

GRI [404-1]:
AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE

	InPost Poland		
	2023	2022	2021
	Avarage training hours		
Female	23.5	20.1	12.3
Male	26.9	23.9	14.7
Management team (n-1)	n/a	n/a	n/a
Middle management	37.7	26	26.4
Other employees	21.7	20.8	10.4

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SUCCESSION PIPELINE

368 SUCCESSORS MAPPED

37% of MANAGERS POPULATION

C-LEVEL	C-1 LEVEL	OPS	
9 – BM/Executive **5** – Successors & DP	**51** – Members **29** – Successors & DP	RKO	KO
56%	**57%**	**83%**	**53%**

Key Insights:

- **x 7 more** successors mapped
- **55%** (+ 10 pp) positions covered by successors/DP from C to C-2 level
- **- 17 pp** successions position Courier Branch Manager position

TALENT PIPELINE

602 TALENTS MAPPED

14% of EMPLOYEES POPULATION

YOUNG TALENT	HIGH POTENTIAL	DIRECTOR POTENTIAL	KEY COMPETENCES
271	282	49	148
+ 68%	**+174%**	**+48%**	**-**

Key Insights:

- **Almost x 2 more** of Talents in Talent Pipeline
- More Women in Talent Pipeline - **HP (+2 pp) & DP (+ 11 pp)** groups
- **30%** has excellent results
- **39%** has expected results
- **31%** has good results with space for improvement

Another year we continue our key development programmes:

FIRST LEADERSHIP PROGRAMME – dedicated to young people at the start of their career, future leaders and coordinators

GENERAL LEADERSHIP PROGRAMME – for managers increasing their management and leadership skills

STRATEGIC LEADERSHIP PROGRAMME – for future directors and senior management

To maintain our position as a market leader, we offer coherent guidance rooted in genuine leadership, enabling our team members to clearly comprehend InPost Group's direction. This not only presents remarkable opportunities for everyone to contribute to the Group's success and make a significant impact but also poses a challenge for our leaders. As our company expands, the demand for distinct roles and expectations increases. Leaders must take responsibility for clarifying employees' roles and being transparent about their own duties and obligations. We persistently endeavor to define and articulate these aspects more precisely, ensuring that our workforce understands what is expected of them.

FIRST LEADERSHIP PROGRAMME	GENERAL LEADERSHIP PROGRAMME	STRATEGIC LEADERSHIP PROGRAMME	UPSKILLING MANAGERIAL PROGRAMME	TOTAL NUMBER OF PARTICIPANTS
2022 **83**	2022 **57**	2022 **21**	2022 **41** →	2022 **182**
2023 **104**	2023 **92**	2023 **36**	2023 **34** →	2023 **214**

Key Insights:

2021 -2023:
53% of Internal Promotions among Development Programme participants
Only **6.5%** of unvoluntary leaves yearly

2023:
+20% number of participants
35% of Key People will participate in Development Programme in 2023

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LEADERSHIP MODEL

Our leadership models encompasses two main responsibilities: developing business to generate the highest value and fostering employee growth to help them fulfil their potential. Therefore, we invite leaders to join the Leadership Model Programme Framework. In this programme, leaders consistently convey their messages, pay attention to individuals, and foster interdependence in achieving goals. The following seven InPost drivers are the key pillars of the Leadership Model, which allows us to construct such an image of a leader.

The heart of our leadership framework:

CUSTOMER CENTRICITY

1. We are dedicated to our customers, aiming to simplify their lives and exceed their expectations.
2. We build trusted relationships, both externally and internally, placing customers at the heart of all we do.

OPEN COMMUNI-CATION

We value radical transparency, relying on facts for communication.

Trust and common understanding are built through respect and authenticity.

FEEDBACK 360

We welcome constructive feedback and feedforward, staying curious about others' perspectives and expressing gratitude and appreciation.

OWNERSHIP

We prioritise long-lasting value over short-term success, ensuring our decision positively impact the entire organisation.

We take genuine end-to-end responsibility for our deliverables.

AGILITY

We embrace change as opportunities for growth and development, staying at the cutting edge of trends.

As lifelong learners, we recognise the value of unlearning and relearning to thrive in a disruptive environment.

INNOVATIV-NESS

We challenge the status quo and maintain an **"out of the box" mentality**

We value simplicity and practicality while embracing bold experimentation.

Our failures become valuable learning experiences, driving constant improvement.

TEAM

We inspire each other to work as one team, delivering exceptional results together.

We share expertise for personal development and foster a diverse, inclusive ecosystem of unique ideas, backgrounds, and perspectives because collective minds win.

INTERNAL COMMUNICATION AS A KEY TO SUCCESS

At the InPost Group, the formal creation of a Internal Communications Department in 2022 marked a significant step towards enhancing motivation, engagement, and strategy execution. This department plays a pivotal role in providing employees with access to knowledge and facilitating information exchange at every level, fostering a sense of belonging and loyalty to the company. The department's initiatives are aimed at employees across all markets where InPost operates, highlighting the importance of building a sense of community, regardless of the country of work. The first step towards fostering this community feeling was the launch of a series of regular online meetings for the entire Group. By 2023, three such meetings had already taken place, with the inaugural session attracting nearly 2,500 participants from all markets. These meetings provided a unique opportunity for employees to virtually meet teams from different countries, exchange crucial business information, and feel a part of the larger InPost family. Such gatherings, attended by the Management Board, have become a distinctive way to build community and a sense of belonging within the organisation.

At the heart of InPost Group's communication strategy is the cultivation of a unified work culture. Announcements and information, such as business results, are communicated in the native languages of each market. This approach ensures that messages reach a wider segment of our employees, allowing for the sharing of knowledge regardless of language barriers and enabling inspiration from services and processes. A key aspect of the communication strategy revolves around managers across all markets. In September 2023, the ‚Key to Unlock' meeting was held for the first time, bringing together key managers from all countries. This gathering allowed managers to meet, exchange experiences, and build a sense of community, further strengthening the internal cohesion of InPost Group.

InPost Group has also proactively utilised various communication channels to keep the workforce informed and engaged. Regular newsletters and new communications formats have been instrumental in maintaining open lines of communication. These platforms not only provide updates on company news and events, but also serve as forums for employees to share ideas, celebrate successes, and offer feedback. The role of the Internal Communications Department at InPost Group has been transformative. By fostering a culture of open communication, encouraging cross-cultural interactions, and ensuring that all employees, regardless of their geographical location, feel included and informed, InPost Group has set a new benchmark in corporate communication. This approach not only enhances employee engagement but also aligns everyone towards the common goals and vision of the company, contributing to its overall success.

ESG TRAININGS/WEBINARS

In 2023, the InPost Group demonstrated its commitment to sustainability issues by offering its employees a series of engaging training courses. The aim was to raise awareness and understanding of these key issues, creating a responsible and inclusive work environment.
The sessions covered various ESG-related topics, such as understanding and accommodating the needs of individuals with disabilities. Employees also learned about the impact of words and the significance of respectful communication, with an emphasis on employing inclusive language.
Furthermore, the programme centred on collaborating effectively and thoughtfully with colleagues who have disabilities. Employees were introduced to mindfulness techniques that helped them be more present and focused, benefiting both personal well-being and professional performance. Another key topic concentrated on overcoming prejudice and supporting a diverse workplace culture by steering clear of stereotyping. The concept of well-being was explored, underlining the importance of mental and physical health in the workplace. This ties into the significance of balancing personal and professional lives, underscoring how taking time for oneself can contribute to overall productivity and happiness. A separate session aimed to educate employees about the United Nations Sustainable Development Goals (SDGs) and how these relate to the company's ESG objectives. Through these training sessions, we aimed to equip employees with the knowledge and tools necessary to positively influence the company's sustainability objectives. We believe that this approach cultivates a workplace that is inclusive, attentive, and respectful of the diverse needs of all individuals.

PILLAR III - IN_PEOPLE

DIVERSITY IS WHAT LET US GROW

At InPost Group, we recognise that diversity, equality, and inclusivity are integral drivers of sustainable and robust growth. We regard our inventive and talented employees as our most precious resource, offering them ongoing opportunities for development within a sustainable work environment. Our dedication to diversity and inclusion surpasses legal obligations, forming a fundamental part of our business strategy. A testament to our commitment is the notable representation of women in our workforce, with a significant percentage across the Group - approximately 42%. Mondial Relay in France assesses equality annually based on local regulations, achieving a score of 89/100 in 2023. This index evaluates factors such as pay disparity, promotion In 2023, the InPost Group demonstrated its commitment to sustainability issues by offering its employees a series of engaging training courses. The aim was to raise awareness and understanding of these key issues, creating a responsible and inclusive work environment.

Our priorities in diversity, equality, and inclusivity are mirrored in our sustainability strategy, which was developed in line with international and EU guidelines, evolving laws, and regulations. This has led to the creation of an action plan, preparing us for new regulatory requirements from the European Parliament and the Council of Europe. We focus on diversity, equality, and inclusivity throughout the entire employee lifecycle.

After analysing the gender pay gap in Poland, we implemented a comprehensive approach to address it. This includes employee position evaluation, development of grades, and wage brackets, equipping us for the EU's salary transparency directives. We plan to re-analyse the pay gap and extend this to other markets, ensuring fair pay practices Group-wide.

DEI POLICY UPDATE

In 2023, we aligned our *DEI Policy* with the *Dutch Corporate Governance Code*. We value diversity in age, nationality, and other aspects, benefiting from a multicultural workforce across nine European markets. We aim to reflect this diversity at the Board level and prioritise generational diversity in our Management and Supervisory Boards at InPost S.A. By 2026, our goal is for at least one-third of positions on the Management Board and Supervisory Board of InPost S.A. to be held by women, or at least with a minimum of 40% representation in the Supervisory Board alone. This commitment aligns with the EU directive for gender balance in listed companies and extends across all InPost Group companies.

Our diverse workforce is central to our business, as we evolve our practices in recruitment, talent management, compensation, work-life balance, and reporting. Regular employee engagement surveys help us stay connected with our team's needs, enabling us to identify and eliminate biases and barriers. We promote a culture of open feedback, provide anti-discrimination training, and maintain an independent, anonymous whistleblowing system. Finally, our continued participation in the UN Target Gender Equality Programme in 2023 reflects our dedication to expanding our understanding and implementation of effective equality practices.

In order for InPost to comply with provisions of The Dutch Corporate Governance Code and other related regulations the definition of Senior management has been defined. Senior Management refers to a carefully chosen group of employees who hold:

1. Top positions in the Group, including C-level roles and those one grade below

2. Key positions in departments and companies that are strategically important for the Group

3. Positions at the Group level

4. Positions that report directly to Board Members

The definition of Senior management will be introduced into InPost's internal regulations.

OPEN TO DIVERSITY IN RECRUITMENT

We are committed to making our company an open and welcoming place for people with disabilities. As part of our efforts to employ 1,000 individuals in a programme aimed at leveling the playing field in the job market, we have already taken steps to prioritise the inclusion of people with disabilities in our recruitment processes. In Poland in 2023 there was only 1.2% of employees with disabilities so we plan to further develop our initiatives in this area.

In Poland, we conducted training for the HR department, consisting of 25 individuals, on employing people with disabilities. In France, we have also initiated actions aimed at employing disabled people. Seven individuals from the Mondial Relay HR team participated in a seven hour training session on the employment of foreign workers, and a 10.5 hour training session on non-discrimination in recruitment.
In Poland, almost 160 individuals participated in a training session organised for employees to increase their awareness and understanding of the needs of disabled colleagues in the workplace. In Q1 2024, we are also planning to conduct training sessions for our HR staff to enhance their awareness and skills in recruiting individuals with disabilities. These sessions will cover equal treatment, workplace adjustments, and effective communication. Additionally, we will provide spesialised training for our recruitment team, focusing on the practical aspects of the recruitment process for people with disabilities. Our aim is to equip our recruiters with the skills to identify potential talents among candidates with diverse abilities. We will introduce a simulated interview programme with participants who have disabilities. This practical experience will help our staff understand specific challenges and refine our recruitment procedures.
We are in the process of creating informational materials about people with disabilities and special needs, available to all employees Our aim is for everyone to understand the importance of including diversity in the workplace. Next, we plan to offer training for managers to enable them to effectively lead teams with a variety of skills and experiences. We will update our job postings to clearly communicate our commitment to creating a disability-friendly work environment. In May 2024, we will organise a Diversity Week, featuring a day dedicated for experiencing disability. This will be an opportunity to raise awareness and promote understanding among our employees.

We are working on establishing a flexible framework for workplace adjustments to cater to the individual needs of employees with disabilities. Changes in safety procedures, evacuation plans, and other aspects are being considered to ensure safety and accessibility for all employees.

Our goal is to create a work environment that promotes inclusion and respects diversity. We will monitor our progress and adjust our approaches as needed to effectively fulfill our commitment to employing people with disabilities.

PILLAR III - IN_PEOPLE

WE SUPPORT THE GROWTH OF BUSINESS PARTNERS

COURIERS IN POLAND

Our couriers hold a crucial significance in our company. They constitute an essential component of our logistics network. Frequently, they represent our business to clients and parcel recipients. We cooperate closely with them, considering them as integral members of the InPost Group.
In 2023, in Poland we cooperate with almost 9,200 couriers. That's why we are proud that 64% of those rate us as a trustworthy company and a leader in the world of e-commerce (82%). As many as 84% believe that we pay great attention to customer satisfaction and that we stand out from the competition (78%)[1].
We are continually focussed on actions and initiatives aimed at supporting our couriers in their daily work. Our efforts include supporting effective communication, providing targeted training and development opportunities, and building long-term relationships to increase the loyalty of our partners. These activities play an essential role in ensuring the success of our couriers and the overall growth of our organisation.

COURIER SERVICE - ACTIVE SUPPORT IN CONSTANT IMPROVEMENT

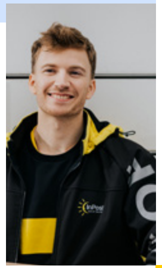
1.
Morning briefings for couriers, conducted by Coordinators in branches

2.
EduKurier - InPost's dedicated e-learning platform for couriers

3.
Access to the Knowledge Base, containing current materials and instructions

4.
Courier training through various communication channels

5.
Development of instructions, instructional articles, and video materials to document correct courier activities



6.
Access for couriers to important documents on the platform

7.
Standard InPost contract with couriers, outlining the mutual obligations of the company and couriers

8.
Monthly training and knowledge tests for couriers, covering essential or current issues

9.
Morning Tests - daily tests taken by all couriers in the country

10.
Surveys for couriers, allowing them to express their opinions and provide feedback

11.
Push notifications from branches and headquarters containing urgent and important information

[1] Data from materiality Matrix, December 2023

contents ↑

TRAININGS FOR COURIER SERVICE (CS) AND WAREHOUSE OPERATIONS (WO) IN POLAND

E-LEARNING ACTIVITIES

Online workshops

Monthly tests (CS)

71,039
COURIERS

Monthly tests (WO)

2,613
COURIER SERVICE TEAM LEADERS

Daily tests (CS)

80,260
COURIERS

Trainings (WO)

560
2 TRAINING CYCLES

Before the PEAK

557
WAREHOUSE OPERATIONS

Additional training (CS)

8,050
CANDIDATES AND COURIERS

Additional training (WO)

230
COURIER SERVICE TEAM LEADERS

We strive to retain couriers within our company for as long as possible, ensuring their job satisfaction. To this end, we have introduced numerous benefits. These include an additional quality allowance for timely parcel delivery, a monthly bonus for high utilisation of parcel lockers, and extra pay during the holiday peak season. Couriers can also earn supplemental bonuses for completing a daily morning task in their application or participating in our courier referral programme. If a courier has been with us for more than three years, we cover the cost of their summer vacation. Additionally, couriers can opt for insurance and health packages or access Multisport cards for their well-being.

Candidate tests (CS)

3,650
MIX

1,119
APMs

1,161
TO-DOOR

91
MPOK

Workshops on the annual evaluation of Couriers

393
COURIER SERVICE TEAM LEADERS - 2 MEETINGS

Onboarding meetings for (WO)

557
4 ONLINE MEETINGS

WE HELP DEVELOP LOCAL BUSINESSES

Our network of PUDO points across Europe already has over 14,000 locations. Thanks to this, we can support local businesses and local entrepreneurs and make a significant contribution to their development.

Furthermore, research conducted by InPost UK shows that the presence of our parcel lockers encourages users to take advantage of the offering of stores in that location. As a result, this may lead to ia rise in incremental spend and heightened brand awareness among the local community. Additionally, the research showed that 90% of those people who used the InPost Locker said this was the main reason for visting that particular location and just under half would visit that location again. This demonstrates that, businesses can benefit from the increased foot traffic generated by parcel locker users.

COMMERCIAL REAL ESTATE (UK)

1. INCREMENTAL SPEND

41%

visited a nearby store or cafe during their locker trip

90%

of those people made a purchase over **£10**

2. SATISFACTION AND LOYALTY

79%

rated their experience **8** or above out of **10**

64%

said the locker made their visit more convenient

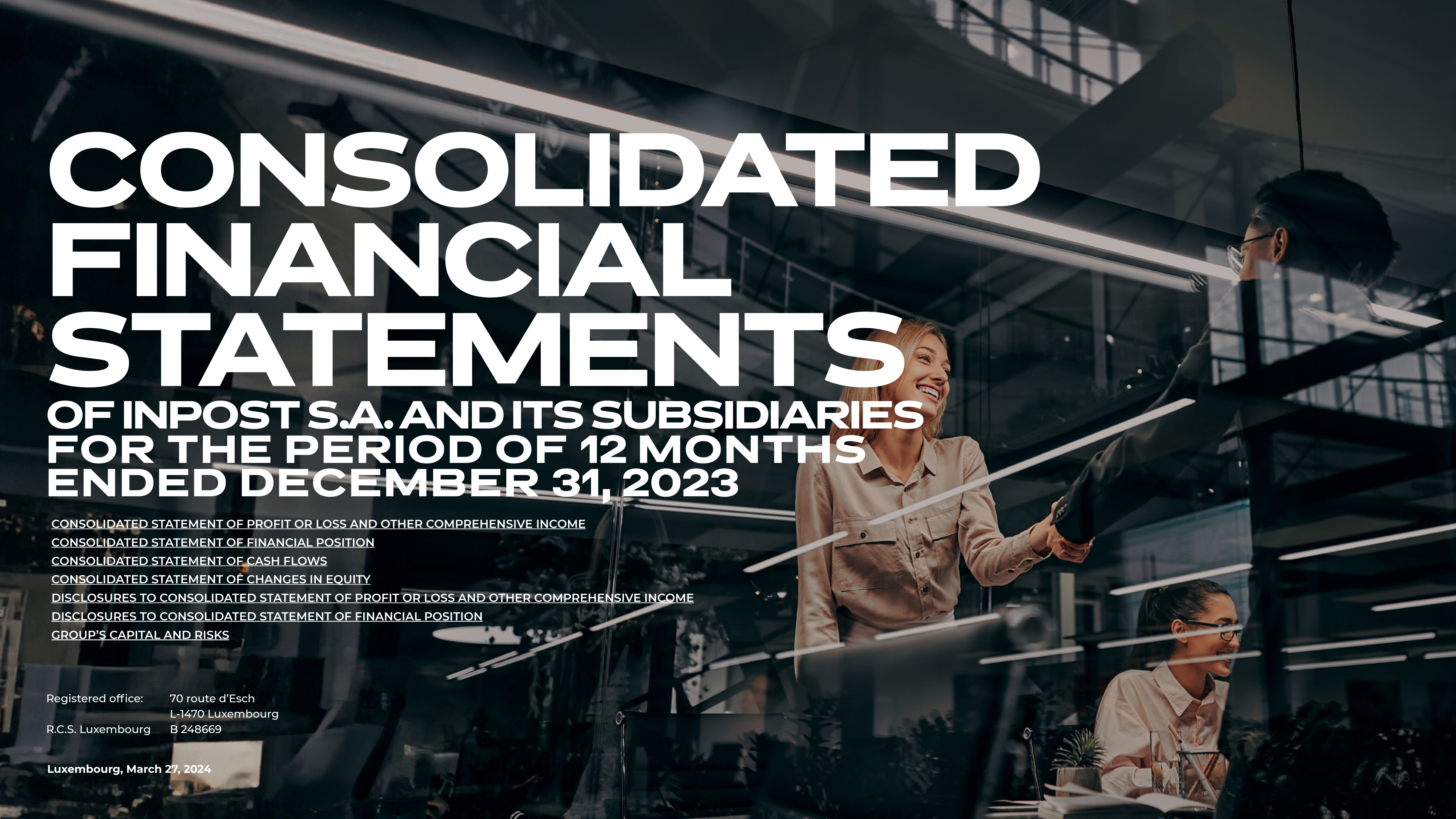
3. REPEAT VISITS

nearly **90%**

said the locker was the main reason for visiting the location

after using the APM, **46%**

said they would visit again



CONSOLIDATED FINANCIAL STATEMENTS

OF INPOST S.A. AND ITS SUBSIDIARIES FOR THE PERIOD OF 12 MONTHS ENDED DECEMBER 31, 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

DISCLOSURES TO CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

DISCLOSURES TO CONSOLIDATED STATEMENT OF FINANCIAL POSITION

GROUP'S CAPITAL AND RISKS

Registered office: 70 route d'Esch
L-1470 Luxembourg
R.C.S. Luxembourg B 248669

Luxembourg, March 27, 2024

RESPONSIBILITY STATEMENT

InPost S.A.
70, route d'Esch
L-1470 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B248669

RESPONSIBILITY STATEMENT

The Management Board and Supervisory Board confirm that, to the best of their knowledge:

These Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and Standalone Financial Statements, prepared in accordance with Generally Accepted Accounting Principles in Luxembourg, give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Company and the undertakings included in the consolidation taken as a whole, and that the Management report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Approved by the Board on its behalf by:

MARK ROBERTSHAW

Chairperson of the Supervisory Board

RAFAŁ BRZOSKA

Chief Executive Officer

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

AUDIT REPORT
TO THE SHAREHOLDERS OF
INPOST S.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OUR OPINION

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of InPost S.A. (the "Company") and its subsidiaries (the "Group") as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Our opinion is consistent with our additional report to the Audit Committee or equivalent.

What we have audited

The Group's consolidated financial statements comprise:

• the consolidated statement of financial position as at 31 December 2023;

• the consolidated statement of profit or loss and other comprehensive income for the year then ended;

• the consolidated statement of cash flows for the year then ended;

• the consolidated statement of changes in equity for the year then ended; and

• the notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

BASIS FOR OPINION

We conducted our audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the EU Regulation No 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of the EU Regulation No 537/2014.

The non-audit services that we have provided to the Company and its controlled undertakings, if applicable, for the year then ended, are disclosed in Note 39 to the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Risk of fraud in revenue recognition Revenue is one of the key figures reflecting the results of operations and market share, which is of the key importance for the Group's development. Therefore there is a risk of misstatement of the consolidated financial statements as a result of intentional overestimate of revenues in the consolidated financial statements. Since the Group's revenue is composed of high volumes of very low value individual transactions we have narrowed the risk of intentional misstatements to the recognition of fictitious sales. The disclosures related to revenue, including the accounting policies are included in Note 9 of the consolidated financial statements.	Our testing procedures included in particular: • Understanding the internal control system and analysing the principles adopted by the Group in terms of recognizing revenue from contracts with customers; • Conducting, on a sample basis, tests of selected internal controls, important for determining the occurrence of revenue transactions and the correct value of revenues from contracts with customers; • Understanding and validating types of documents used for accounting of revenues and identification of types of journal entries outside standard operating activity of the Group; • Testing of the selected non-standard journal entries of revenue accounts that have impacted revenue for the year by understanding the rationale for these journals.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Significant estimates and judgements resulting from the acquisition of shares in Menzies Distribution Group Limited On July 19, 2023 the Group acquired 30% of the shares in the capital of Menzies Distribution Group Limited, together with a call option to acquire the remainder of the shares over the next three years. The consideration paid amounted to 255.2 million PLN. The Board of Directors established to have significant influence over the Menzies and the acquisition was accounted for according to IAS28. The acquisition of shares in Menzies Distribution Group Limited was a matter of significance due to the judgments involved in determination whether the Group obtained control over Menzies Distribution Group Limited or executes significant influence as well as estimates and assumptions used in the fair value valuation of the intangible assets recognized as a part of purchase price allocation. Refer to accounting policies of the consolidated financial statements and more specifically to Note 19 for further details.	We performed, among others, the following procedures: • Evaluation of the Board of Directors' assessment of the classification of the Menzies Distribution Group Limited as an associate, including determination whether the existence of the call option for the remaining shares gives a rise to a control over the entity; • Verification of the Board of Directors' procedures for estimating the fair value of the recognized intangibles in the process of purchase price allocation; in particular, we assessed whether the method of measurement and key assumptions (i.e. discount rates and time horizon of the valuation) used by the Board of Directors are appropriate and reasonable. We also assessed how the Board of Directors addressed estimation of uncertainty in making these accounting estimates; • Evaluation of the competency and objectivity of the external expert engaged by the Board of Directors to measure and allocate purchase price to identifiable assets acquired and liabilities assumed; we also involved our internal valuation experts to support us in our audit work; • Evaluation of the adequacy and completeness of the disclosures.

OTHER INFORMATION

The Board of Directors is responsible for the other information. The other information comprises the information stated in the consolidated management report and the Corporate Governance Statement but does not include the consolidated financial statements and our audit report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

The Board of Directors is responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

RESPONSIBILITIES OF THE "RÉVISEUR D'ENTREPRISES AGRÉÉ" FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

• identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;

• conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;

• evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

• obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter.

We assess whether the consolidated financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the consolidated management report. The information required by Article 68ter Paragraph (1) Letters c) and d) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We have been appointed as “Réviseur d’Entreprises Agréé” by the General Meeting of the Shareholders on 17 May 2023 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 3 years.

We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2023 with relevant statutory requirements set out in the ESEF Regulation that are applicable to consolidated financial statements.

For the Group it relates to the requirement that:

• the consolidated financial statements are prepared in a valid XHTML format;

• the XBRL markup of the consolidated financial statements uses the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as at 31 December 2023 have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

PricewaterhouseCoopers, Société coopérative

Represented by
Brieuc Malherbe

Luxembourg, 27 March 2024

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

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Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Continued operations			
Revenue	**9**	**8,843.7**	**7,060.2**
Other operating income		**19.0**	**18.9**
Depreciation and amortisation	**10**	1,149.1	972.3
Raw materials and consumables		237.8	208.3
External services	**11**	4,752.2	3,961.0
Taxes and charges		11.5	6.8
Payroll	**12**	821.5	670.1
Social security and other benefits	**12**	224.8	171.9
Other expenses	**13**	102.0	77.3
Cost of goods and materials sold		36.6	41.5
Other operating expenses		18.8	18.0
Impairment (gain)/loss on trade and other receivables	**24**	9.6	9.8
Total operating expenses		**7,363.9**	**6,137.0**
Operating profit		**1,498.8**	**942.1**
Finance income	**14**	12.5	32.3
Finance costs	**14**	548.4	305.6
Share of results from associates accounted for using the equity method	**19**	(30.9)	-
Profit before tax		**932.0**	**668.8**
Income tax expense	**15**	284.6	212.3
Profit from continuing operations		**647.4**	**456.5**
Profit (loss) from discontinued operations		**-**	**(0.1)**
Net profit		**647.4**	**456.4**

	Note	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Other comprehensive income – item that may be reclassified to profit or loss			
Exchange differences from the translation of foreign operations, net of tax		138.4	(29.6)
Share of other comprehensive income/(loss) of associates accounted for using the equity method		(7.5)	-
Other comprehensive income, net of tax		**130.9**	**(29.6)**
Total comprehensive income[1]		**778.3**	**426.8**
Net profit (loss) attributable to owners:			
From continued operations:		647.4	456.5
From discontinued operations:		-	(0.1)
Total comprehensive income attributable to owners:			
From continued operations:		778.2	427.0
From discontinued operations:		0.1	(0.2)
Basic/diluted earnings per share (in PLN)	**16**	**1.30**	**0.91**
Basic/diluted earnings per share (in PLN) – Continuing operations	**16**	**1.30**	**0.91**
Basic/diluted earnings per share (in PLN) – Discontinued operations	**16**	**-**	**-**

The above consolidated financial statements should be read in conjunction with the accompanying notes.

[1] The Net profit for the period and Total comprehensive income are attributable to the owners only.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	Note	Balance as at 31-12-2023	Balance as at 31-12-2022
Goodwill	**18**	1,379.9	1,488.4
Intangible assets	**20**	1,002.1	1,043.0
Property, plant and equipment	**21**	4,802.2	4,226.6
Investments is associates accounted for using the equity method	**19**	211.5	-
Other receivables		26.6	26.1
Deferred tax assets	**15.3**	175.1	166.3
Other assets	**23**	43.3	37.6
Non-current assets		**7,640.7**	**6,988.0**
Inventory		13.0	14.4
Other financial assets		7.9	-
Trade and other receivables	**24**	1,439.9	1,245.2
Income tax asset		14.5	28.5
Other assets	**23**	51.6	43.4
Cash and cash equivalents	**25**	565.2	435.8
Current assets		**2,092.1**	**1,767.3**
TOTAL ASSETS		**9,732.8**	**8,755.3**

EQUITY AND LIABILITIES	Note	Balance as at 31-12-2023	Balance as at 31-12-2022
Share capital	**35**	22.7	22.7
Share premium		35,122.4	35,122.4
Retained earnings/(accumulated losses)		1,541.4	892.0
Reserves		(35,392.5)	(35,568.1)
Total equity (attributable to owners)		**1,294.0**	**469.0**
Loans and borrowings	**26**	4,769.2	4,717.1
Employee benefits and other provisions	**28**	14.0	15.2
Government grants		1.1	1.1
Deferred tax liability	**15.3**	297.4	291.9
Other financial liabilities	**22.2**	1,127.4	1,091.3
Total non-current liabilities		**6,209.1**	**6,116.6**
Trade payables and other payables	**31**	1,074.7	992.7
Loans and borrowings	**26**	87.6	338.8
Current tax liabilities		124.7	54.1
Employee benefits and other provisions	**28**	128.6	95.0
Other financial liabilities	**22.2**	664.2	552.3
Other liabilities	**30**	149.9	136.8
Total current liabilities		**2,229.7**	**2,169.7**
TOTAL EQUITY AND LIABILITIES		**9,732.8**	**8,755.3**

The above consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Cash flows from operating activities			
Net profit		**647.4**	**456.4**
Adjustments:		**2,028.4**	**1,443.4**
Income tax expense/(benefit)	**15**	284.6	212.3
Financial cost/(income)	**14**	507.4	235.3
(Gain)/loss on sale of property, plant and equipment		0.1	0.4
Depreciation and amortisation	**10**	1,149.1	972.3
Impairment losses		9.6	(2.1)
Share-based payments	**29**	46.7	25.2
Share of results of associates	**19**	30.9	-
Changes in working capital:		**(43.9)**	**(85.9)**
Trade and other receivables	**34**	(206.8)	(304.0)
Inventories		1.4	(3.5)
Other assets	**34**	(8.5)	(12.6)
Trade payables and other payables	**34**	124.3	244.1
Employee benefits, provisions and contract liabilities	**34**	32.4	(26.3)
Other liabilities	**34**	13.3	16.4
Cash generated from operating activities		**2,631.9**	**1,813.9**
Interest and commissions paid		(365.3)	(247.9)
Income tax paid		(190.8)	(219.6)
Net cash from operating activities		**2,075.8**	**1,346.4**

	Note	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Cash flows from investing activities			
Purchase of property, plant and equipment		(881.4)	(987.1)
Purchase of intangible assets		(138.2)	(128.6)
Acquisition of shares in associated company	**19**	(255.2)	-
Net cash from investing activities		**(1,274.8)**	**(1,115.7)**
Cash flows from financing activities			
Proceeds from loans and borrowings	**27**	-	235.7
Repayment of the principal portion of loans and borrowings	**27**	(24.3)	(19.5)
Payment of principal portion of the lease liability	**27**	(657.1)	(490.0)
Acquisition of treasury shares		-	(12.1)
Net cash from financing activities		**(681.4)**	**(285.9)**
Net increase/(decrease) in cash and cash equivalents		**119.6**	**(55.2)**
Cash and cash equivalents as at 1 January		435.8	493.2
Effect of movements in exchange rates on cash held		9.8	(2.2)
Cash and cash equivalents as at December 31		565.2	435.8

The above consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Reserves				Retained earnings/ (accumulated losses)	Total equity (attributable to owners)
			Translation reserve[2]	Treasury shares	Reserve capital (reorganisation)[3]	Other reserves[4]		
Balance as at 01-01-2022	**22.7**	**35,122.4**	**0.4**	**-**	**(35,656.3)**	**104.3**	**435.6**	**29.1**
Net profit	-	-	-	-	-	-	456.4	456.4
Other comprehensive income for the period	-	-	(29.6)	-	-	-	-	(29.6)
Total comprehensive income for the period	**-**	**-**	**(29.6)**	**-**	**-**	**-**	**456.4**	**426.8**
Share-based payment (equity-settled)	-	-	-	-	-	25.2	-	25.2
Acquisition of treasury shares	-	-	-	(12.1)	-	-	-	(12.1)
Treasury shares delivered	-	-	-	3.4	-	(3.4)	-	-
Balance as at 31-12-2022	**22.7**	**35,122.4**	**(29.2)**	**(8.7)**	**(35,656.3)**	**126.1**	**892.0**	**469.0**
Net profit	-	-	-	-	-	-	647.4	647.4
Other comprehensive income – exchange differences from translation of subsidiaries	-	-	138.4	-	-	-	-	138.4
Share in other comprehensive income/(loss) of associates	-	-	(7.5)	-	-	-	-	(7.5)
Total comprehensive income for the period	**-**	**-**	**130.9**	**-**	**-**	**-**	**647.4**	**778.3**
Share-based payment (equity-settled)	-	-	-	-	-	46.7	-	46.7
Acquisition of treasury shares	-	-	-	-	-	-	-	-
Treasury shares delivered	-	-	-	4.2	-	(6.2)	2.0	-
Balance as at 31-12-2023	**22.7**	**35,122.4**	**101.7**	**(4.5)**	**(35,656.3)**	**166.6**	**1,541.4**	**1,294.0**

The above consolidated financial statements should be read in conjunction with the accompanying notes.

[2] Translation reserve includes exchange differences from the translation of foreign operations.

[3] The Group reorganisation, which took place at the beginning of 2021, impacted the current Group's structure significantly. On January 26, 2021, the general meeting of shareholders adopted a resolution to increase the share capital to EUR 5,000,000. On January 26, 2021, AI Prime Bidco S.à r.l., a related party of the Company, contributed 100% of the shares held respectively in Integer.pl S.A. and InPost Technology S.à r.l. to InPost S.A. for a total amount of EUR 7,995,747,974 to cover the value of shares issued.

[4] Other reserves include equity-settled share-based payment programme reserve

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

1. BASIS OF PREPARATION

The accompanying consolidated statements of financial position as of December 31, 2023, as well as the related consolidated statements of profit and loss and other comprehensive income, changes in equity and cash flows for the financial year ended December 31, 2023 with the related notes (collectively, the “consolidated financial statements”), have been prepared in accordance with International Financial Reporting Standards and IFRS IC interpretations as adopted by the European Union (hereinafter referred to as “IFRS”).

The Management Board of InPost S.A. declares that, according to its best judgement, these consolidated financial statements have been prepared in accordance with the accounting principles currently in force, and give a true and fair view of the consolidated financial position of the InPost Group as at December 31, 2023 and of its consolidated financial performance and consolidated cash flows for the year then ended.

Material accounting policy information is described in respective notes to the consolidated financial statements, and significant judgements and estimates are summarised in Note 7.
The consolidated financial statements have been prepared on a historical cost basis, unless stated otherwise.

These consolidated financial statements were prepared under the assumption that the InPost Group will continue to operate as a going concern in the foreseeable future. As at the date of approval of the consolidated financial statements, there is no evidence indicating that the Group will not be able to continue its business activities on a going-concern basis.

2. INTRODUCTION TO THE CONSOLIDATED FINANCIAL STATEMENTS

2.1. GENERAL INFORMATION ABOUT THE INPOST GROUP AND ITS PARENT

InPost S.A. (hereinafter “the Company”) was incorporated on November 6, 2020 and is organised under the laws of Luxembourg as a “société anonyme” for an unlimited period, and is registered with the Luxembourg Register of Commerce and Companies under n° B 248669. The address of InPost S.A. registered office is 70 route d’Esch, L-1470 Luxembourg.
InPost S.A. is the parent company in the InPost Group (hereinafter “the Group”).
The functional currency of InPost S.A. is the euro (EUR). The Polish zloty (PLN) is used as the presentation currency of these consolidated financial statements. Since January 27, 2021, InPost S.A. shares have been traded on Euronext Amsterdam, where the Company has a credit rating of Ba2/BB.
As at the date of this report, the Company had no ultimate controlling shareholder.

As of the date of these consolidated financial statements, the shareholders were:

Company name	Interest in the share capital
Advent International Corporation	25.03%
PPF Group N.V.	21.75%
A&R Investments LTD	12.49%
GIC Private Limited, Singapore	5.01%
Others	35.72%
Total	**100.00%**

2.2. GROUP’S OPERATIONS

The InPost Group offers complex logistic solutions mostly for customers from the e-commerce industry. The core business of the InPost Group includes the following operating activities: automated parcel machines services, courier services, fulfilment services, production and sale of automated parcel machines, research and development works, internet portals, data processing, website management (hosting), and holding activities including the management of the InPost Group.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

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2.3.
COMPOSITION OF THE GROUP AND INTEREST IN OTHER ENTITIES

These consolidated financial statements of the InPost Group include the financial information of the Parent, which is InPost S.A., and of three direct subsidiaries and nine indirectly controlled subsidiaries of InPost S.A. Moreover, since 2023, the Group holds one associate accounted using the equity method. The list of the Group's subsidiaries and associates is presented in the table below:

	Company name	Country	Functional currency	Shareholders as at 31-12-2023	Interest in the share capital as at 31-12-2023	Interest in the share capital as at 31-12-2022
	Direct subsidiaries					
1	Integer.pl S.A.	Poland	PLN	InPost S.A.	100%	100%
2	InPost Technology S.à r.l.	Luxembourg	EUR	InPost S.A.	100%	100%
3	Integer France SAS	France	EUR	InPost S.A.	100%	100%
	Indirect subsidiaries					
4	Mondial Relay SAS	France	EUR	Integer France SAS	100%	100%
5	InPost Sp. z o.o.	Poland	PLN	Integer Group Services Sp. z o.o.	100%	100%
6	Locker InPost Italia Srl	Italy	EUR	InPost Paczkomaty Sp. z o.o.	100%	100%
7	Granatana Limited in liquidation	Cyprus	EUR	InPost Paczkomaty Sp. z o.o.	100%	100%
8	Giverty Holding Limited in liquidation	Cyprus	EUR	InPost Paczkomaty Sp. z o.o.	100%	100%
9	InPost UK Limited	United Kingdom	GBP	InPost Paczkomaty Sp. z o.o.	100%	100%
10	InPost Paczkomaty Sp. z o.o.	Poland	PLN	Integer.pl S.A.	100%	100%
11	Integer Group Services Sp. z o.o.	Poland	PLN	Integer.pl S.A.	38.35%	38.35%
				InPost Paczkomaty Sp. z o.o.	61.65%	61.65%
12	M.P.S.L. Modern Postal Services Ltd in liquidation	Cyprus	EUR	Integer.pl S.A.	100%	100%
	Associates					
13	Menzies Distribution Group Limited	United Kingdom and the Republic of Ireland	GBP	InPost UK Limited	30%	n/a

On July 19, 2023, InPost Group acquired 30% of voting rights in Menzies Distribution Group. More details in Note 6.
On February 24, 2024 Giverty Holding Limited was liquidated and removed from the register of entrepreneurs. More details in Note 40.2.

2.4.
AUTHORISATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were authorised for issue by the Management Board on March 27, 2024.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

3. NEW AND AMENDED STANDARDS AND INTERPRETATIONS

Certain amendments to accounting standards (disclosed below) have been published that are not mandatory for 31 December 2023 reporting periods and have not been early-adopted by the Group.

New standard or amendment	Issued on	Effective for annual periods beginning on or after	Effective date in EU	Group's assessment of the impact on financial statements
Amendments to IAS 21: Lack of Exchangeability	15.08.2023	01.01.2025	not yet endorsed	no impact
Amendments to IAS 7: Supplier Finance Arrangements	25.05.2023	01.01.2024	not yet endorsed	no impact
Amendments to IAS 1: • Classification of Liabilities as Current or Non-current Date; • Classification of Liabilities as Current or Non-current – Deferral of Effective Date; • Non-current Liabilities with Covenants	23.01.2020 15.07.2020 31.10.2022	01.01.2024	not yet endorsed	assessment in progress
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	22.09.2022	01.01.2024	01.01.2024	no impact
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	11.09.2014	deferred indefinitely by IASB	postponed	no impact

The Group applied the following standards and interpretations that have come into a force for the financial periods starting from January 1, 2023:

New standard or amendment	Issued on	Effective for annual periods beginning on or after	Effective date in EU	Group's assessment of the regulation
Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	07.05.2021	01.01.2023	01.01.2023	no impact
Amendments to IFRS 17: Initial Application of IFRS 17 and IFRS 9 – Comparative Information	09.12.2021	01.01.2023	01.01.2023	no impact
IFRS 17 Insurance Contracts and Amendments to IFRS 17	18.05.2017	01.01.2023	01.01.2023	no impact
Amendments to IFRS 17 Insurance Contracts	25.06.2020	01.01.2023	01.01.2023	no impact
Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies	12.02.2021	01.01.2023	01.01.2023	The impact of this amendments has been reflected in these consolidated financial statements
Amendments to IAS 8: Definition of Accounting Estimates	12.02.2021	01.01.2023	01.01.2023	insignificant impact
Amendments to IAS 1: International Tax Reform – Pillar Two Model Rules	23.05.2023	01.01.2023	01.01.2023	insignificant impact

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4. FOREIGN CURRENCY

4.1. FOREIGN OPERATIONS TREATMENT

The Polish zloty (PLN) has been used as the presentation currency for these consolidated financial statements.
The functional currency of each company is the same as the currency of its country of residence.
Exchange differences from the translation of foreign operations as well as InPost S.A. operations from functional currency to the Group's presentation currency are recognised in other comprehensive income as a translation reserve, except to the extent that the translation difference is attributable to Non-Controlling Interest (NCI).

4.2. REPORTING FOREIGN CURRENCY TRANSACTIONS

For entities whose functional currency is PLN, the closing rate is the average exchange rate published for the currency by the National Bank of Poland (NBP) as at that date. Non-monetary items that are measured at historical cost are translated using the exchange rate at the transaction date.

Foreign currency differences are recognised in profit or loss and presented within finance costs/ income, except for exchange differences from the translation of foreign operations described in Note 4.1.

The following exchange rates were used at the reporting dates:

	31-12-2023	31-12-2022
Exchange rate at the reporting date – for assets and liabilities		
EUR	4.3480	4.6899
GBP	4.9997	5.2957
Average exchange rate for the period – for P&L and cash flows		
EUR	4.5284	4.6883
GBP	5.2080	5.4900

5. BASIS FOR CONSOLIDATION AND ACCOUNTING FOR THE INVESTMENT IN THE ASSOCIATES

Subsidiaries are entities controlled by the Group. The InPost Group controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.
Intra-group balances and transactions and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions are eliminated. Unrealised losses are also eliminated, unless there is evidence of impairment of the transferred asset.
The accounting principles applied by the subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Changes in the InPost Group's interest in a subsidiary that does not result in a loss of control are accounted for as equity transactions with shareholders.
Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity related to the subsidiary. Any gain or loss arising as a result of the loss of control is recognised in profit or loss.
Associates are all entities over which the Parent Company, directly or through its subsidiaries, exercises significant influence, but does not exercise control, which usually accompanies holding from 20% to 50% of the total number of votes in decision-making bodies. Investments in associates are accounted for using the equity method. The detailed information about the investment in associates acquired in the reporting period are presented in the Note 19 below regarding significant judgements.

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6. IMPORTANT EVENTS WITHIN THE 2023 PERIOD

6.1.
ACQUISITION OF SHARES IN MENZIES DISTRIBUTION GROUP

On July 19, 2023, the InPost Group entered into a binding Share Purchase Agreement for the acquisition of 30% economic and voting rights (29.3% of issued number of shares) of a logistics company operating on the markets of the United Kingdom and the Republic of Ireland – Menzies Distribution Group Limited. Menzies Group's nationwide logistic capability will give InPost Group the ability to scale at speed in the UK to match increasing consumer demand. The purchase price of shares amounted to GBP 49.3 m (PLN 255.2 m), and the whole amount was paid in cash.
As part of the Strategic Partnership Agreement, InPost Group secured a three-year option to purchase the remaining 70% of economic and voting rights (70.7% of issued number of shares) in Menzies Distribution Group Limited. Completion of the transaction post exercise of the call option is subject to approval by several parties including banks and key contractors. InPost Group received two non-executive seats on the Board of Directors of Menzies Distribution Group Limited, acting as non-executive Directors. In accordance with IFRS 10, the Management of InPost Group has concluded that the Group does not hold control over Menzies Distribution Group Limited but has significant influence over this entity; thus, in these consolidated financial statements, it is presented using the equity method. For details, please see Note 19.

6.2.
SUBMISSION OF SUPERVISORY BOARD MEMBER NOMINATIONS

On July 17, 2023 and August 8, 2023, the Supervisory Board of InPost S.A. submitted nominations for the appointment of Magdalena Dziewguć as independent director and Jiří Šmejc as non-independent director.

6.3.
RESIGNATION FROM THE SUPERVISORY BOARD

On December 8, 2023 the Supervisory Board of InPost S.A has received resignation of Nick Rose form the Company's Supervisory Board, effective as of December 13, 2023

7. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Accounting policies information considered material is provided per note to the consolidated financial statements. It also requires the Management to exercise its judgement in applying the Group's accounting policies. These policies and the significant judgements made by the Management in applying the Group's accounting policies have been consistently applied to all periods presented in these consolidated financial statements.
The preparation of the consolidated financial statements in accordance with IFRS adopted by the EU also requires the use of certain critical accounting estimates.

The summary of used judgements and estimates with references to respective notes is presented in the table below:

Note	Title	Significant estimates	Significant judgments
15.3	Deferred tax assets	Recognition of deferred tax assets	
18	Goodwill	Discount rate, Growth rate, Impairment	
19	Interests in other entities	Call Option Valuation, Fair value adjustments	Significant influence
20	Intangible assets	Amortisation, Impairment	
21	Property, plant and equipment	Depreciation, Expected useful life, Impairment	
22	Leases	Lease term, Discount rate, Purchase option	Lease definition
24	Trade and other receivables	Impairment	
28	Provisions and employee benefits	Estimation of employee benefits	
29	Share-based payment	Exit date, Target EBITDA, Estimated outcome of the programme (service and non-market performance conditions)	

DISCLOSURES TO CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

8. GROUP'S PERFORMANCE AND SEGMENT INFORMATION

8.1. ALTERNATIVE PERFORMANCE MEASURES: GROSS PROFIT, OPERATING EBITDA, ADJUSTED EBITDA

The Group reports on the following alternative performance measures of the Group's performance: Gross Profit, Operating EBITDA, and Adjusted EBITDA. The Group believes that these and similar measures are used in the industry in which the Group operates as means of evaluating a company's operating performance. However, those are not recognised measures of financial performance, financial condition, or liquidity under IFRS. In addition, not all companies may calculate Gross Profit, Operating EBITDA, and Adjusted EBITDA in the same manner or on a consistent basis. As a result, this measure may not be comparable to measures used by other companies under the same or similar names. Accordingly, undue reliance should not be placed on these measures, and they should not be considered in isolation or as a substitute for profit for the year, cash flow, expenses or other financial measures computed in accordance with IFRS.

Gross Profit represents a margin realised on deliveries to clients and takes into account only revenue and other operating income related to deliveries as well as costs directly attributable to such deliveries. Gross Profit is defined as net profit for the period adjusted for profit/(loss) from discontinued operations, income tax expense, profit on sales of an organised part of an enterprise, the share of results of equity-accounted investees, finance costs and income, depreciation and amortisation and general costs. The numerical reconciliation of Gross Profit to the numbers included in the consolidated financial statements prepared under IFRS is included in Note 8.2 on segment reporting.

Operating EBITDA facilitates the comparisons of the Group's operating results from period to period and between segments by removing the impact of, among other things, its capital structure, asset base and tax consequences. Operating EBITDA is defined as net profit for the period adjusted for profit/(loss) from discontinued operations, income tax expense (benefit), profit on sales of an organised part of an enterprise, share of result of equity-accounted investees, finance costs and income, as well as depreciation and amortisation.

Adjusted EBITDA facilitates the comparisons of the Group's operating results from period to period and between segments by removing the impact of, among other things, its capital structure, asset base and tax consequences and one-off and non-cash costs not related to its day-to-day operations. Adjusted EBITDA is defined as net profit/(loss) for the period adjusted for profit/(loss) from discontinued operations, income tax expense/(benefit), profit on sales of an organised part of an enterprise, share of result of equity-accounted investees, finance costs and income, depreciation and amortisation adjusted with non-cash (share-based payments) and one-off costs (Restructuring and Acquisition costs). Restructuring costs refer to legal and advisory costs of standarisation of operating, administration and business processes of Mondial Relay to reflect the processes in Polish entities.

CAPEX is defined as the total of Purchase of property, plant and equipment and Purchase of intangible assets presented in the Cashflow Statement. This measure is used to assess the total amount of cash outflows invested in the Group's non-current assets.

Operating EBITDA Margin is defined as Operating EBITDA divided by the total of Revenue and Other operating income.

Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by the total of Revenue and Other operating income.

The above-mentioned measures are used to evaluate the profitability of each reportable segment.

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The following table reconciles net profit to Operating EBITDA and Adjusted EBITDA for the periods indicated:

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Net profit from continuing operations	**647.4**	**456.5**
Income tax	284.6	212.3
Profit from continuing operations before tax	**932.0**	**668.8**
adjusted by:		
- Net financial costs	535.9	273.3
- Depreciation	1,149.1	972.3
- Share of result from associates	30.9	-
Operating EBITDA	**2,647.9**	**1,914.4**
- MIP valuation	4.5	4.4
- LTIP valuation	34.4	14.4
- Restructuring costs	34.3	28.2
- M&A costs	12.0	-
Adjusted EBITDA	**2,733.1**	**1,961.4**

The following table reconciles CAPEX for the periods indicated:

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Purchase of property, plant and equipment	881.4	987.1
Purchase of intangible assets	138.2	128.6
Total CAPEX	**1,019.6**	**1,115.7**

The following table reconciles Operating EBITDA margin for the periods indicated:

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Revenue and other operating income	**8,862.7**	**7,079.1**
Operating EBITDA	2,647.9	1,914.4
Operating EBITDA margin	**29.9%**	**27.0%**

The following table reconciles Adjusted EBITDA margin for the periods indicated:

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Revenue and other operating income	**8,862.7**	**7,079.1**
Adjusted EBITDA	2,733.1	1,961.4
Adjusted EBITDA margin	**30.8%**	**27.7%**

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8.2.
SEGMENT INFORMATION

For management purposes, the Group presents results in four reportable segments divided into the two following geographical regions:

Segments outside Poland:

A.
Mondial Relay segment, which includes APM[5] business and PUDO[6] points in France, Spain, Belgium, the Netherlands, Luxembourg, and Portugal,

B.
International Other segment, which includes APM and PUDO business in the United Kingdom and Italy.

Segments in Poland:

C.
APM segment, which is focused on the delivery of parcels to automated parcel machines,

D.
To-Door segment, which includes the delivery of parcels using door-to-door couriers.

Non-reportable segment: other segments in Poland, which consists mainly of fulfilment, fresh, marketing and IT services provided for external customers.

The Management Board is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is assessed on the basis of revenue and gross profit or loss, measured consistently with those in the consolidated financial statements. Additionally, aggregated segments at the geography level are assessed based on Operating EBITDA and Adjusted EBITDA. The accounting policies adopted are uniform for all segments and consistent with those applied for the Group.

Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

Inter-segment revenues are eliminated upon consolidation and reflected in the Inter-segment eliminations column.
Finance costs, finance income and fair value gains and losses on financial assets are not allocated to individual segments, as the underlying instruments are managed on a group basis.
Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments, as they too are managed on a group basis.

Period of 12 months ended 31-12-2023	International		Poland				Total	Total reportable segments
	Mondial Relay	Other	APM	To-Door	Other	Inter-segment elimination		
	A	B	C	D				A+B+C+D
Revenue[7]	**2,929.4**	**672.9**	**4,064.4**	**1,141.1**	**145.2**	**(109.3)**	**8,843.7**	**8,807.8**
External	2,871.7	637.5	4,064.4	1,141.1	129.0	-	8,843.7	8,714.7
Inter-segment	57.7	35.4	-	-	16.2	(109.3)	-	93.1
Other operating income	**-**	**-**	**-**	**-**	**19.0**	**-**	**19.0**	**-**
Direct costs	**(2,373.9)**	**(603.3)**	**(1,449.7)**	**(747.5)**	**(134.8)**	**109.3**	**(5,199.9)**	**(5,174.4)**
Logistic costs	(1,941.0)	(519.9)	(1,316.2)	(720.2)	-	93.1	(4,404.2)	(4,497.3)
External costs	(1,905.7)	(462.1)	(1,316.2)	(720.2)	-	-	(4,404.2)	(4,404.2)
Inter-segment costs	(35.3)	(57.8)	-	-	-	93.1	-	(93.1)
APM network	(19.6)	(26.7)	(69.5)	-	-	16.2	(99.6)	(115.8)
External costs	(13.6)	(16.5)	(69.5)	-	-	-	(99.6)	(99.6)
Inter-segment costs	(6.0)	(10.2)	-	-	-	16.2	-	(16.2)
PUDO points[8]	(362.4)	(30.3)	(17.2)	(4.1)	-	-	(414.0)	(414.0)
Other direct costs	(50.9)	(26.4)	(46.8)	(23.2)	(134.8)	-	(282.1)	(147.3)
Gross profit	**555.5**	**69.6**	**2,614.7**	**393.6**	**29.4**	**-**	**3,662.8**	**3,633.4**

[5] APM is Automated Parcel Machine.

[6] PUDO is Pick-Up and Drop-Off points.

[7] The Group's revenue is recognised at the point in time.

[8] Commissions for handling parcels at collection and delivery points.

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	Mondial Relay	Other International	Poland	Total
Gross profit/ (loss)	**555.5**	**69.6**	**3,037.7**	**3,662.8**
General costs	(262.3)	(158.4)	(594.2)	(1,014.9)
- Sales & Marketing	(61.2)	(22.8)	(109.8)	(193.8)
- Call Centre	(38.7)	(28.7)	(52.4)	(119.8)
- IT Maintenance	(40.8)	(37.5)	(92.9)	(171.2)
- MIP Valuation	-	-	(4.5)	(4.5)
- LTIP Valuation	(1.4)	(6.3)	(26.7)	(34.4)
- M&A costs	-	(12.0)	-	(12.0)
- Restructuring costs	(34.3)	-	-	(34.3)
- Other general costs	(85.9)	(51.1)	(307.9)	(444.9)
Operating EBITDA	**293.2**	**(88.8)**	**2,443.5**	**2,647.9**
Depreciation and amortisation	(269.1)	(92.4)	(787.6)	(1,149.1)
Operating profit	**24.1**	**(181.2)**	**1,655.9**	**1,498.8**

	Mondial Relay	Other International	Poland	Total
Operating EBITDA	**293.2**	**(88.8)**	**2,443.5**	**2,647.9**
- MIP Valuation	-	-	4.5	4.5
- LTIP Valuation	1.4	6.3	26.7	34.4
- M&A costs	-	12.0	-	12.0
- Restructuring costs	34.3	-	-	34.3
Adjusted EBITDA	**328.9**	**(70.5)**	**2,474.7**	**2,733.1**

The summary of values of property, plant and equipment and intangible assets for the segments is presented in the table below:

	Mondial Relay	Other International	Poland	Total
Property, plant and equipment	1,332.6	648.0	2,821.6	4,802.2
- of which ROU	*523.0*	*146.7*	*1,017.6*	*1,687.3*
Intangible assets	705.9	9.1	287.1	1,002.1
Goodwill	1,379.9	-	-	1,379.9
Total	**3,418.4**	**657.1**	**3,108.7**	**7,184.2**

Period of 12 months ended 31-12-2022	International		Poland				Total	Total reportable segments
	Mondial Relay	Other	APM	To-Door	Other	Inter-segment elimination		
	A	B	C	D				A+B+C+D
Revenue[9]	**2,670.6**	**245.8**	**3,179.4**	**896.0**	**120.6**	**(52.2)**	**7,060.2**	**6,991.8**
External	2,670.6	207.1	3,179.4	896.0	107.1	-	7,060.2	6,953.1
Inter-segment	-	38.7	-	-	13.5	(52.2)	-	38.7
Other operating income	**0.7**	**0.5**	**-**	**-**	**17.7**	**-**	**18.9**	**1.2**
Direct costs	**(2,183.1)**	**(363.6)**	**(1,226.0)**	**(647.3)**	**(109.4)**	**52.2**	**(4,477.2)**	**(4,420.0)**
Logistic costs	(1,692.7)	(274.3)	(1,113.0)	(624.5)	-	38.7	(3,665.8)	(3,704.5)
External costs	(1,654.0)	(274.3)	(1,113.0)	(624.5)	-	-	(3,665.8)	(3,665.8)
Inter-segment costs	(38.7)	-	-	-	-	38.7	-	38.7
APM network	(8.4)	(53.0)	(51.4)	-	-	13.5	(99.3)	(112.8)
External costs	(5.3)	(42.6)	(51.4)	-	-	-	(99.3)	(99.3)
Inter-segment costs	(3.1)	(10.4)	-	-	-	13.5	-	(13.5)
PUDO points[10]	(381.5)	(12.6)	(15.6)	(5.1)	-	-	(414.8)	(414.8)
Other direct costs	(100.5)	(23.7)	(46.0)	(17.7)	(109.4)	-	(297.3)	(187.9)
Gross profit	**488.2**	**(117.3)**	**1,953.4**	**248.7**	**28.9**	**-**	**2,601.9**	**2,573.0**

[9] The Group's revenue is recognised at the point in time.

[10] Commissions for handling parcels at collection and delivery points.

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	Mondial Relay	Other International	Poland	Total
Gross profit/ (loss)	**488.2**	**(117.3)**	**2,231.0**	**2,601.9**
General costs	(188.2)	(72.8)	(426.5)	(687.5)
- Sales & Marketing	(51.8)	(18.5)	(85.1)	(155.4)
- Call Centre	(30.2)	(16.9)	(41.0)	(88.1)
- IT Maintenance	(54.4)	(3.0)	(65.6)	(123.0)
- MIP Valuation	-	-	(4.4)	(4.4)
- LTIP Valuation	(2.4)	(1.6)	(10.4)	(14.4)
- Restructuring costs	(28.2)	-	-	(28.2)
- Other general costs	(21.2)	(32.8)	(220.0)	(274.0)
Operating EBITDA	**300.0**	**(190.1)**	**1,804.5**	**1,914.4**
Depreciation and amortisation	(212.8)	(73.7)	(685.8)	(972.3)
Operating profit	**87.2**	**(263.8)**	**1,118.7**	**942.1**

	Mondial Relay	Other International	Poland	Total
Operating EBITDA	**300.0**	**(190.1)**	**1,804.5**	**1,914.4**
- MIP Valuation	-	-	4.4	4.4
- LTIP Valuation	2.4	1.6	10.4	14.4
- Restructuring costs	28.2	-	-	28.2
Adjusted EBITDA	**330.6**	**(188.5)**	**1,819.3**	**1,961.4**

The summary of values of property, plant and equipment and intangible assets for the segments is presented in the table below:

	Mondial Relay	Other International	Poland	Total
Property, plant and equipment	1,014.3	436.9	2,775.4	4,226.6
- of which ROU	*442.8*	*99.7*	*971.8*	*1,514.3*
Intangible assets	804.5	12.1	226.4	1,043.0
Goodwill	1,488.4	-	-	1,488.4
Total	**3,307.2**	**449.0**	**3,001.8**	**6,758.0**

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9. REVENUE

ACCOUNTING POLICY

The Group generates revenue primary from the provision of various courier services to its customers. There are two groups of courier services – traditional and out-of-home deliveries (deliveries of parcels to automated parcel machines owned or leased by the Group and/or collection points). Automated parcel machines are located close to shops in residential areas and are open 24/7, which allows customers to easily pick up parcels. Parcels delivered by courier to automated parcel machines can be collected by the recipient within 48h. If the parcel is not collected by the recipient (from courier/automated parcel machines), it is relocated to a collection point or returned to sender. The Group offers rebates to customers who are able to provide volumes of parcels that exceed thresholds in accordance with agreements. The rebates are treated as variable consideration which is recognised to the extent that it is highly probable that a significant reversal of revenue will not occur. In this context, the Group equates “highly probable” with 100% certainty.
In addition to delivery services, the Group generates revenue from the sale of goods (mainly APMs) and provision of marketing services.

Services	Nature, the judgement on timing of satisfaction of performance obligations, and significant payment terms
Courier services and out-of-home services	The Group recognises revenue at the point in time upon collection of a parcel by the recipient either from a courier, automated parcel machine, or collection point. For uncollected parcels, revenue is recognised upon return to sender. Typically, delivery takes place within 48h. Parcels delivered can be collected by the recipient within 48h in the case of delivery to automated parcel machines and within 8 days in the case of delivery to a collection point. Therefore, contrary to traditional courier services, delivery and collection do not occur at the same time. The Group assessed that control over the service is transferred upon collection of the parcel by the recipient, which triggers revenue recognition. Services are provided to customers through a “pay-as-you-go” model in accordance with standard price lists or based on long-term framework delivery contracts as well as subscription contracts for 12 or 24 months. Performance obligation under the framework contract – delivery of parcels – becomes binding once delivery is requested by the customer. These contracts do not require a minimum shipment volume and are generally multi-year rolling contracts with a one-month notice period for termination. Remuneration for services provided under the long-term contracts is determined on the basis of actual deliveries in the period and agreed prices. Prices per parcel can be differentiated based on the delivery method and certain thresholds in respect of the number, size, and weight of the parcels. Pricing is typically reviewed on an annual basis. For subscription contracts, the customer pays an agreed fixed monthly fee for deliveries of a defined number of parcels per month. The performance obligation under the subscription contract – delivery of a parcel – becomes binding once delivery is requested by the customer. Unused deliveries (the breakage) do not roll forward to the next month, and therefore the Group recognises the breakage amount as revenue at the month-end. Services may be prepaid or billed at the end of the month. There is no significant financing component in the contracts, as payment terms are relatively short – from 14 up to 90 days. Transaction prices for some contracts may vary due to contractual penalties and volume rebates (variable consideration), resulting in lower revenue. However, this does not represent a significant adjustment. The consideration payable by the Group to its customers relating to the distinct services, do not decrease the transaction prices (marketing services). Deliveries by couriers and deliveries to APMs may be regulated by one contract with a customer. However, they are alternatives to each other and are deemed to be separate performance obligations. Apart from core services, the Group might also provide some minor services for an additional fee (e.g., express delivery). For such bundles, the Group assessed that contractual prices represent stand-alone selling prices and consideration is not reallocated between services.
Sale of APMs and other equipment	Revenue from the sale of APMs is recognised at a point in time when the significant risks and rewards of ownership of a promised asset are transferred. In the absence of the specific conditions in the arrangements between the parties (e.g., Incoterms) revenue from the sale is recognised when goods are physically delivered to the customer. Most contracts are nonetheless realised in accordance with EXW incoterms.
Other services (marketing, installations, maintenance	The Group recognises revenue from marketing and maintenance services when those services are duly performed. If the revenue is a monthly maintenance fee, it is recorded over time on a straight-line basis. The Group recognises revenue from installation services at a point in time, i.e. when installation is complete.

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Revenues from courier services and out-of-home services make up 98% of the Group's revenues.

The table below presents revenue from major customers as percentage of total revenue (customer concentration):

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Allegro Group	18.5%	17.1%
Vinted UAB	21.9%	19.9%
Others (<10% of total revenue per customer)	59.6%	63.0%
Total	**100.0%**	**100.0%**

The table below contains information on receivables and liabilities resulting from contracts with customers:

	Note	31-12-2023	31-12-2022
Receivables, included in "Trade and other receivables"	24	1,215.3	1,066.9
Contract liability (prepaids)	31	18.7	8.3

Upon receipt of a prepayment from a customer, the Group recognises a contract liability in the amount of the prepayment for its performance obligation to deliver parcels in the future. The contract liability is derecognised (and respective revenue is recognised) as services are provided to a customer. The settlement period for prepaids generally does not exceed 12 months, whereas the majority are settled within a few months; therefore, contract liability from the opening balance is (in principle) fully recognised as revenue in the current year. There is insignificant revenue from breakage amounts, as customers generally exercise all their contractual rights related to prepaids.

10. DEPRECIATION AND AMORTISATION

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Depreciation of property, plant and equipment	1,022.5	848.5
Amortisation of intangible assets	126.6	123.8
Depreciation and amortisation: continued operations	**1,149.1**	**972.3**
Assigned to direct cost	972.6	792.0
Assigned to general and administrative expenses	176.5	180.3
Total	**1,149.1**	**972.3**

11. EXTERNAL SERVICES

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Logistic services	3,926.8	3,251.7
PUDO points commissions	414.0	414.8
Marketing and Advertising	101.0	70.3
Advisory cost	179.7	139.0
Other	130.7	85.2
Total external services	**4,752.2**	**3,961.0**
Assigned to direct cost	4,340.8	3,666.5
Assigned to general and administrative expenses	411.4	294.5
Total	**4,752.2**	**3,961.0**

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12. EMPLOYEE BENEFIT COSTS

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Payroll, of which:	821.5	670.1
Share-based payment	*46.7*	*25.2*
Social security contributions	224.8	171.9
Total employee benefit costs	**1,046.3**	**842.0**
Assigned to direct cost	545.9	332.9
Assigned to general and administrative expenses	500.4	509.1
Total	**1,046.3**	**842.0**

13. OTHER EXPENSES

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Insurances	31.3	24.3
Costs of damaged parcels	26.1	23.8
Delegations	22.3	12.8
Non-taxable expenses	22.3	16.4
Total other expenses	**102.0**	**77.3**

14. FINANCIAL INCOME AND EXPENSES

ACCOUNTING POLICY

The Group classifies interests from liabilities including the lease liabilities in consolidated statement of cash flow as cash flow from financing activities.

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Foreign exchange gains	-	32.0
Other finance income	4.3	0.3
Derivative instruments valuation	8.2	-
Total finance income	**12.5**	**32.3**

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Foreign exchange losses	168.0	-
Interest expense	369.6	292.8
Bank charges and commissions related to debt	2.4	6.9
Other financial costs	8.4	5.9
Total finance costs	**548.4**	**305.6**

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15. INCOME TAX

ACCOUNTING POLICY

The Management periodically reviews the approach adopted in the preparation of tax returns where the applicable tax regulations are subject to interpretation. When justified, a provision is created for the expected tax payable to tax authorities.

Current income tax
Current tax is calculated using the tax rates enacted or substantively enacted at the reporting date in countries where the Group's entities operate and generate taxable income or losses.

Deferred tax
Deferred tax assets are recognised for unused tax losses and unused tax credits and for deductible temporary differences to the extent that it is probable that future taxable profit will be available against which they can be utilised.
Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date, taking into account any uncertainties related to income taxes.

SIGNIFICANT ACCOUNTING ESTIMATES

Recognition of deferred tax assets
Estimated future taxable profits are determined based on the budgets of the entities of the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. At each reporting date, the Management of the Group reassess unrecognised deferred tax assets and recognises them to the extent that it has become probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are mainly related to tax losses carried forward. Numerical information is provided below in the Note 15.4.

15.1. INCOME TAX IN PROFIT OR LOSS

For the period of 12 months ended December 31, 2023, the effective tax rate for the Group was 30.5%, and, for the comparative period of 12 months ended December 31, 2022, the effective tax rate for the Group was 31.7%. In the year 2023, statutory tax rates for the Group's companies ranged from 19% in Poland and Great Britain to 31.4% in Italy.
The Group is within the scope of the OECD Pillar Two model rules. Under the legislation, the Group is liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate. Pillar Two legislation was enacted in Luxembourg on December 20, 2023 and will come into effect from January 1, 2024. Since the Pillar Two legislation was not effective at the reporting date, the Group has not related current tax exposure.
The Group has started analysis to estimate the impact of Pillar Two Legislation, but, due to the complexity of the reform, the Group is not able to estimate the possibility nor the amount of the legislation's impact on 2024 tax expenses. The first year that it is possible to pay additional top-up taxes in Luxembourg is 2024, with payment and tax computation made until end of June 2026.

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Current income tax expense	287.9	214.0
Deferred income tax expense	(3.3)	(1.7)
Income tax expense: continued operations	**284.6**	**212.3**
Current income tax expense	-	-
Income tax expense: discontinued operations	**-**	**-**

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15.2.
RECONCILIATION OF EFFECTIVE TAX RATE

	Period of 12 months ended 31-12-2023		Period of 12 months ended 31-12-2022	
Profit (loss) before tax		**932.0**		**668.8**
Tax using the Group's domestic tax rate	**24.9%**	**232.1**	**24.9%**	**166.5**
Effect of tax rates in foreign jurisdictions	(17.5%)	(163.4)	(6.5%)	(43.2)
Tax-exempt income	(0.5%)	(4.8)	(0.1%)	(0.5)
R&D tax relief	(0.1%)	(1.2)	-	-
Non-deductible expenses of which:	7.8%	73.0	1.2%	8.0
Share-based payments costs	0.6%	5.4	0.6%	4.3
Share of result in associate	0.8%	7.7	-	-
Other non-deductible expenses	6.4%	59.9	0.6%	3.7
Depreciation of capitalised acquisition cost	(2.6%)	(24.6)	-	-
Deferred tax asset for tax losses not recognised	18.3%	170.3	11.6%	77.7
Other	0.3%	3.2	0.6%	3.8
Income tax expense		**284.6**		**212.3**
Effective tax rate		30.5%		31.7%

The effective tax rate was lower in 2023, due to the higher effect of tax rates in foreign jurisdictions.

15.3.
CHANGE IN DEFERRED TAX ASSETS AND LIABILITIES

	Balance as at 31-12-2023	Reconciliation of movements to profit or loss 2023	Balance as at 31-12-2022	Reconciliation of movements to profit or loss 2022
Deferred tax assets				
Impairment allowance for trade and other receivables and inventories	16.2	(0.4)	15.8	(0.7)
Provisions and accruals	56.2	(6.3)	49.9	(4.0)
Lease liabilities	216.4	(3.6)	212.8	38.2
Property, plant, equipment, and intangible assets	-	0.1	0.1	1.8
Deferred income	-	1.9	1.9	1.1
Interest accrued	-	4.5	4.5	(4.0)
Foreign exchange differences	5.8	(3.8)	2.0	5.8
Other items	2.8	(1.9)	0.9	1.7
Tax losses carried forward	18.2	11.2	29.4	(19.8)
Capitalised acquisition cost	23.9	(23.9)	-	-
Total	**339.5**	**(22.2)**	**317.3**	**20.1**
Net presentation	(164.4)	13.4	(151.0)	28.6
Net deferred tax assets	**175.1**	**(8.8)**	**166.3**	**48.7**
- to be settled within 12 months	54.0		43.3	
- to be settled in more than 12 months	121.1		123.0	
Deferred tax liability				
Property, plant, equipment, and intangible assets	232.3	104.5	127.8	(98.1)
Right-of-use assets	216.4	(93.1)	309.5	75.8
Interest accrued	8.6	4.9	3.7	3.6
Other items	4.5	2.6	1.9	(0.4)
Total	**461.8**	**18.9**	**442.9**	**(19.1)**
Net presentation	(164.4)	(13.4)	(151.0)	(28.6)
Net deferred tax liabilities	**297.4**	**5.5**	**291.9**	**(47.8)**
- to be settled within 12 months	58.8		55.2	
- to be settled in more than 12 months	238.6		236.7	
Net effect		**(3.3)**		**1.0**
Valuation effect in OCI		**-**		**2.7**
Net effect recognised in profit or loss		**(3.3)**		**(1.7)**

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15.4. UNRECOGNISED DEFERRED TAX ASSETS

Deferred tax assets have not been recognised in respect of the following items. In the Management's judgement, it was assessed that it is not probable that future taxable profit will be available against which the Group will be able to use benefits therefrom.

Unrecognised deferred tax assets	2023		2022	
	Gross amount	Tax effect (domestic tax rates)	Gross amount	Tax effect (domestic tax rates)
Tax losses carried forward (the UK, IT, and LU)	1,173.9	249.1	627.2	138.5
Total unrecognised deferred tax assets	**1,173.9**	**249.1**	**627.2**	**138.5**

Tax losses carried forward for which no deferred tax assets were recognised	**2023**	**2022**
Never expire	975.5	84.2
Will expire 2040	67.3	-
Will expire 2039	62.5	41.4
Will expire 2038	63.1	102.2
Will expire 2037	5.5	5.9
Will expire 2025	-	236.0
Will expire 2024	-	104.7
Will expire 2023	-	52.8
Total tax losses carried forward for which no deferred tax asset was recognised	**1,173.9**	**627.2**

The differences in the amounts in respective years are due to tax corrections and exchange rates.

16. EARNINGS PER SHARE (EPS)

The following table reflects the profit and share information used in the basic and diluted EPS calculations:

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Profit attributable to ordinary equity holders of the parent:		
Continuing operations	647.4	456.5
Discontinued operations	-	(0.1)
Profit attributable to ordinary equity holders of the parent for basic EPS	**647.4**	**456.4**
Effect of dilution	-	-
Profit attributable to ordinary equity holders of the parent adjusted for the effect of dilution	**647.4**	**456.4**
Total number of shares issued	**500,000,000**	**500,000,000**
Effect of own shares held	**(182,500.0)**	**(358,044.0)**
Weighted average number of ordinary shares for basic EPS[11]	**499,741,030.0**	**499,803,811.5**
Basic/Diluted earnings per share (in PLN)	**1.30**	**0.91**
Basic/Diluted earnings per share (in PLN): Continuing operations	**1.30**	**0.91**
Basic/Diluted earnings per share (in PLN): Discontinuing operations	**-**	**-**

[11] The weighted average number of shares takes into account the weighted average effect of changes in shares during the year.

17. DIVIDENDS PAID AND PROPOSED FOR PAYMENT

In 2023 and until the date of authorisation of these consolidated financial statements for issue, no dividends were paid or proposed for payment.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

DISCLOSURES TO CONSOLIDATED STATEMENT OF FINANCIAL POSITION

18. GOODWILL

The detail of this line item in the consolidated balance sheet and of the changes there in the reporting period and in 2023 is as follows:

	2023	2022
Opening balance, of which:	**1,488.4**	**1,459.5**
Effect of movements in exchange rates	(108.5)	28.9
Closing balance, of which:	**1,379.9**	**1,488.4**
Mondial Relay SAS	1,379.9	1,488.4

Goodwill acquired through this business combination is fully allocated to the International Mondial Relay segment. None of the goodwill recognised is expected to be deductible for income tax purposes. The "Mondial Relay" brand is allocated entirely to the International Mondial Relay segment.

18.1. IMPAIRMENT TESTING

SIGNIFICANT ACCOUNTING ESTIMATES

All inputs significant to the fair value measurement are categorised within Level 3 of the fair value hierarchy. The calculation of fair value less costs of disposal is most sensitive to the following assumptions:

- Discount rates,
- Growth rates used to extrapolate cash flows beyond the forecast period.

Discount rates

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Growth rate

Rates are based on cautious expectations of Management taking into account possibilities of changes in customers' behaviour and new market entrants.

The post-tax discount rate applied to cash flow projections is 6.76%, and cash flows beyond the five-year period are extrapolated using a 2.0% growth rate. In 2023, the discount rate decreased by 1.32 pp in comparison to 2022 as a result of Leveraged Beta factor reduction observable on all markets. The effect of lower Leveraged Beta was offset by the increase of risk-free rates based on profitability of ten-year EUR government bonds. The growth rate beyond the budgeted five-year period remained unchanged in comparison to 2022, representing a prudent approach of the Management, taking into account only nominal increase of cashflows generated by CGU due to CPI changes.

Impairment test

The recoverable amount of the International Mondial Relay segment's assets as at December 31, 2023 is PLN 8,907.0 m, which was determined based on fair value less costs of disposal calculation using discounted cash flow projections based on the financial budgets adjusted for market conditions approved by senior Management covering a five-year period.

As a result of the analysis, the Management did not identify an impairment of International Mondial Relay segment assets.

The following is a summary of the total recoverable amount and carrying amount at the end of the reporting period for International Mondial Relay segment net assets:

	Mondial Relay
Recoverable amount (fair value less costs of disposal)	8,907.0
Carrying amount of net assets of which:	2,742.7
Goodwill	*1,379.9*
Brand	*164.3*
Headroom	**6,164.3**

Sensitivity analysis to discount rates:

	WACC ratio	Change in WACC			
		-2.0 pp	-1.0 pp	+1.0 pp	+ 2.0 pp
WACC	6.76%	4.76%	5.76%	7.76%	8.76%
Headroom	**6,164.3**	**14,233.1**	**9,111.7**	**4,257.4**	**2,928.4**

Sensitivity analysis to growth rate assumption:

	Growth rate	Change in growth rate			
		-2.0 pp	-1.0 pp	+1.0 pp	+ 2.0 pp
Growth rate	2.00%	0.00%	1.00%	3.00%	4.00%
Headroom	**6.164.3**	**3,380.7**	**4,530.8**	**8,666.5**	**12,982.0**

The Group considered the following climate-related matters and their potential impact on five-year budgets for Mondial Relay CGU:

• Increased operating expenditure due to introduction of a carbon tax and/or a cap-and trade system on transport sector and buildings. – at the current time, no legislation has been passed that will impact the Group; as the probability of implementation of those taxes before 2028 (which is the final year of Group's financial plans) are very low, the risks were not considered during preparations of five-year financial plans for Mondial Relay CGU. The Group constantly monitors the latest government legislation regarding climate-related matters.

• Risk of being accused of greenwashing in marketing communication to customers regarding the Group's impact on the climate– the risk was considered on Mondial Relay CGU level for the purpose of preparing five-year plans; sufficient mitigation steps were taken into account when preparing the five year plan in terms of costs of internal trainings and sufficient budgeted costs related with external audit services and advisory costs related with ESG.

• Potential opportunities related to climate changes – for instance, an increase in consumer preference to use out-of-home deliveries as a more environmentally friendly form of parcel deliveries – were not taken into account during the preparation of Mondial Relay five-year plans due to the Management's prudent approach to potential revenue/volumes upsides.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

19. INVESTMENT IN AN ASSOCIATE

ACCOUNTING POLICY

Recognition and measurement

The investment in an associate is accounted under the equity method.
On initial recognition, the investment is recognised at cost. If there is a negative difference between cost and share on investee's net fair value of identifiable assets and liabilities, then it is recognised as an income in profit or loss in the period in which the investment is acquired.
Subsequently, the carrying amount of the investment is increased or decreased by the Group's share on investee's net profit or loss after the acquisition date. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

SIGNIFICANT JUDGEMENTS

Significant influence

The Group has one material associate – Menzies Distribution Group Limited.
The InPost Group holds 30% economic and voting rights (29.3% of issued shares) in Menzies Distribution Group Limited. As part of the Share Purchase Agreement ("SPA"), InPost Group secured a three-year option to purchase the remaining 70% of economic and voting rights (70.7% of issued number of shares) in Menzies Distribution Group Limited. Completion of the transaction post exercise of the call option is subject to approval by several parties including banks and key contractors. The call option execution price for the first 18 months since entering into the SPA is fixed and also requires InPost Group to acquire 70% of interest in all Segments of Menzies Group. After 18 months, the execution price is related to EBITDA level. Endless LLP is currently the controlling investor and holds 52% of shares. The remaining 18% are held by other investors (including current management of Menzies).
The Group has appointed two non-executive members out of Menzies' Board of Directors.
The Management continually reassesses its involvement in Menzies Distribution Group Limited in accordance with IFRS 10's control definition and guidance. As of December 31, 2023, the Management has concluded that InPost Group has significant influence but not outright control over Menzies.
In making its judgement, the Management considered the Group's voting rights, the relative size and dispersion of the voting rights held by other shareholders, the number of executives appointed and existing call option which, based on conditions described above, is deep out of the money for the first 18 months and requires approvals from Menzies partners and banks financing InPost Group and Menzies Group.
Accordingly, the Group has classified Menzies Distribution Group Limited as an associate, which is included in these Consolidated Financial Statements using the equity method.

SIGNIFICANT ACCOUNTING ESTIMATES

Call Option Valuation

As mentioned above, InPost received a three-year call option for the remaining 70% of Menzies' shares exercisable at any time during the option period.
In accordance with IFRS 13, the fair value of an option at any point in time is made up of two basic components – intrinsic value and time value. If, on the transaction date, the value of the derivative financial asset is equal to the fair value of the purchased assets, the valuation of intrinsic value of such instrument would approximate zero.
If the option is exercised after 18 months from the conclusion of the SPA, the base price is dependent on the current adjusted EBITDA of Menzies.
Adjusted EBITDA means the EBITDA of Menzies target segments before any adjustments for IFRS 16.
Based on the comparable companies' analysis, EV/EBITDA multiples for the last twelve months are in the range between 3.7x and 6.8x as of the Valuation Date (June 30, 2023), EBITDA multiple assumed in the Call Option is within those market ranges as of the Valuation Date.
If the formula is intended to approximate the fair value of the underlying shares, the intrinsic value of the option would be close to zero as well.

Name of associate	Country of incorporation and principal place of business	Principal activity	Accounting method	Proportion of ownership interests held by the Group at year end	
				2023	2022
Menzies Distribution Group Limited	United Kingdom and the Republic of Ireland	Logistics	Equity method (IAS 28)	29.3%	-

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Menzies Distribution Group Limited is a private company; therefore, no quoted market prices are available for its shares.
The Menzies non-current liabilities include a bank loan that is subject to covenants that include restrictions on the payment of dividends to shareholders unless a certain level of interest cover is achieved from operating income.
The Group has no additional commitments or contingent liabilities relating to Menzies.
No dividends were received from associate during the year ended December 31, 2023.

The following is summarised financial information for Menzies Distribution Group Limited, based on its preliminary consolidated financial statements prepared in accordance with IFRS, modified for fair value adjustments (preliminary) on acquisition and differences in the Group's accounting policies.

	Balance as at 31.12.2023
Non-current assets, including	1,651.8
Goodwill	*119.2*
Current assets, including:	703.6
Cash and cash equivalents	*57.7*
Total assets	**2,335.4**
Non-current liabilities, including:	784.8
Non-current financial liabilities (excluding trade and other payables and provisions)	*577.9*
Current liabilities, including:	865.4
Current financial liabilities (excluding trade and other payables and provisions)	*153.4*
Total liabilities	**1,650.2**
Net assets	**705.2**

	Period of 6 months ended 31.12.2023
Revenue	1,335.9
Operational costs, of which:	1,308.7
Depreciation and amortisation	*143.5*
Other operating income/costs	(139.9)
Interest income	-
Interest expense	26.8
Income tax expense (income)	(36.4)
Profit/(loss) from continuing operations	**(103.1)**
Profit/(loss) from discontinued operations	**-**
Other comprehensive income	(17.5)
Total comprehensive income	**(120.6)**

A reconciliation of the above summarised financial information to the carrying amount of the investment in Menzies Distribution Group Limited is set out below.

	2023
Total net assets of Menzies Distribution Group Limited	
Reconciliation of carrying amounts:	
Opening balance of net assets	**850.8**
Profit/(loss) for the period	(103.1)
Other comprehensive income	(17.5)
Closing balance of net assets	**730.2**
Proportion of ownership interests held by the InPost Group	30.0%
Proportion of net assets attributable to the InPost Group	**219.0**
Translation adjustment	(7.5)
Carrying amount of the investment in Menzies Distribution Group Limited	**211.5**

20. INTANGIBLE ASSETS

ACCOUNTING POLICY

Recognition and measurement

Intangible assets acquired in a business combination (customer relationship, trademarks and brands) are measured at cost, less any accumulated impairment losses. The cost of such an intangible asset at initial recognition is its fair value at the acquisition date.
Other intangible assets are measured at cost, less any accumulated amortisation and any accumulated impairment losses.

Any gain or loss on the disposal of an item of intangible assets is recognised in profit or loss and presented within other operating income/expenses.

Internally generated intangible assets (development costs/software/Intangible assets in progress)

The Group records directly attributable expenses for development projects using management accounts and respective allocation keys. Major directly attributable costs are the costs of materials and services used or consumed, as well as the costs of the Group's own employees' remuneration engaged in the development project. The time allocated to the project by an employee has to be reliably measured and documented.

SIGNIFICANT ACCOUNTING ESTIMATES

Amortisation and estimating the useful life

The Group assessed that the useful lives of all its intangible assets, except for some of the acquired brands, are finite, and are therefore amortised using the straight-line method over their estimated useful lives. Amortisation is recognised in the profit or loss in the Depreciation and amortisation line. For major items of intangibles, the Group assessed that their residual values are zero.
Intangible assets with indefinite useful lives (the "Mondial Relay" brand) are not amortised, but tested for impairment annually, either individually or at the cash-generating unit level. The results of the impairment test are disclosed in Note 18.1.
Amortisation methods, useful lives, and residual values are reviewed at each reporting date and adjusted if appropriate. The effect of a change in the above-mentioned estimates shall be recognised prospectively.

The estimated useful lives of intangibles assets for all presented periods are as follows:

Type	Period
Brand ("Mondial Relay")	Indefinite
Development costs	5 – 10 years
Trademarks	30 years
Software	2 – 10 years
Customer relations	8 years

Customer relations amortisation

The Group continues to use a straight–line method over eight years as the circumstances remain unchanged to the initial assessment.

Impairment testing

The group assessed of all not-yet-completed internally generated intangible assets at balance sheet date if there is risk of impairment. For every open project (not yet completed internally generated intangible asset), the Group has made sure that it is possible to complete it (the project goal is still valid, the Group has potential resources in terms of employees, knowledge and technology to complete it). Based on the analysis made, the Group has not recognised impairment on any of the intangible assets that are not yet completed.

Recoverability of internally generated intangible assets

Due to the nature of the Group's operations, most intangible assets are developed internally, including software. The most significant internally generated intangible assets are:

- Software: InPost Logistic Solution – operational software used in Poland, InPost Application for mobile phones, APM steering and monitoring software SZOP, Application for couriers, PUDO software for International markets;
- Development costs: Development Projects introducing Lean strategy in warehouses in PL and tools to monitor quality of operations;
- Intangible assets in progress: outlays related to the creation of international versions of InPost Logistic Solution, InPost Mobile Application instances for UK and Mondial Relay, InPost Pay application.

The realisation of development projects and capitalisation of respective costs to intangible assets are subject to corporate approvals. In order to approve the project for development, a comprehensive analysis is performed based on information provided by sales, logistics, marketing, and finance functions.
To demonstrate whether the output will generate probable future economic benefits, the Group assesses the output of projects as a separate asset or in combination with other assets forming a cash-generating unit. Based on Management review, there is no impairment loss in intangible assets in progress.

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	Customer relation-ship	Brand	Develop-ment costs	Trademarks	Software	Intangible assets in progress	Total
Cost at 01-01-2023	**726.9**	**177.3**	**126.0**	**7.3**	**177.2**	**185.5**	**1,400.2**
Additions	-	-	-	-	-	146.1	146.1
Reclassification	-	-	-	0.9	168.2	(169.1)	-
Disposal	-	-	-	-	(5.9)	(1.2)	(7.1)
Effect of movements in exchange rates	(53.0)	(13.0)	(0.3)	-	(3.1)	(1.3)	(70.7)
Cost at 31-12-2023	**673.9**	**164.3**	**125.7**	**8.2**	**336.4**	**160.0**	**1,468.5**
Accumulated amortisation at 01-01-2023	**128.7**	**-**	**118.1**	**2.0**	**105.9**	**-**	**354.7**
Amortisation for the period	84.3	-	7.0	0.5	34.8	-	126.6
Reclassification	-	-	-	-	-	-	-
Disposal	-	-	-	-	(5.7)	-	(5.7)
Effect of movements in exchange rates	(9.4)	-	(0.1)	-	(2.2)	-	(11.7)
Accumulated amortisation at 31-12-2023	**203.6**	**-**	**125.0**	**2.5**	**132.8**	**-**	**463.9**
Impairment losses at 01-01-2023	**-**	**-**	**0.4**	**-**	**2.1**	**-**	**2.5**
Impairment loss	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
Effect of movements in exchange rates	-	-	-	-	-	-	-
Impairment losses at 31-12-2023	**-**	**-**	**0.4**	**-**	**2.1**	**-**	**2.5**
Carrying amount at 31-12-2023	**470.3**	**164.3**	**0.3**	**5.7**	**201.5**	**160.0**	**1,002.1**

	Customer relation-ship	Brand	Develop-ment costs	Trademarks	Software	Intangible assets in progress	Total
Cost at 01-01-2022	**713.0**	**173.8**	**150.7**	**6.8**	**168.4**	**78.1**	**1,290.8**
Additions	-	-	-	-	-	131.7	131.7
Reclassification	-	-	(21.4)	0.6	13.2	(22.5)	(30.1)
Disposal	-	-	(2.3)	-	(4.7)	(1.8)	(8.8)
Effect of movements in exchange rates	13.9	3.5	(1.0)	(0.1)	0.3	-	16.6
Cost at 31-12-2022	**726.9**	**177.3**	**126.0**	**7.3**	**177.2**	**185.5**	**1,400.2**
Accumulated amortisation at 01-01-2022	**37.5**	**-**	**103.7**	**1.5**	**87.6**	**-**	**230.3**
Amortisation for the period	90.9	-	14.4	0.5	18.0	-	123.8
Reclassification	-	-	0.3	-	-	-	0.3
Disposal	-	-	-	-	-	-	-
Effect of movements in exchange rates	0.3	-	(0.3)	-	0.3	-	0.3
Accumulated amortisation at 31-12-2022	**128.7**	**-**	**118.1**	**2.0**	**105.9**	**-**	**354.7**
Impairment losses at 01-01-2022	**-**	**-**	**2.7**	**-**	**6.6**	**-**	**9.3**
Impairment loss	-	-	-	-	-	-	-
Disposal	-	-	(2.3)	-	(4.5)	-	(6.8)
Effect of movements in exchange rates	-	-	-	-	-	-	-
Impairment losses at 31-12-2022	**-**	**-**	**0.4**	**-**	**2.1**	**-**	**2.5**
Carrying amount at 31-12-2022	**598.2**	**177.3**	**7.5**	**5.3**	**69.2**	**185.5**	**1,043.0**

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

21. PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICY

Recognition and measurement

Assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.
In particular, for parcel machines, initial value comprises all the costs of setting up machines, which include agents' commissions for acquiring land, the costs of transporting the machine, installation and groundworks to place the machine in a designated place. After the date of connection to the network, all costs related to its operation and servicing are charged to the statement of comprehensive income at the time they are incurred.
Subsequent expenditures that are capitalised by the Group to property, plant and equipment are mainly related to parts and extensions of automated parcel machines installed when the utilisation of the machine is close to its maximum technical capabilities. Maintenance and repair costs incurred after the commencement of depreciation are recognised in profit or loss.
Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss and presented within other operating income/expenses.
Within the Property, plant and equipment, the Group decided to present right-of-use assets (RoU) resulting from the lease arrangement – detailed information about the lease is presented in a separate Note 22.1 below.

Borrowing costs

The Group assessed that the time necessary to assemble and install automated parcel lockers is relatively short and the incurred borrowing costs (e.g., interest related to long-term financing) do not qualify for capitalisation. Therefore, these costs are recognised in profit or loss.

SIGNIFICANT ACCOUNTING ESTIMATES

Depreciation and estimating the useful life

Depreciation is recognised on a straight-line basis over the estimated useful life to write down the cost, less estimated residual value, and is generally recognised in profit or loss.
Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively if appropriate.
Members of the Management Board conducted a review of the useful life of assets, which resulted in changes in the expected usage of automatic parcel machines from ten years to 15 years. The change applies to all members of the InPost Group as of July 1, 2023.
The change was the result of the fact that the first machines produced and deployed in PL reached their original ten-year useful life mark and were still being used for basic Group operations. Additionally, over the ten years of production of APMs, the Group has refined its quality controls, and testing of new APMs, resulting in an extension of the expected useful life of those APMs.

The annual effect of these changes on actual and expected depreciation expense (recognised prospectively) was as follows:

	2023	2024 and later
Decrease in depreciation expense	(51.3)	(102.5)
Increase in net profit	39.0	77.9

The estimated useful lives of property, plant and equipment for all presented periods are as follows:

Type	Period
Buildings	10–40 years
Technical equipment and machines	8–10 years
Automated parcel machines	15 years[12]
Vehicles	5 years
Other	2–7 years

Impairment losses

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired or whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated. In assessing whether there is any indication that an asset may be impaired, the Group considers internal and external sources of information.
The recoverable amount is determined for individual assets or cash-generating units (CGUs).
The Group determines separate CGUs for operations in Poland and for foreign operations.
Impairment losses and subsequent reversals are recognised in the profit or loss in operating expenses. As at the reporting date, Group Management has recognised impairment on damaged APMs in the value of PLN 1.7 m.

[12] From July 1, 2023.

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	Land and buildings	Machinery and equipment	Vehicles	Other	RoU	Assets under construction[13]	Total
Cost at 01-01-2023	**55.9**	**3,122.4**	**13.5**	**37.9**	**2,539.7**	**377.7**	**6,147.1**
Additions	-	-	-	-	957.3	823.6	1,780.9
Reclassification	11.3	766.1	9.9	10.7	(6.7)	(791.3)	-
Termination/disposal	(8.5)	(49.0)	(0.1)	(2.6)	(170.0)	(1.3)	(231.5)
Effect of movements in exchange rates	(2.8)	(93.9)	(0.1)	(0.8)	(60.5)	(13.2)	(171.3)
Cost at 31-12-2023	**55.9**	**3,745.6**	**23.2**	**45.2**	**3,259.8**	**395.5**	**7,525.2**
Accumulated depreciation at 01-01-2023	**14.9**	**854.4**	**3.2**	**19.3**	**1,020.8**	**-**	**1,912.6**
Depreciation for the period	8.7	307.7	2.3	8.7	695.1	-	1,022.5
Reclassification	-	6.1	-	-	(6.1)	-	-
Termination/disposal	(8.0)	(43.8)	(0.1)	(2.6)	(119.2)	-	(173.7)
Modifications	-	-	-	-	(3.0)	-	(3.0)
Effect of movements in exchange rates	(1.2)	(20.8)	-	(0.2)	(19.7)	-	(41.9)
Accumulated depreciation at 31-12-2023	**14.4**	**1,103.6**	**5.4**	**25.2**	**1,567.9**	**-**	**2,716.5**
Impairment losses at 01-01-2023	**-**	**-**	**-**	**-**	**4.6**	**3.3**	**7.9**
Impairment loss	-	1.7	-	-	-	(3.0)	(1.3)
Termination	-	-	-	-	-	-	-
Effect of movements in exchange rates	-	(0.1)	-	-	-	-	(0.1)
Impairment losses at 31-12-2023	**-**	**1.6**	**-**	**-**	**4.6**	**0.3**	**6.5**
Carrying amount at 31-12-2023	**41.5**	**2,640.4**	**17.8**	**20.0**	**1,687.3**	**395.2**	**4,802.2**

	Land and buildings	Machinery and equipment	Vehicles	Other	RoU	Assets under construction[13]	Total
Cost at 01-01-2022	**37.9**	**2,247.1**	**10.3**	**25.0**	**1,695.0**	**280.1**	**4,295.4**
Additions	-	-	-	-	955.3	1,004.5	1,959.8
Reclassification	17.8	911.8	3.6	13.7	(8.1)	(908.7)	30.1
Termination/disposal	(0.4)	(29.4)	(0.4)	(0.7)	(107.2)	-	(138.1)
Effect of movements in exchange rates	0.6	(7.1)	-	(0.1)	4.7	1.8	(0.1)
Cost at 31-12-2022	**55.9**	**3,122.4**	**13.5**	**37.9**	**2,539.7**	**377.7**	**6,147.1**
Accumulated depreciation at 01-01-2022	**7.3**	**584.1**	**1.8**	**13.0**	**567.1**	**-**	**1,173.3**
Depreciation for the period	7.2	288.0	1.8	7.9	543.6	-	848.5
Reclassification	-	6.0	-	(0.4)	(7.4)	-	(1.8)
Termination/disposal	-	(22.5)	(0.4)	(1.2)	(83.4)	-	(107.5)
Modifications	-	-	-	-	(0.8)	-	(0.8)
Effect of movements in exchange rates	0.4	(1.2)	-	-	1.7	-	0.9
Accumulated depreciation at 31-12-2022	**14.9**	**854.4**	**3.2**	**19.3**	**1,020.8**	**-**	**1,912.6**
Impairment losses at 01-01-2022	**-**	**5.1**	**-**	**-**	**4.6**	**2.4**	**12.1**
Impairment loss	-	-	-	-	-	0.9	0.9
Termination	-	(5.1)	-	-	-	-	(5.1)
Effect of movements in exchange rates	-	-	-	-	-	-	-
Impairment losses at 31-12-2022	**-**	**-**	**-**	**-**	**4.6**	**3.3**	**7.9**
Carrying amount at 31-12-2022	**41.0**	**2,268.0**	**10.3**	**18.6**	**1,514.3**	**374.4**	**4,226.6**

The most significant in terms of Net Book Value property, plant and equipment of the Group are machinery and equipment, i.e. automated parcel machines, as well as assets under construction, i.e. parts of automated parcel machines that are in the process of completion or assembly and are not yet installed.

[13] Assets under construction comprise mainly not-yet-deployed APMs and materials for the production of APMs.

22. LEASES

ACCOUNTING POLICY

The Group leases mainly the following underlying assets:

- equipment, mostly automated parcel machines and sorting equipment,
- land on which automated parcel machines are installed,
- warehouses and offices,
- vehicles and trailers.

The lease payments are fixed or variable lease payments that depend on CPI index.

Exemptions

The Group has chosen not to apply low-value asset exemption, and as a consequence recognises as leases all contracts meeting lease recognition criteria, despite the underlying asset value. The Group applies a practical expedient for short-term leases, except for leases related to vehicles and trailers. Some contracts regarding the lease of land for automated parcel machines include one fixed amount of rent that covers rent and other costs (e.g., energy costs), which cannot be separated from lease rent. For such contracts, the Group chooses not to separate non-lease components (i.e., energy costs) from lease components and instead accounts for each lease component and any associated non-lease components as a single lease component.

SIGNIFICANT JUDGEMENTS

Lease definition

Despite the legal form of contracts for logistic services (warehouses) and courier and transportation services (vehicles and trailers), such contracts are accounted for as contracts with lease components. Based on an analysis of key decision-making rights, it was assessed that the Group has the right to direct how and for what purpose the asset is used. Services are provided to the Group on an exclusive basis, so the Group obtains economic benefits from the use of warehouses, vehicles, and trailers.

SIGNIFICANT ACCOUNTING ESTIMATES

Lease term

For each lease contract, the Group determines the lease term as the non-cancellable period of lease, which equals the period for which the contract was concluded, when it is reasonably certain that the Group will not exercise an option to terminate the contract or to extend the lease. Contracts concluded for a definite period generally do not include early termination or the option to extend the lease term. Most of the lease contracts are concluded either for an indefinite period with a relatively short termination notice period (up to a few months).

Lease term of contracts concluded for an indefinite period

A significant portion of contracts for courier and transportation (vehicles and trailers) and logistic services (warehouses) as well as leases of land for automated parcel machines are concluded for an indefinite period with the right to terminate by each party upon termination notice. Those leased assets are important for the Group's operations, as they are part of the logistics operations (warehouses, vehicles, trailers) or enable the provision of services to customers (land for automated parcel machines).
Lease providers rotate, and the Group changes locations of automated parcel machines, which results in frequent changes in the lease portfolio. In order to determine the lease term, the Group identifies portfolios of leases with similar characteristics and assesses factors that create an economic incentive for the Group to continue such leases for periods longer than the termination notice period. Moreover, taking into account additional costs relating to the termination of the contract (costs of finding a new location for an APM, warehouse spaces and logistics service providers that meet Group standards) the Management has assessed that the Group is able to terminate the contract without any significant costs and interruptions to its operations, only within respective periods presented in the table below from the contract exit decision.

For each group of assets with lease agreements concluded for an indefinite period, the Management Board assessed the expected lease period, taking into account the Group's current strategy and the irrevocable lease term, as specified below:

	Period
Land	12 months
Warehouses	12 months
Vehicles and trailers, including:	
key providers	12 months
other	1–3 months

Discount rate

The present value of the lease payments is discounted using the interest rate implicit in the lease (where such a rate is known) or the Group uses the lessee's incremental borrowing rate. The incremental borrowing rate is estimated based on a model that determines the interest rate that the Group, as a lessee, would have to pay to borrow, over a similar term and with similar security, the funds necessary to obtain an asset of a similar value to the right-of use asset in a similar economic environment. The interest rate is determined based on the risk-free rates for instruments denominated in PLN or EUR and adjusted by a margin reflecting the Group's rating, and further adjusted to the nature of underlying assets.

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The table below presents the weighted average discount rates applied for leases in 2023 and 2022.

	2023		2022	
	Currency		Currency	
Maturity	**PLN**	**EUR**	**PLN**	**EUR**
Up to 12 months	8.57%	4.92%	6.40%	2.00%
1–3 years	8.12%	4.99%	6.73%	2.40%
3–5 years	7.63%	4.70%	6.34%	2.56%
5–7 years	7.50%	4.61%	6.07%	2.67%
7–10 years	7.53%	4.60%	5.93%	2.80%
over 10 years	7.40%	4.63%	5.88%	3.00%

Purchase option

At the lease commencement date, the Group assesses whether it is reasonably certain to exercise the right to purchase the underlying asset. If certain, lease payments include the exercise price of purchase options, which results in a higher lease liability and right-of-use assets. In such instances, the right-of use asset is depreciated to the end of the useful life of the underlying asset.

22.1. RIGHT-OF-USE ASSETS

Right-of-use assets are presented in Property, plant and equipment. The table below presents a disaggregation of the right-of-use assets by class of underlying asset.

	Land and buildings	Machinery and equipment	Vehicles	Other	Total
Cost at 01-01-2023	**1,884.2**	**72.7**	**552.0**	**30.8**	**2,539.7**
New leases	447.4	35.4	78.3	1.2	562.3
Modifications	130.2	-	172.0	-	302.2
Renewals: indefinite period	92.6	0.2	-	-	92.8
Reclassification	-	(6.7)	-	-	(6.7)
Termination of a contract	(71.1)	(1.9)	(96.4)	(0.6)	(170.0)
Effect of movements in exchange rates	(52.9)	(4.5)	(0.6)	(2.5)	(60.5)
Cost at 31-12-2023	**2,430.4**	**95.2**	**705.3**	**28.9**	**3,259.8**
Accumulated depreciation at 01-01-2023	**634.6**	**5.5**	**378.3**	**2.4**	**1,020.8**
Depreciation for the period	460.4	27.6	205.8	1.3	695.1
Modifications	(2.9)	-	(0.1)	-	(3.0)
Reclassification	-	(6.1)	-	-	(6.1)
Termination of a contract	(44.8)	(1.3)	(72.5)	(0.6)	(119.2)
Effect of movements in exchange rates	(17.7)	(1.4)	(0.3)	(0.3)	(19.7)
Accumulated depreciation at 31-12-2023	**1,029.6**	**24.3**	**511.2**	**2.8**	**1,567.9**
Impairment losses at 01-01-2023	**-**	**4.6**	**-**	**-**	**4.6**
Impairment losses at 31-12-2023	**-**	**4.6**	**-**	**-**	**4.6**
Carrying amount at 31-12-2023	**1,400.8**	**66.3**	**194.1**	**26.1**	**1,687.3**

	Land and buildings	Machinery and equipment	Vehicles	Other	Total
Cost at 01-01-2022	**1,346.5**	**39.0**	**309.5**	**-**	**1,695.0**
New leases	464.4	49.0	27.4	31.2	572.0
Modifications	71.3	8.0	221.8	-	301.1
Renewals: indefinite period	82.0	0.1	0.1	-	82.2
Reclassification	-	(8.1)	-	-	(8.1)
Termination of a contract	(84.4)	(15.4)	(7.0)	(0.4)	(107.2)
Effect of movements in exchange rates	4.4	0.1	0.2	-	4.7
Cost at 31-12-2022	**1,884.2**	**72.7**	**552.0**	**30.8**	**2,539.7**
Accumulated depreciation at 01-01-2022	**350.2**	**2.5**	**214.4**	**-**	**567.1**
Depreciation for the period	344.9	25.8	170.0	2.9	543.6
Modifications	(0.5)	(0.1)	(0.2)	-	(0.8)
Reclassification	-	(7.4)	-	-	(7.4)
Termination of a contract	(61.7)	(15.3)	(5.9)	(0.5)	(83.4)
Effect of movements in exchange rates	1.7	-	-	-	1.7
Accumulated depreciation at 31-12-2022	**634.6**	**5.5**	**378.3**	**2.4**	**1,020.8**
Impairment losses at 01-01-2022	**-**	**4.6**	**-**	**-**	**4.6**
Impairment losses at 31-12-2022	**-**	**4.6**	**-**	**-**	**4.6**
Carrying amount at 31-12-2022	**1,249.6**	**62.6**	**173.7**	**28.4**	**1,514.3**

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22.2.
LEASING LIABILITIES

Leasing liabilities, along with an analysis of maturity, are presented in the table below. For a detailed description of changes in lease liabilities, please refer to Note 27.

Balance as at	31-12-2023	31-12-2022
up to 1 year (current)	664.2	552.3
from 1 to 3 years (non-current)	642.4	529.6
from 3 to 5 years (non-current)	327.8	341.3
more than 5 years (non-current)	157.2	220.4
Total	**1,791.6**	**1,643.6**

As at December 31, 2023, the Group had eight lease agreements that have not yet commenced in 2023 but to which the Group is committed. The future cash out-flow corresponding to those agreements is equal to PLN 45.7 m. The payments equal PLN 6.0 m in 2024, PLN 13.7 m in 2025 and PLN 26.0 m in 2026.

23. OTHER ASSETS

Other assets are presented in the balance sheet as current and non-current depending on their expected period of realisation.

Balance as at	31-12-2023	31-12-2022
Prepaid services	4.0	4.0
Prepayments for property, plant, equipment and intangible assets	39.3	33.6
Non-current	**43.3**	**37.6**
Policies, other insurance	0.9	0.8
Prepaid services	50.7	42.6
Current	**51.6**	**43.4**
Total other assets	**94.9**	**81.0**

24. TRADE AND OTHER RECEIVABLES

ACCOUNTING POLICY

Trade receivables with a maturity date not exceeding 12 months (i.e., without a significant financing component) are initially recognised in the amount equal to the transaction price, during or at the moment of transfer of the goods or services promised by the agreement, namely the transfer of control over the asset to the customer.
At initial recognition, receivables in a foreign currency are measured at the average exchange rate of the Central Banks from the day immediately preceding the recognition of the receivable.

For the purposes of subsequent measurement, trade receivables are recognised as the "held to collect" business model, where the receivables are measured at amortised cost using the effective interest method, less loss allowance determined in accordance with the expected credit loss model under IFRS 9 Financial Instruments.
The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables that do not contain a significant financing component. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due (portfolio approach).
In case of clients from Allegro and Vinted Group, the Group applies an individual approach.
The Group considers a financial asset in default when contractual payments are 60 days past due.

Expected credit losses (portfolio approach)
In the case of trade receivables (not subject to individual assessment), the Group applies a portfolio approach in calculating ECLs, based on its historical data of one year of on credit losses in relation to trade receivables for the majority of its customers.

Individual approach
For biggest individual clients (i.e., Allegro, Vinted), the Group calculates ECLs based on individual client's credit ratings.
In addition, on top of ECL calculated in collective approach, the detailed individual monitoring and assessment of the trade receivables is performed resulting in 100% expected credit loss allowance for the receivables:

1. past due for more than 1 year
2. subject to a debt restructuring process
3. subject to legal proceedings
4. cancelled subscriptions.

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	31-12-2023	31-12-2022
Trade receivables	1,215.3	1,066.9
Other receivables	224.6	178.3
Trade and other receivables	**1,439.9**	**1,245.2**

Trade receivables are non-interest bearing and have an average maturity of 21 days.
Receivables from Allegro and Vinted were responsible for 36.1% of the Group's trade receivables as of December 31, 2023 and 34.4% of the Group's trade receivables for the 12 months ended December 31, 2022.

Trade receivables	31-12-2023	31-12-2022
Trade receivables (gross) at amortised cost	1,319.8	1,160.4
Expected credit losses – individual approach	(100.3)	(90.7)
Expected credit losses – collective approach	(4.2)	(2.8)
Total trade receivables	**1,215.3**	**1,066.9**

Set out below is the movement in the allowance for expected credit losses on trade receivables based on a collective approach and an individual approach:

	31-12-2023	31-12-2022
Opening balance	**93.5**	**83.4**
Decrease: utilisation	-	-
Expected/incurred credit losses recognised/ (reversed)	9.6	9.8
Exchange rate difference	1.4	0.3
Closing balance	**104.5**	**93.5**

Expected credit loss allowance based on the collective approach (excluding Allegro and Vinted):

31-12-2023	Current	0–60 days	61–365 days	Total
Expected credit loss rate	0.04%	0.31%	12.66%	
Estimated gross carrying amount at default	631.9	100.7	28.8	761.4
Expected credit loss	**0.3**	**0.3**	**3.6**	**4.2**

The Group did not recognise credit loss on its biggest individual clients (Allegro and Vinted) in the current reporting period.
Expected credit loss allowance based on the collective approach (excluding Allegro and Vinted):

31-12-2022	Current	0–60 days	61–365 days	Total
Expected credit loss rate	0.10%	0.33%	10.39%	
Estimated gross carrying amount at default	558.5	93.3	17.5	669.3
Expected credit loss	**0.6**	**0.3**	**1.8**	**2.7**

Expected credit loss allowance
Allegro and Vinted:

31-12-2022	Current	0–60 days	61–365 days	Total
Expected credit loss rate	-	0.18%	1.89%	
Estimated gross carrying amount at default	317.4	43.8	-	361.2
Expected credit loss	**-**	**0.1**	**-**	**0.1**

24.1.
OTHER RECEIVABLES

Balance as at	31-12-2023	31-12-2022
Rental deposits	2.2	2.1
Advance	2.3	2.4
Financial assets	**4.5**	**4.5**
Receivables from the state	215.1	169.2
Other	5.0	4.6
Non-financial assets	**220.1**	**173.8**
Total other receivables	**224.6**	**178.3**

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25. CASH AND CASH EQUIVALENTS

Bank overdrafts are presented as a component of current loans and borrowings under current liabilities and are not considered as cash and cash equivalents for the purposes of the consolidated statement of cash flows.

	31-12-2023	31-12-2022
Cash in bank and on hand, of which:	565.2	435.8
Cash in VAT accounts (restricted)	*5.7*	*3.0*
Total cash	**565.2**	**435.8**
Including in currency:	**249.0**	**196.9**
Cash in EUR converted to PLN	177.1	163.6
Cash in GBP converted to PLN	70.8	28.3
Cash in USD converted to PLN	1.1	5.0

Cash in bank accounts meets the SPPI test and the business model test "held to collect", so it is measured at amortised cost including an impairment loss determined in accordance with the expected credit loss model. The Management of the Group has assessed that the provision for expected credit losses related to cash and cash equivalents would not be material in any of the periods presented.

	Rating	Amount as at 31-12-2023	Amount as at 31-12-2022
Bank 1	AAA/baa1	3.8	193.5
Bank 2	A+/n/a	329.6	13.1
Bank 3	AA-/n/a	72.0	62.9
Bank 4	BBB-/baa3	55.1	35.4
Bank 5	A/A3	70.8	27.7
Bank 6	BBB+/Baa1	25.3	20.2
Bank 7	AA-/baa2	3.7	50.6
Bank 8	BBB-/Baa2	0.5	18.9
Bank 9	BBB+/Baa1	3.9	12.7
Bank 10	n/a	0.2	0.3
Total cash in bank		**564.9**	**435.3**
Cash at hand		0.3	0.5
Total cash in bank and at hand		**565.2**	**435.8**

26. LOANS AND BORROWINGS

Balance as at	31-12-2023	31-12-2022
Bank loans	33.1	273.6
Bonds	44.7	47.6
Loans secured by fixed assets	9.8	17.6
Current liabilities	**87.6**	**338.8**
Bank loans	2,157.6	1,939.6
Bonds	2,600.7	2,757.2
Loans secured by fixed assets	10.9	20.3
Non-current liabilities	**4,769.2**	**4,717.1**
Total	**4,856.8**	**5,055.9**

Most of loans and all bonds are paid as a lump sum in due date.

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The table below shows the details of loans and borrowings in 2023.

Lenders	Type	Currency	Agreement	Purpose	Additional information	Interest rate	Nominal value	Carrying amount 2023	Due date	Covenants
Banks[14]	Term facility	PLN	Agreement of 25/01/2021 IPO Facilities Agreement	Not specified	n/a	WIBOR 1M + 2%	PLN 1,950.0 m	PLN 1,968.1 m	28-01-2026	Financial covenant under the senior facilities to maintain a maximum leverage ratio of 4.25× calculated based on definitions in the agreement
	Revolving facility					WIBOR 1M + 2%	PLN 0.1 m	PLN 0.1 m		
						SONIA 6M + 2%	GBP 43.0 m	PLN 222.5 m (GBP 44.5 m)		
	Senior Unsecured Notes	EUR	Agreement dated 24/06/2021 – Purchase Agreement	As part of the financing for the acquisition of Mondial Relay SAS	BB/Ba2 rating	2.25%	EUR 490.0 m	PLN 2,127.8 m (EUR 489.4 m)	15-07-2027	The Notes will contain customary covenants for this type of financing, with the size of baskets to be adjusted to reflect the Issuer's needs and the market conditions at the time of pricing
	Senior Secured Bonds	PLN	Agreement dated 11/05/2021 – InPost's Polish bond programme	As part of the financing for the acquisition of Mondial Relay SAS and general corporate purposes	Ba2 rating	WIBOR 6M + 2.5%	PLN 500.0 m	PLN 517.6 m	29-07-2027	Consolidated Net Leverage Ratio max. 4.25x

In the Group's assessment, the upcoming WIBOR reform (which will be replaced by WIRON) will not have a significant impact on Financial Costs.

The table below shows the details of loans and borrowings in 2022.

Lenders	Type	Currency	Agreement	Purpose	Additional information	Interest rate	Nominal value	Carrying amount 2022	Due date	Covenants
Banks[14]	Term facility	PLN	Agreement of 25/01/2021 IPO Facilities Agreement	Not specified	n/a	WIBOR 1M + 2%	PLN 1,950 m	PLN 1,972.7 m	28-01-2026	Financial covenant under the senior facilities to maintain a maximum leverage ratio of 4.25× calculated based on definitions in the agreement
	Revolving facility					WIBOR 1M + 2%	PLN 800.0 m	PLN 193.0 m		
						EURIBOR 6M +2%	EUR 10.0 m	PLN 47.4 m (EUR 10.1 m)		
	Senior Unsecured Notes	EUR	Agreement dated 24/06/2021 – Purchase Agreement	As part of the financing for the acquisition of Mondial Relay SAS	BB/Ba2 rating	2.25%	EUR 490.0 m	PLN 2,287.5 m (EUR 487.8 m)	15-07-2027	The Notes will contain customary covenants for this type of financing, with the size of baskets to be adjusted to reflect the Issuer's needs and the market conditions at the time of pricing
	Senior Secured Bonds	PLN	Agreement dated 11/05/2021 – InPost's Polish bond programme	As part of the financing for the acquisition of Mondial Relay SAS and general corporate purposes	Ba2 rating	WIBOR 6M + 2.5%	PLN 500.0 m	PLN 517.3 m	29-07-2027	Consolidated Net Leverage Ratio max. 4.25x

Collaterals for loans and borrowing are presented in Note 32.3.
The covenants for the above loans and borrowings were complied with during the reporting period ended December 31, 2023.
The sensitivity of Loans and Borrowings to changes in floating interest rates is presented in Note 36.1.

[14] Bank Handlowy w Warszawie S.A., Bank Pekao S.A., BNP Paribas Bank Polski S.A., Goldman Sachs Bank Europe SE, JP Morgan AG, mBank S.A., PKO BP S.A., Barclays Bank Ireland PLC, DNB Bank Polska S.A., Erste Group Bank AG, ING Bank Śląski S.A., Credit Agricole Bank Polska S.A. – Term Facility.

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**26.1.
ASSETS PLEDGED AS SECURITY FOR LIABILITIES**

As of financial year ended December 31, 2023, the Group had no assets pledged nor securities for liabilities.

27. RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

31-12-2023	Loans and borrowings	Lease liabilities
Amount at the beginning of period	**5,055.9**	**1,643.6**
Proceeds from loans and borrowings	-	-
Payment of principal portion of the lease liability	-	(657.1)
Repayment of loans and credits	(24.3)	-
Repayment of interest and commission on the loan	(302.3)	(63.1)
Total changes from financing cash flows	**(326.6)**	**(720.2)**
Lease additions: new leases	-	957.3
Interest cost	307.3	63.8
Contract termination	-	(57.2)
Effect of changes in foreign exchange rates	(179.8)	(95.7)
Total liability-related other changes	**127.5**	**868.2**
Amount at the end of the period	**4,856.8**	**1,791.6**

31-12-2022	Loans and borrowings	Lease liabilities
Amount at the beginning of the period	**4,740.2**	**1,192.8**
Proceeds from loans and borrowings	235.7	-
Payment of principal portion of the lease liability	-	(490.0)
Repayment of loans and credits	(19.5)	-
Repayment of interest and commission on the loan	(204.8)	(43.1)
Total changes from financing cash flows	**11.4**	**(533.1)**
Lease additions: new leases	-	955.3
Interest cost	246.7	43.2
Contract termination	-	(30.6)
Effect of changes in foreign exchange rates	57.6	16.0
Total liability-related other changes	**304.3**	**983.9**
Amount at the end of the period	**5,055.9**	**1,643.6**

28. EMPLOYEE BENEFITS AND OTHER PROVISIONS

ACCOUNTING POLICY

Defined benefit plan
The Group's obligation in respect of defined benefit plans (post-mortem severances and retirement benefits) is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounted to determine their present value. The discount rate is determined based on interest rates on treasury bonds expressed in the currency of the future benefit payments, with maturities similar to the date of settlement of the respected liabilities. The calculation of defined benefit obligations at the end of the reporting period is performed by a qualified actuary using the projected unit credit method. The cost of a defined benefit plan is recognised in profit or loss with an exception to actuarial gains and losses, which are recognised in other comprehensive income.

Performance Bonuses and Cash Bonus Plan
Members of the Management Board and Middle Management (Performance Bonuses) and other employees (Cash Bonus Plan) are eligible to receive an annual bonus in cash subject to the achievement of certain pre-determined financial, strategic, and operational performance measures. Performance Bonuses are based on the remuneration policy determined by the Supervisory Board. The Group's obligation in respect of those benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That liability is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise. The costs of the benefits are recognised on a straight-line basis over the respective duration of each programme.

Liabilities for holidays and bonuses
Short-term benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay an amount as a result of a past service provided by the employee and the obligation can be estimated reliably.
Unused holiday and performance bonus provisions representing short-term employee benefits are recognised at the undiscounted amount of benefits expected to be paid in exchange for the respective service.

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Other provisions

Other provisions include mainly:

- litigations provision,
- restructuring provision,
- other needed.

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

All above provisions are calculated using relevant and accurate calculations that allow for assessment of possible future outflows connected with specific possible events. For instance, when calculating the amount of litigation provision, the Group takes into account the opinion of external legal advisors regarding the possibility that the outcome of the litigation will be unfavourable for the Group and recognises a relevant provision.

SIGNIFICANT ACCOUNTING ESTIMATES

Defined benefit plan

The carrying amount of the defined benefit liability related to post-mortem severances and retirement benefits is equal to the present value of the benefits payable. The amount of the liability depends on many factors, which are used as assumptions in the actuarial model. Any changes to the assumptions may impact the carrying amount of the liability. Interest rates are one of the primary variables in measuring liability. At the end of the reporting period, based on the report of an independent actuary, an appropriate discount rate for the Group's companies is used for determining the present value of estimated future cash outflow in relation to these benefits.

For the purpose of determining employee benefits related to defined benefit obligations, the Group applied the projected unit credit method.

The following were the principal actuarial assumptions at the reporting date.

	31-12-2023	31-12-2022
Discount rate	5.2%	6.8%
Future salary growth	4.6% for 2024 3.7% for 2025 2.5% for 2026 and further	13.1% for 2023 5.9% for 2024 3.5% for 2025 2.5% for 2026 and further

Cash Bonus Plan (CBP)

The Group recognises other long-term employee benefits concerning the Cash Bonus Plan (CBP) for Managers. Under the CBP, members are eligible for a one-off cash payment based on their remuneration for the 12 months prior to Listing (which took place in 2021) and the multiple, which depends on the exit EBITDA of Poland, payable in three instalments. Full CBP participation is only possible if the employee is still employed by the Group at the payment date. Appropriate bad-leaver definitions and penalties apply if the person leaves Group before the payment date. The last instalment of the plan was paid in April 2023. In January 2021, a new instance of the programme was announced, under which new CBP members are eligible for cash payments based on their remuneration and a multiple that depends on the adjusted EBITDA of Poland Segment for the year ended December 2023. Payments will be divided into three annual payments (2024, 2025 and 2026). An employee will be eligible to receive the payment if still employed at the time of payment. For the purpose of determining the provision for both employees' awards, the Group applied the projected unit credit method. There was an assumption that there will be no retention of employees eligible for the programme, as it is based on the 2023 Poland EBITDA; hence, all employees will receive the right to pay out after publication of this financial statement. The following were the principal actuarial assumptions at the reporting date.

	31-12-2023	31-12-2022
Discount rate for CBP programme dated 2018	-	3.50%
Discount rate for CBP programme dated 2021	5.18%	6.43%

The table below shows the hypothetical amounts of provisions (sensitivity analysis) for exit premiums subject to changes in key assumptions.

	31-12-2023	31-12-2022
Provision for Cash Bonus Plan	**15.2**	**14.3**
Discount rate - 1%	0.2	0.2
Discount rate - 0.5%	0.1	0.1
Discount rate + 0.5%	(0.1)	(0.1)
Discount rate + 1%	(0.2)	(0.2)
Forecasted EBITDA PLN -100 million	-	(1.2)
Forecasted EBITDA PLN +100 million	-	-

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Provisions Movements

The below table presents balances and movements of provisions during the year.

	Defined benefit plan	Performance Bonuses and Cash Bonus Plan	Provision for holidays and bonuses	Other provisions	Total
Balance as at 31-12-2022	**64.9**	**23.8**	**19.3**	**2.2**	**110.2**
Recognition/creation	1.3	35.3	39.4	6.9	82.9
Reclassification	(58.7)	-	58.7	-	-
Utilisation	-	(23.8)	(19.3)	(2.2)	(45.3)
Foreign exchange rate impact	(0.4)	-	(4.8)	-	(5.2)
Balance as at 31-12-2023	**7.1**	**35.3**	**93.3**	**6.9**	**142.6**

Employee benefits

The table below presents a summary of employee benefits.

	31-12-2023		31-12-2022	
	Long-term	Short-term	Long-term	Short-term
Post-mortem severance	0.7	0.1	0.5	-
Retirement benefit	6.3	-	5.4	59.0
Unused holiday provision	1.6	91.7	0.9	18.4
Performance bonuses	-	20.1	-	9.5
Cash Bonus Plan	5.4	9.8	8.4	5.9
Total	**14.0**	**121.7**	**15.2**	**92.8**

The Group is not a party to any wage bargaining agreements or collective employment agreements.

Short-term employee benefit liabilities are measured according to general principles. Long-term benefits are estimated using actuarial methods.

29. SHARE-BASED PAYMENT

ACCOUNTING POLICY

The Group offers share-based programmes for employees and grants them shares in the Parent Company. All programmes (Management Incentive Plan, Long-Term Incentive Plan and Performance Bonuses) are classified as equity settled. Over the vesting period, the Group recognises expense (payroll costs), with a corresponding parent contribution recognised as increase in equity (other capital reserves) based on the grant date fair value of the programme. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

SIGNIFICANT ACCOUNTING ESTIMATES

Depending on the plan, the allocation of rights to beneficiaries is subject to the following assumptions.

Programme	31-12-2023	31-12-2022
Management Incentive Plan	Exit date: 2021 – 40% 2024 – 30% 2025 – 30% Attrition rate 50%	Exit date: 2021 – 40% 2025 – 30% 2026 – 30% Attrition rate 50%
Long-Term Incentive Plan	Group will achieve 100% of Target EBITDA	Group will achieve 100% of Target EBITDA

The table below shows the hypothetical amounts of expenses (sensitivity analysis) for share-based arrangements subject to changes in key assumptions.

	31-12-2023	31-12-2022
Management Incentive Plan	**4.5**	**4.4**
Exit date 1 year later	(1.0)	(1.0)
Exit date 1 year earlier	2.2	1.8
Attrition rate +10%	(1.0)	(1.0)
Attrition rate -10%	1.0	1.0
Long-Term Incentive Plan expenses recognised	**34.4**	**8.9**
Target EBITDA realisation 92%	(10.1)	(4.4)
Target EBITDA realisation 109%	20.2	8.9

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29.1. MANAGEMENT INCENTIVE PLAN

The Management Incentive Plan is a legacy plan set up in 2018 and whose grants ended in January 2021, before InPost S.A. IPO. The vesting period is dependent on "Exit", which means the sale of shares by the major shareholder Advent International (which before the IPO was the sole shareholder). Of granted shares, 40% vested in 2021. As of the balance sheet date, the Management assumes that the remaining 30% of granted shares will vest in 2024 (based on Advent International's change of interest in InPost Group in 2023) and last vesting will take place in 2025 (30% of remaining shares). Model of shares valuation of the Management Incentive Plan (MIP) did not change in 2023 in comparison to the year 2022. The grants under this Programme ended in January 2021, and no new grants are possible.
Shares will be provided to entitled employees by shareholder – this programme will not result in dilution or share buyback from the perspective of the Group.

The Management has determined the fair value of shares granted based on the methods and parameters set out below.

MIP valuation parameters	Jan-18	Feb-18	Jun-18	Sep-18	Jul-19	Oct-19	Nov-19	Nov-20	Jan-21
Fair value of MIP shares (EUR) as of grant date	0.07	0.07	0.07	0.07	0.56	10.59	10.59	299.70	299.70
Exercise price of MIP shares (EUR)	0.07	0.07	0.07	0.07	0.07	0.07	0.07	21.00	112.00
Number of shares granted	304,011	149,864	71,364	142,728	107,046	142,728	39,963	14,272	111,328
Risk-free interest rate	2.63	2.63	2.55	2.55	1.8	1.8	1.8	(0.01)	(0.01)
Volatility (%)	5.7	5.7	5.7	6.3	20	20	20	20	20
Model used	Black-Scholes Merton			Intrinsic value + Black-Scholes Merton relating to option time value			Intrinsic value + Black-Scholes Merton relating to option time value		

The following table presents the number and change in MIP Shares during the year.

	31-12-2023	31-12-2022
	MIP shares granted	MIP shares granted
Outstanding at 1 January	**1,054,759.0**	**1,054,759.0**
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding but not exercisable at the end of the period	**1,054,759.0**	**1,054,759.0**

Weighted average exercise price at the end of 2023 was EUR 11.85 per share.

The expense recognised during the year is as follows.

	31-12-2023	31-12-2022
Expense arising from MIP	4.5	4.4
Total expense	**4.5**	**4.4**

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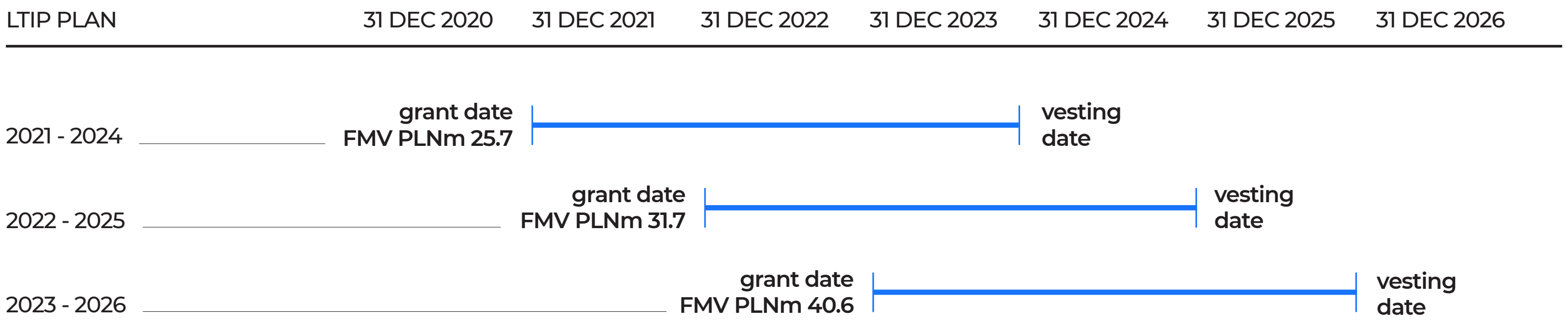
29.2. LONG-TERM INCENTIVE PLAN

The conditions for the Long-Term Incentive Plan (LTIP) realisation are based on Target EBITDA in the last year of the programme. Depending on realisation, entitled employees can receive no shares (if Target EBITDA is below the minimum target) or receive between 50% and 200% of the shares.
As of December 31, 2023, the assumption is also that no Managers will leave the Group before the shares vest. The shares that will vest under the plan will not have an exercise price.

During the Annual General Meeting of Shareholders dated May 19, 2022, it was decided that shares granted will be purchased from the Market by InPost S.A. or its subsidiaries when the programme is settled. The granted shares value is calculated as the average price of InPost. S.A. shares on Euronext stock exchange over 60 days period prior to granting.
The grant date, fair market value (FMV) at the grant date, service period and vesting date for the LTIP are visualised below.



The Management has determined the value of shares granted based on the parameter set out below.

LTIP valuation parameters	2023	2022	2021
Fair value of LTIP shares (EUR) as of grant date	8.09	5.34	15.90
Number of shares granted	1,077,538	1,410,901	360,068
Expiration date	April 2026	April 2025	April 2024

The following table presents the number and change in LTIP shares during the year.

	31-12-2023	31-12-2022
	LTIP shares granted	LTIP shares granted
Outstanding at 1 January	**1,765,355**	**779,165**
Granted during the year	1,077,538	1,410,901
Forfeited during the year	-	35,219
Exercised during the year	-	-
Expired during the year	-	-
Unvested during year	-	389,492
Performance adjustment	123,770	-
Outstanding but not exercisable at the end of the period	**2,966,663**	**1,765,355**

The expense recognised during the year is as follows.

	31-12-2023	31-12-2022
LTIP 2021	14.2	8.3
LTIP 2022	10.5	6.1
LTIP 2023	9.7	-
Total expense	**34.4**	**14.4**

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29.3. PERFORMANCE BONUSES

For the description of Performance Bonuses, please refer to disclosure 28. On June 10, 2022, a new remuneration policy was adopted. With changes in the policy, it was decided that annual performance bonuses, previously paid in cash, will be partially paid in shares. Senior Management entitled to receive performance bonuses were divided into three groups: the 1st and 2nd group of participants will receive 50% and 33% respectively of their annual performance bonuses in shares. Performance Bonuses for the year 2022 that vested on March 31, 2023 were settled in June 2023, and entitled employees received 175,544 shares with a value of EUR 7.78 per share at settlement date. Shares did not and will not have an exercise price. Performance bonuses were settled using the Treasury shares.

Performance bonuses valuation parameters	Granted March 31, 2023
Fair value of Performance bonus shares (EUR)	7.78
Number of shares granted	195,627
Expiration date	31.03.2024
	Fair value of shares was calculated as the average price of InPost S.A. shares on Euronext stock exchange over 60 days period prior to granting

The following table presents the number and change in Performance Bonus Shares during the year:

	31-12-2023	31-12-2022
	Performance bonus shares granted	Performance bonus shares granted
Outstanding at 1 January	**214,357**	**-**
Granted during the year	195,627	356,313
Forfeited during the year	-	-
Exercised during the year	175,544	141,956
Expired during the year	38,813	-
Outstanding but not exercisable at the end of the period	**195,627**	**214,357**

	31-12-2023	31-12-2022
Expense arising from performance bonuses paid in shares	7.8	6.4
Total expense	**7.8**	**6.4**

30. OTHER LIABILITIES

Balance as at	31-12-2023	31-12-2022
Payroll liabilities	52.9	41.4
Liabilities to the state	97.0	95.4
Total current other liabilities (non-financial liabilities)	**149.9**	**136.8**

31. TRADE AND OTHER PAYABLES

Balance as at	31-12-2023	31-12-2022
Trade payables (to third parties)	**931.8**	**861.3**
Contract liability (prepaids)	18.7	8.3
Liabilities from the settlement of the cash-on-delivery option	16.8	6.5
Investment liabilities	65.2	95.7
Other	42.2	20.9
Other payables	**142.9**	**131.4**
Total trade and other liabilities (financial liabilities)	**1,074.7**	**992.7**

Terms and conditions of the above financial liabilities:

• Trade payables are non-interest bearing (unless in default) liabilities for the goods and services purchased in the course of ordinary business operations from suppliers and are normally settled on 30-day terms.

• Cash-on-delivery collected from recipients of parcels is passed on to the sender shortly after receipt.

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32. FINANCIAL INSTRUMENTS

32.1. THE FAIR VALUE OF FINANCIAL INSTRUMENTS

ACCOUNTING POLICY

The Management assessed that the fair values of cash and short-term deposits, trade and other short-term financial receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
The fair values of the Group's interest-bearing loans and borrowings are determined by using the DCF method using a discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as of the reporting date was assessed to be insignificant. Based on the analysis performed, the Management assessed that the carrying amounts of the long-term loans are reasonable approximations of fair values (except for Loans and Borrowings with fixed interest rates) The fair value of the borrowings based on fixed rates and financial assets is presented in the table below.

	Fair value hierarchy	Fair value		Carrying amount	
		31-12-2023	31-12-2022	31-12-2023	31-12-2022
Financial assets measured at fair value through profit or loss					
Short term financial assets: IRS	Significant observable inputs (Level 2)	7.9	-	7.9	-
Financial liabilities not measured at fair value					
Current borrowings					
Fixed rate borrowing	Significant observable inputs (Level 2)	47.9	49.9	47.9	49.9
Non-current borrowings					
Fixed rate borrowing	Significant observable inputs (Level 2)	1,786.9	1,766.6	2,079.8	2,158.8

There were no transfers between Level 1 and Level 2 during 2023.

Description of valuation techniques used and key inputs to valuation of investment properties:

	Valuation technique	Valuation method	Significant observable inputs
Short term financial assets: IRS	Income approach	DCF method	Discount rate
Fixed rate borrowing	Income approach	DCF method	Discount rate

32.2. FINANCIAL INSTRUMENTS BY CATEGORY

	Category under IFRS 9	Carrying amount	
		31-12-2023	31-12-2022
Financial assets not measured at fair value through profit or loss			
Trade receivables	at amortised cost	1,215.3	1,066.9
Other receivables: current	at amortised cost	4.5	4.5
Other receivables: non-current	at amortised cost	26.6	26.1
Cash and cash equivalents	at amortised cost	565.2	435.8
Financial assets measured at fair value through profit or loss			
Long term financial assets: call option	at fair value through profit and loss	-	-
Short term financial assets: IRS	at fair value through profit and loss	7.9	-
Total financial assets		**1,819.5**	**1,533.3**

	Category under IFRS 9	Carrying amount	
		31-12-2023	31-12-2022
Financial liabilities not measured at fair value			
Current loans and borrowings	At amortised cost	87.6	338.8
Non-current loans and borrowings	At amortised cost	4,769.2	4,717.1
Trade and other payables	At amortised cost	1,074.7	992.7
Non-current lease liabilities	Other financial liabilities	1,127.4	1,091.3
Current lease liabilities	Other financial liabilities	664.2	552.3
Total financial liabilities		**7,723.1**	**7,692.2**

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32.3.
GUARANTEES AND OTHER SECURITIES

As at December 31, 2023, the total amount of granted bank guarantees on behalf of the companies from the Group amounted to PLN 142.9 m (as at December 31, 2022 amounted to PLN 124.7 m). Bank guarantees are a collateral for the obligations from contracts signed by the Group. They relate to warehouses rental agreements entirely and are required by landlords.

33. CONTINGENT ASSETS AND LIABILITIES

The Group had no significant contigent assets and liabilities in the reporting period.

34. EXPLANATIONS TO THE CASH FLOW STATEMENT

	31-12-2023	31-12-2022
Change in trade and other receivables in the consolidated statement of financial position	**(195.2)**	**(312.8)**
Trade and other receivables impairment losses	(9.6)	(9.8)
Compensation of VAT returns with CIT liabilities	(12.6)	(9.6)
Advances for materials for the production of parcel machines (included in investment flows)	0.1	(0.2)
Exchange differences	10.3	28.4
Other	0.2	-
Change in trade and other receivables	**(206.8)**	**(304.0)**

	31-12-2023	31-12-2022
Change in other assets in the consolidated statement of financial position	**(13.9)**	**6.9**
Prepayments for materials used in the manufacture of automated parcel machines	5.4	(19.5)
Change in other assets	**(8.5)**	**(12.6)**

	31-12-2023	31-12-2022
Change in trade payables and other payables in the consolidated statement of financial position	**82.0**	**207.0**
Change in liabilities due to capital expenditures	30.9	2.4
Exchange differences	7.1	34.7
Change in presentation for financial liabilities	4.3	-
Change in trade payables and other payables	**124.3**	**244.1**

	31-12-2023	31-12-2022
Change in employee benefits, provisions and government grants in the consolidated statement of financial position	**32.4**	**(26.2)**
Other	-	(0.1)
Change in employee benefits, provisions and government grants	**32.4**	**(26.3)**

	31-12-2023	31-12-2022
Change in other liabilities in the consolidated statement of financial position	**13.1**	**15.6**
Exchange differences	0.2	0.8
Change in other liabilities	**13.3**	**16.4**

	31-12-2023	31-12-2022
Total net finance cost	**535.9**	**273.3**
Foreign exchange differences realised on working capital	(28.5)	(43.7)
Bank fees paid	(2.4)	2.9
Penalty interest paid	(1.8)	-
Interest received from bank deposits	4.0	-
Other	0.2	2.8
Finance cost/(income) adjustment	**507.4**	**235.3**

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GROUP'S CAPITAL AND RISKS

35. SHARE CAPITAL

Series	Face value	Number of shares as at 31-12-2023	Number of shares as at 31-12-2022
Ordinary shares	EUR 0.01 each	500,000,000	500,000,000
		500,000,000	**500,000,000**

Share premium and retained earnings are available to shareholders distribution.

The following table presents the number and change in treasury shares.

	31-12-2023	31-12-2022
Number of treasury shares at 1 January	**358,044**	**500,000**
Acquisition of treasury shares	-	-
Treasury shares delivered	(175,544)	(141,956)
Number of treasury shares at the end of the period	**182,500**	**358,044**

As at 31 December, 2023, In Post S.A. and its subsidiaries held 182,500 treasury shares, which will be used for settlement of share-based programmes in future.

36. CAPITAL MANAGEMENT

The Management seeks to maintain a balance between the higher returns that might be possible with the higher levels of borrowing and the advantages and security afforded by a sound capital position. The capital of the Group comprises debt including loans and borrowings (presented in Note 26), lease liabilities (presented in Note 22.2) and capital attributable to shareholders (including shares issued, capital reserve, and retained earnings).
The Group monitors capital using a leverage ratio, which is a ratio of Net debt to Adjusted EBITDA. Net debt is defined and calculated as total of Loans, Borrowings, and Other Financial Liabilities less Cash and Cash equivalents. The Management aims to keep the leverage ratio below 4.0 with a goal ratio of 2.0. Leverage ratio is monitored four times a year, which includes an analysis of the cost of capital and respective risks associated with each source of the capital. The Group's capital management also aims to ensure that the Group meets financial covenants attached to the interest-bearing loans and borrowings. (There have been no breaches in the presented periods.) The Group's Leverage ratio as at December 31, 2023 and December 31, 2022 was as follows.

	31-12-2023	31-12-2022
Total loans and borrowings	4,856.8	5,055.9
Total other financial liabilities	1,791.6	1,643.6
Less: cash and cash equivalents	(565.2)	(435.8)
Net debt	**6,083.2**	**6,263.7**
Adjusted EBITDA	**2,733.1**	**1,961.4**
Leverage	**2.2x**	**3.2x**

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36.1.
FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group's operations are exposed to a variety of financial risks. The Management Board of the Parent is responsible for risk management by conducting ongoing analyses of financial risks and taking appropriate decisions in this regard. The Group's risk management policy aims to minimise the potential impact of unfavourable financial risks on the financial results.

MARKET RISKS:

Currency risk
The Group is exposed to currency risks resulting from transactions in various foreign currencies, predominantly EUR and GBP. The tables below present the exposure to currency risk and sensitivity analysis of a reasonable possible strengthening (weakening) of foreign currencies, which would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables (in particular interest rates) remain constant and ignores any impact of changes on sales forecasts and purchases.

An analysis of sensitivity and exposure to currency risk in 2023 is presented in the table below:

2023	Carrying amount	Amount exposed to risk	GBP/PLN		EUR/PLN	
			Financial result after tax		Financial result after tax	
			GBP/PLN exchange rate '+10%'	GBP/PLN exchange rate '-10%'	EUR/PLN exchange rate '+10%'	EUR/PLN exchange rate '-10%'
Cash and cash equivalents	565.2	249.1	5.7	(5.7)	14.3	(14.3)
Trade receivables and other	1,439.9	622.7	7.3	(7.3)	41.7	(41.7)
Trade liabilities and other payables	1,074.7	624.2	(7.8)	7.8	(42.8)	42.8
Loans and borrowings	4,856.8	4,318.5	(18.0)	18.0	(331.8)	331.8
Other financial liabilities	1,791.6	1,360.0	(9.6)	9.6	(100.6)	100.6
Total	**9,728.2**	**7,174.5**	**(22.4)**	**22.4**	**(419.2)**	**419.2**

An analysis of sensitivity and exposure to currency risk in 2022 is presented in the table below:

2022	Carrying amount	Amount exposed to risk	GBP/PLN		EUR/PLN	
			Financial result after tax		Financial result after tax	
			GBP/PLN exchange rate '+10%'	GBP/PLN exchange rate '-10%'	EUR/PLN exchange rate '+10%'	EUR/PLN exchange rate '-10%'
Cash and cash equivalents	435.8	196.8	2.3	(2.3)	13.2	(13.2)
Trade receivables and other	1,245.2	555.2	5.2	(5.2)	39.4	(39.4)
Trade liabilities and other payables	992.7	600.2	(4.5)	4.5	(44.1)	44.1
Loans and borrowings	5,055.9	4,307.6	-	-	(348.9)	348.9
Other financial liabilities	1,643.6	1,256.8	(6.4)	6.4	(95.4)	95.4
Total	**9,373.2**	**6,916.6**	**(3.4)**	**3.4**	**(435.8)**	**435.8**

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Interest rate risk

The interest rate risk arises on bank loans, bonds, leases, and loans granted by changing their future cash flows. The Group assesses the impact of interest rate fluctuations on profit and loss on an ongoing basis and adjusts the structure of debt instruments when necessary.
Amounts of loans and borrowings exposed to risk are based on WIBOR and EURIBOR floating rates, which will be changed in the future following EURIBOR and WIBOR reform in the UE. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.
The tables below present the profile of the Group's interest-bearing financial instruments and sensitivity analysis.

An analysis of sensitivity and exposure to interest rate risk in 2023 is presented in the table below.

2023	Carrying amount	Amount exposed to risk	Change in financial result after tax	
			Rate +1.0 pp	Rate -1.0 pp
Other financial assets	7.9	1,950.0	15.8	(15.8)
Total financial assets	**7.9**	**1,950.0**	**15.8**	**(15.8)**
Loans and borrowings	4,856.8	2,665.0	(21.6)	21.6
Total financial liabilities	**4,856.8**	**2,665.0**	**(21.6)**	**21.6**

An analysis of sensitivity and exposure to interest rate risk in 2023 is presented in the table below.

2022	Carrying amount	Amount exposed to risk	Change in financial result after tax	
			Rate +1.0 pp	Rate -1.0 pp
Loans and borrowings	5,055.9	2,768.4	(22.4)	22.4
Total financial liabilities	**5,055.9**	**2,768.4**	**(22.4)**	**22.4**

CREDIT RISK:

Trade receivables

The Group is exposed to a significant risk resulting from sales with deferred payment (from 14 to 90 days). The credit quality of each customer is assessed, and individual credit limits are defined in accordance with this assessment.
Outstanding customer receivables and contract assets are regularly monitored, and trade receivables are generally covered by letters of credit or other forms of credit insurance obtained from financial institutions.
The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.
An impairment analysis is performed for trade receivables measured at amortised cost at each reporting date.
The Group classifies for individual assessment purposes receivables that are past due for more than one year, as well as those that have other reasons to be fully written off (e.g., subject to legal proceedings, bankruptcy, etc.).
For detailed information about the credit risk exposure on the Group's trade receivables, please refer to Note 24.

Cash and cash equivalents

Credit risk from balances with banks and financial institutions is limited, because the Group's business partners are banks with a high credit rating granted by international rating agencies.
The Group's maximum exposure to credit risk for the components of the statement of financial position at December 31, 2023 and December 31, 2022 is their carrying amount.
The expected credit loss relating to cash and short-term deposits of the Group is insignificant. For details, please refer to Note 25.

LIQUIDITY RISK:

Liquidity risk management of the Group assumes maintaining an adequate level of liquid assets or available overdrafts to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Additionally, the Group intends to maintain flexibility of financing under the available funds.
The current cash flow enables the Group to settle its obligations in a timely manner as they arise. The Group also has access to a revolving borrowing facility of PLN 800 m.
As at December 31, 2023, the use of revolving loans amounted to PLN 222.6 m (240.5 m in 2022).

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

Taking into account the positive cash flow and cash balance, actual and planned results, the long-term nature of loans and liabilities (mainly related to leasing or purchase of fixed assets), and available overdraft facilities, the Management Board believes that the liquidity risk has been limited.

The table below presents an analysis of the Group's financial liabilities based on the period remaining until the contractual maturity date as at the balance sheet date. The amounts presented in the table below are contractual undiscounted cash flows.

2023	<1 year	1–3 years	3–5 years	>5 years	Contractual cash flows total	Carrying amount
Variable interest	**228.7**	**2,472.9**	**545.8**	**-**	**3,247.4**	**2,729.0**
Loans and borrowings	228.7	2,472.9	545.8	-	3,247.4	2,729.0
Fixed interest	**736.8**	**762.2**	**2,518.5**	**163.0**	**4,180.5**	**3,919.4**
Loans and borrowings	47.9	95.9	2,178.5	-	2,322.3	2,127.8
Leases	688.9	666.3	340.0	163.0	1,858.2	1,791.6
Non-interest-bearing	**1,074.7**	**-**	**-**	**-**	**1,074.7**	**1,074.7**
Trade and other payables	1,074.7	-	-	-	1,074.7	1,074.7
Total	**2,040.2**	**3,235.1**	**3,064.3**	**163.0**	**8,502.6**	**7,723.1**

2022	<1 year	1–3 years	3–5 years	>5 years	Contractual cash flows total	Carrying amount
Variable interest	**261.9**	**507.0**	**2,540.6**	**-**	**3,309.5**	**2,768.4**
Loans and borrowings	261.9	507.0	2,540.6	-	3,309.5	2,768.4
Fixed interest	**611.6**	**648.1**	**2,730.7**	**220.4**	**4,210.7**	**3,931.1**
Loans and borrowings	59.2	118.5	2,389.4	-	2,567.1	2,287.5
Leases	552.3	529.6	341.3	220.4	1,643.6	1,643.6
Non-interest-bearing	**992.7**	**-**	**-**	**-**	**992.7**	**992.7**
Trade and other payables	992.7	-	-	-	992.7	992.7
Total	**1,866.1**	**1,155.1**	**5,271.3**	**220.4**	**8,512.9**	**7,692.2**

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

37. RELATED-PARTY TRANSACTIONS

The services rendered to the Group by related parties (Key Management personnel) consist of the following: management, quality control, marketing, distribution, advertising, legal, or consulting.

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions. All transactions with related parties (Key Management personnel) are part of remuneration subject to agreements between Key Management personnel and the Supervisory Board.

As at December 31, 2023, the amount of outstanding balances of receivables and liabilities from related parties (Key Management personnel) amounted to nil.

Entity's name (Key Management personnel)	Transactions	
	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Purchases		
Consulting Services Marcin Pulchny	0.5	0.5
F.H. Feniks Rafał Brzoska	1.7	2.5
Lidar Management Dariusz Lipiński	0.7	0.7
FINSTRAT Adam Aleksandrowicz	1.1	1.6
QUANTUM Damian Niewiadomski	-	0.4
Total	**4.0**	**5.7**

Entity's name (Key Management personnel)	Transactions		Balances	
	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022	As at 31-12-2023	As at 31-12-2022
Menzies Distribution Group Limited (associate)	**165.5**	**-**	**33.2**	**-**
Liabilities	-	-	33.2	-
Operational costs	165.5	-	-	-
Advent International Corporation (shareholder)	**-**	**-**	**-**	**0.8**
Liabilities	-	-	-	0.8

The Group has not recorded any other transactions and balances with related parties other than specified above.

37.1. KEY PERSONNEL REMUNERATION

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Management Board, of which:	**31.6**	**21.3**
Short-term employee benefits	*11.3*	*11.4*
Share-based compensation	*20.3*	*9.9*
Executive Committee, of which:	**6.1**	**9.5**
Short-term employee benefits	*2.2*	*3.7*
Share-based compensation	*3.9*	*5.8*
Supervisory Board, of which:	**2.7**	**2.9**
Short-term employee benefits	*2.7*	*2.9*
Share-based compensation	-	-
Total key personnel remuneration	**40.4**	**33.7**

Short-term employee benefits include all compensation: gross salaries including the variable component, bonuses, attendance fees, and unused holiday compensation. Share-based compensation includes equity-settled plans: Management Incentive Plan (MIP), Long-Term Incentive Plan (LTIP) and performance Bonuses.

Apart from the transactions mentioned above, the Group is not aware of any other material transactions between the Group and Members of the Management Board, Executive Committee, or Supervisory Boards.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2023 (in millions PLN)

38. EMPLOYMENT STRUCTURE

The employment structure of the Group is as follows (total number of employees at the period end).

	31-12-2023	31-12-2022
Management Board	3	3
Management	1,098	928
White-collar employees	3,716	3,084
Blue-collar employees	2,250	2,148
Total employment	**7,067**	**6,163**

The average number of staff employed by the Group during the financial year 2023 and broken down by companies:

	Management	White-collar employees	Blue-collar employees
InPost S.A.	3	2	-
Integer.pl S.A.	9	25	15
InPost Technology	23	218	-
Mondial Relay SAS	10	906	1,043
InPost Sp. z o.o.	760	886	923
Locker InPost Italia Srl	18	62	-
InPost UK Limited	33	76	-
Integer Group Services Sp. z o.o.	176	1,228	219
Total employment	**1,032**	**3,403**	**2,200**

The companies excluded from the table above had no employees during the year 2023.

39. AUDITORS' REMUNERATION

	Period of 12 months ended 31-12-2023	Period of 12 months ended 31-12-2022
Fees for legal audit of consolidated financial statements and annual accounts	2.9	2.8
Fees for half-year review services	0.8	0.5
Other assurance services	0.6	-
Total auditor's remuneration	**4.3**	**3.3**

40. EVENTS AFTER THE BALANCE SHEET DATE

40.1. Change in the Management Board of InPost S.A.

On January 15, 2024, InPost S.A. announced that Adam Aleksandrowicz has decided to step down from his role as Group Chief Financial Officer. Supervisory Board appointed Francisco Javier van Engelen Sousa as Group Chief Financial Officer, the change in InPost S.A. Management Board will be effective April 2, 2024.

40.2. Dissolution of Giverty Ltd in Liquidation

On February 24, 2024, Group has received confirmation that Giverty Ltd has been successfully liquidated, and group lost the control of this subsidiary. Financial effect of dissolution of Giverty Ltd will be visible in 2024 Consolidated Financial Statements.

Luxembourg, March 27, 2024

Rafał Brzoska
President
of the Management Board

Adam Aleksandrowicz
Vice President
of the Management Board

Michael Rouse
Vice President
of the Management Board

EU TAXONOMY DISCLOSURE

[BASIS OF REPORTING]

[EU TAXONOMY TABLES]

BASIS OF REPORTING

This chapter provides a detailed analysis on the categorisation of activities eligible and compliant with the EU Taxonomy. As the legislation continues to evolve, the assessment of eligibility and alignment is an ongoing process. The objective of our assessments thus far is to establish a solid foundation for EU Taxonomy compliance and reporting in the forthcoming years and prepare for the upcoming CSRD directive requirements.

The EU Taxonomy necessitates the quantitative and qualitative reporting on predetermined Key Performance Indicators (KPIs). In this section, we disclose the proportion of InPost revenue, capital expenditure (capex), and operating expenses (opex) for the 2023 reporting period. These disclosures pertain to Taxonomy-eligible economic activities connected to the environmental objectives as defined by Regulation (EU) 2020/852, supplemented with Commission Delegated Regulations (EU) 2021/2139, 2021/2178 (EU Taxonomy), Delegated Regulation (EU) 2023/2486 of 27 June 2023 (Environmental Delegated Act), and the Delegated Regulation (EU) 2023/2485 of 27 June 2023 which amends the Climate Delegated Act.

BASIS OF PREPARATION

Our methodology for reporting in compliance with the pertinent EU Taxonomy regulation encompasses the following critical steps:

- Analysis of InPost's activities in relation to the EU Taxonomy's economic activity classifications;

- Assessment of the technical specifications of activities and associated assets in terms of substantial contribution and the Do Not Significantly Harm (DNSH) criteria;

- Review of the Minimum Safeguards (MS) criteria based on our established policies and business practices;

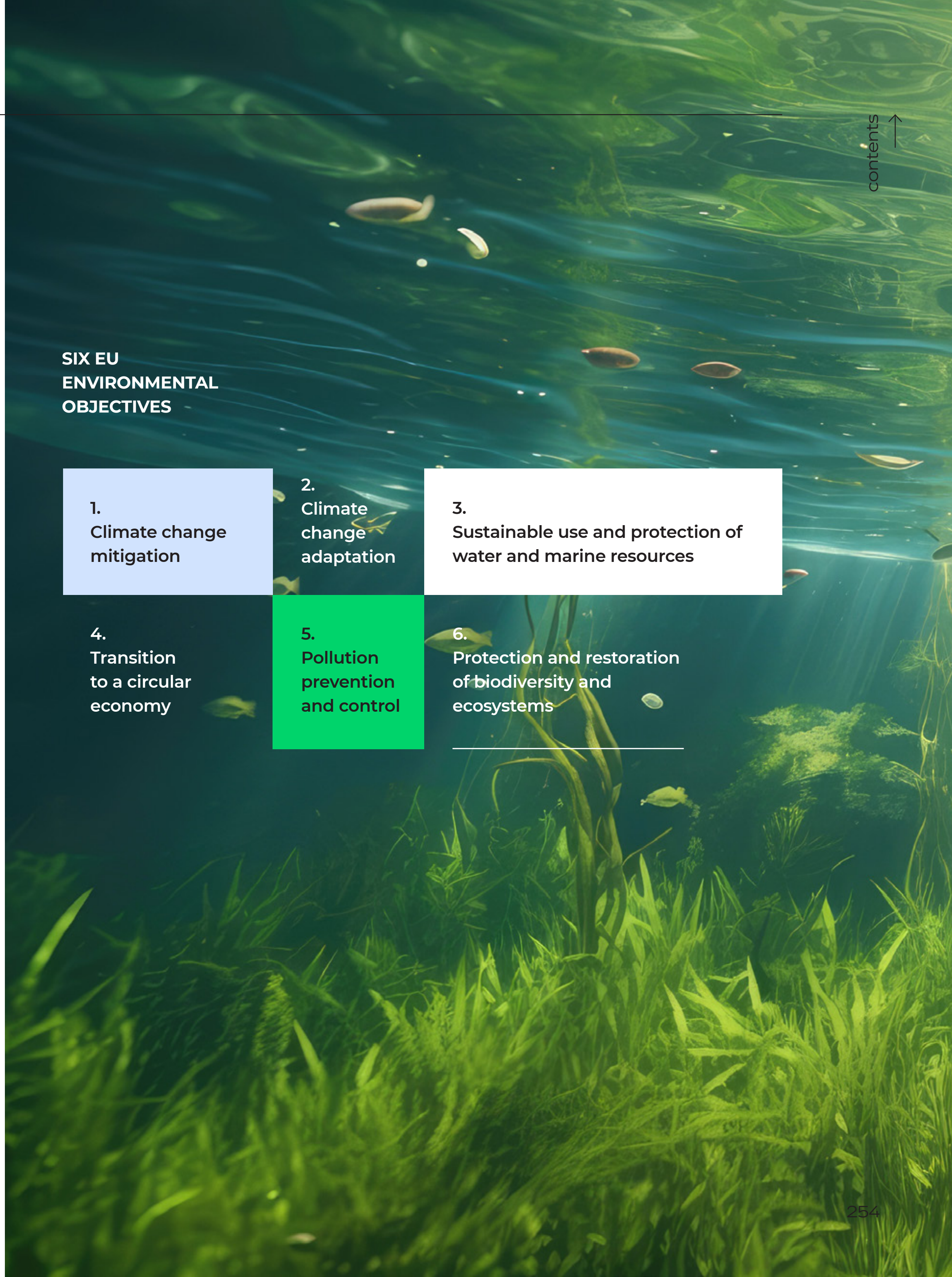
- Computation and reporting of the Key Performance Indicators (KPIs).

The correspondence with applicable financial statement line items forms the basis of our Taxonomy allocation methodology. The figures utilised are derived from the actual amounts documented in the general ledger accounts, as reflected in InPost's consolidated financial statements.

EU CLIMATE AND ENVIRONMENTAL OBJECTIVES CONTRIBUTION

We report our contribution to the European Union's (EU) six environmental objectives according to the guidelines laid down in the EU Taxonomy regulation and report the taxonomy-aligned (aligned) and taxonomy-eligible shares of revenue, capital expenditure (capex) and operating expenditure (opex). Taxonomy-eligible economic activities (activities) are considered environmentally sustainable and therefore aligned if they make a substantial contribution to one of the six EU environmental objectives and are not associated with significant harm to one or more other environmental objectives (do-no-significant-harm (DNSH) criteria). In addition, for all activities, the Group complies with required frameworks for minimum safeguards that relate to respecting human rights and social and labour standards, as well as anti-corruption fair competition and taxation.

Aligned activities exclusively make a substantial contribution to EU environmental objective number 1. "Climate change mitigation" and 2. "Climate change adaptation".



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EU TAXONOMY ELIGIBILITY

In 2023 we reassessed and reaffirmed our reporting approach for Taxonomy-eligible activities. Our transportation services continue to be categorised under Sector 6 “Transport”. In alignment with market trends and interpretations, we have broadened our reporting scope in this sector by incorporating “6.15. Infrastructure that facilitates low-carbon road transport and public transportation” – with respect to sorting & distribution centres, sorting equipment and machines such as APMs (Automated Parcel Machines). In addition, we have begun to report on real estate not utilised for transport services within Sector 7 “Construction and Real Estate” – under “7.7 Acquisition and ownership of buildings”. We have supplemented, re-evaluated, and adjusted our reporting approach for subsequent activities.

In comparison to the 2022 Taxonomy reporting the Group has also changed its approach to calculating the Turnover KPI – with questions arising after the publication of Integrated Annual Report 2022 and information available on the EU Taxonomy reporting. The Group has decided that classification of turnover on the delivery of parcels to one taxonomy activity is inadequate and, therefore has started calculating this year’s Turnover relating to each activity on the basis of the percentage share of the costs of a given activity in the total Direct Costs of the Group. Following this change all the KPIs related to the Turnover were recalculated using a new more adequate approach.

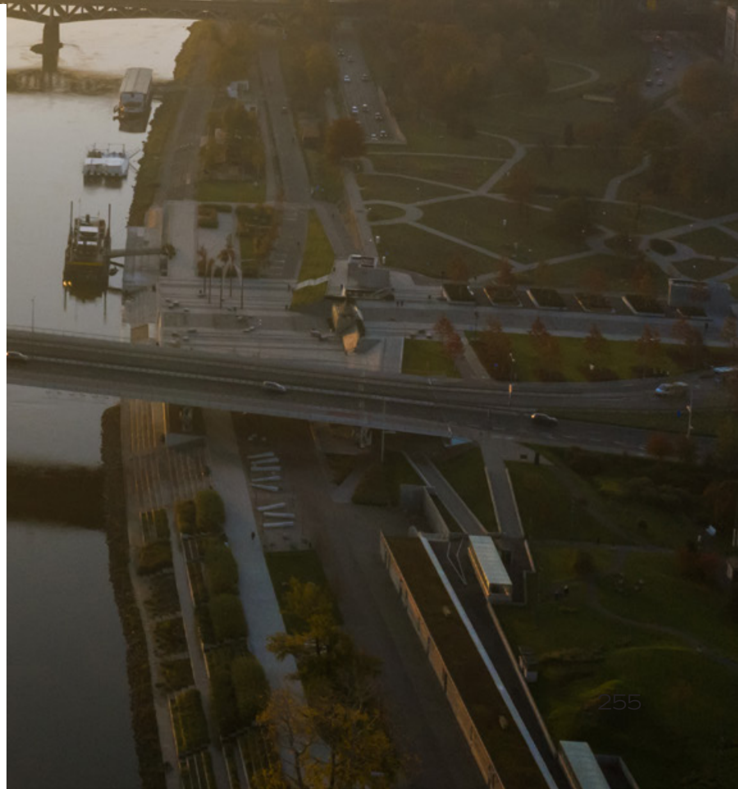
Turnover KPIs for 2022 have been recalculated in accordance with the new methodology to ensure comparability.

A summary of the calculation of the turnover of each activity is listed below:

6.5 and 6.6 activities: the sum of eligible and aligned turnover was calculated as % share of the First and Last mile (delivery via Vehicles) costs in the total Direct costs of the services performed by the Group.

6.15 activity: sum of eligible and aligned turnover was calculated as % share of sorting and APM network (costs incurred by group to perform activities related with group logistic infrastructure) costs in total Direct costs of services performed by Group.

Nr.	Activity	Change
6.15	Infrastructure enabling low-carbon road transport and public transport	New
7.7	Acquisition and ownership of buildings	New

The current EU Taxonomy does not encompass all the economic activities pertinent to our operations. Capital expenditure (Capex) derived from asset additions can be directly attributed to specific activities, while revenue and operating expenses (Opex) cannot usually be directly allocated. In such scenarios, we primarily employ a cost-based allocation approach that mirrors the business models of our divisions. To prevent double counting, we allocate revenue, Capex, and Opex to a single activity respectively, and account for intra-group relationships on a consolidated basis.

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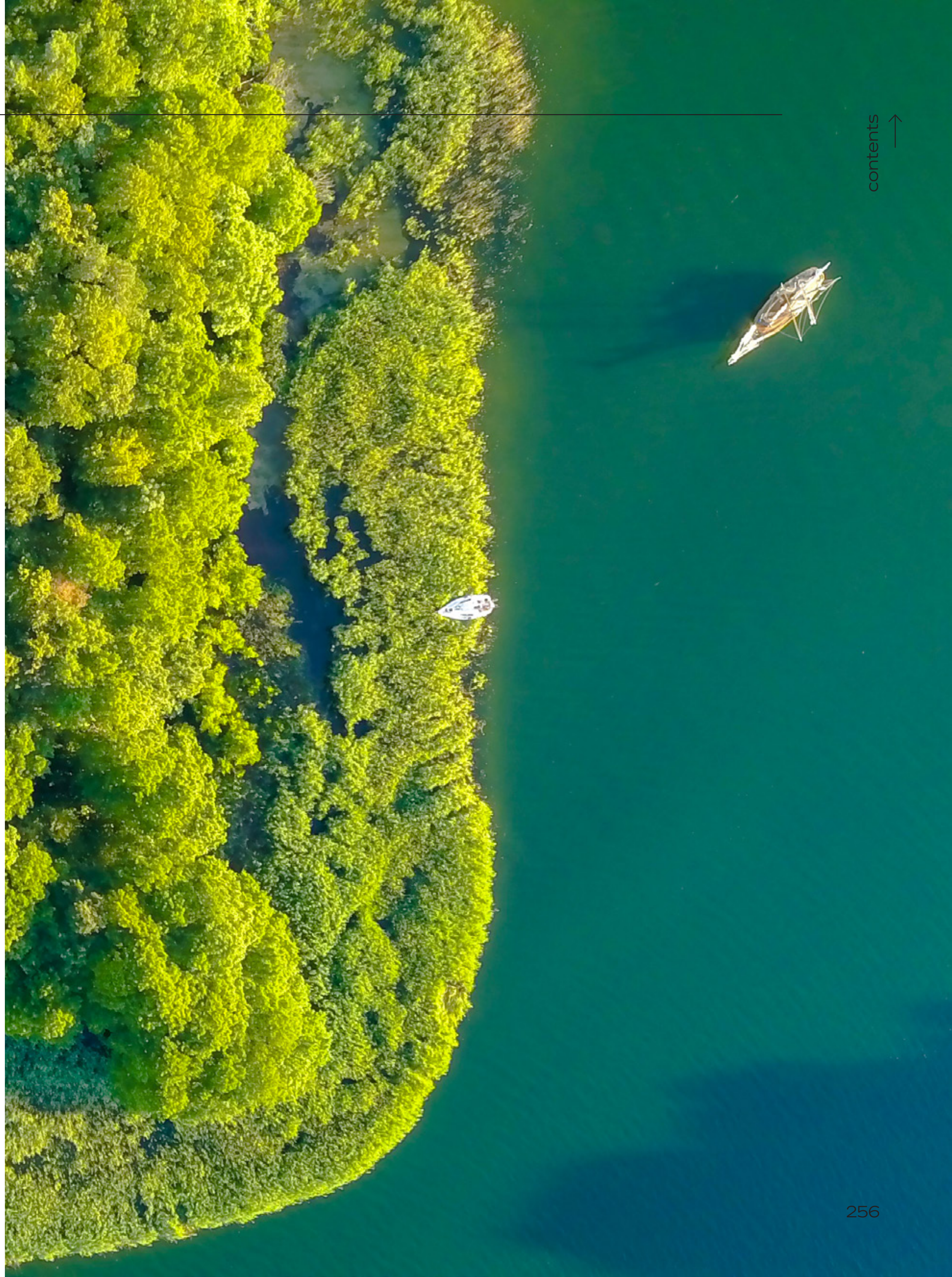
EU TAXONOMY ALIGNMENT

In 2023, all Taxonomy-eligible activities were evaluated for their alignment. The ensuing statements pertain to the aligned assets for each activity and the corresponding proportions of revenue, capital expenditure (Capex), and operating expenses (Opex).

Technical evaluation criterion	Method
Substantial contribution to climate change mitigation, Does no significant harm (DNSH) to the EU environmental objectives of the sustainable use and protection of water and marine resources (DNSH 3), the transition to a circular economy (DNSH 4), pollution prevention and control (DNSH 5), the protection and restoration of biodiversity and ecosystems (DNSH 6)	Carried out on the basis of individual assets or groups of assets.
Does no significant harm (DNSH) to the EU environmental objective of climate change adaptation (DNSH 2)	The evaluation of climate-change-related risks was conducted following the Task Force on Climate-related Financial Disclosures (TCFD) analysis. From this assessment, no significant physical climate risks impacting our activities were identified. Simultaneously, we have managed to mitigate some of the low-rated risks by introducing adaptive solutions. For example, we've addressed the risk of potential disruption in electricity supplies due to drought impacts on the energy system.
EU minimum safeguards of the respect for human rights and preserving employees' rights, as well as regarding anti-corruption, fair competition and taxation	Our Code of Conduct, Diversity, Equity & Inclusion Policy, Anti-Harassment and Anti-Discrimination Policy, Anti-Fraud Policy, Whistleblower Policy, regular Internal Audit checks, Group Tax Strategy, and corresponding management systems ensure compliance. In the supply chain, compliance is maintained through our Supplier Code of Conduct, procurement processes, and supplier management. As of this report's preparation, no relevant legal proceedings were ongoing in this context.



A considerable portion of our revenue is generated from transport services (transport sector) in partnership with suppliers and subcontractors, who legally operate independently. Consequently, these activities and their associated assets must be evaluated for their alignment with the EU Taxonomy. At the time of this report's preparation, we primarily lacked information on the technical criteria compliance for these activities and assets, leading us to classify them as not Taxonomy-aligned, especially in activities 6.5 and 6.6. Even suppliers and subcontractors who report in accordance with the EU Taxonomy could not confirm the alignment of their underlying activities. If proportions of revenue and operating expenses (Opex) cannot be directly allocated to aligned activities, we apply specific allocation keys—such as the percentage of Taxonomy-aligned vehicles in the total fleet—that also consider the distinct characteristics of the divisions.

DETERMINING TAXONOMY ALIGNMENT (EU ENVIRONMENTAL OBJECTIVE OF CLIMATE CHANGE MITIGATION)

Nr.	Activity	Method
6.5	Transport by motorbikes, passenger cars and light commercial vehicles	Our electric vehicles (EVs) operate emission-free, meet the substantial contribution requirements, and comply with the European recyclability (DNSH 4) and emissions thresholds (DNSH 5). Furthermore, the EV tyres meet the EU regulations for rolling resistance, and enhancing energy efficiency. Despite the lack of comparable models, the all-season extra load tyres used by our EVs comply with the European Commission guidelines. Furthermore, all our EVs adhere to the sound level regulations, with 93% of the fleet at 68 dB and the remaining 7% at 70 dB, which are well within the maximum permissible value.
6.6	Freight transport services by road	The method used is similar to that in 6.5. Our electric vehicles, which do not transport any fossil fuels, are assessed as being in alignment.
6.15	Infrastructure enabling low-carbon road transport and public transport	Our sorting and distribution centres, Automated Parcel Machines (APMs)/Parcel lockers, and hubs facilitate cargo transition between road freight and other transport modes, thereby significantly contributing to this activity. Upon analysing the location and noise pollution of our sites, it was found that almost all of them comply with the DNSH criteria 5 and 6.
7.7	Acquisition and ownership of buildings	In the EU, we have proved our alignment for certain office buildings and warehouses with notably low energy use that were built before 2021. However, for those constructed in 2021 or later, such alignment could not be demonstrated.

EU TAXONOMY - FUTURE PLANS

We are strategising to mitigate the challenges identified in the EU Taxonomy alignment process, which includes measures such as:

1. Investing in our team's training and development
2. Improving data collection and reporting systems
3. Collaborating with industry peers, regulatory bodies, or third-party data providers for better data quality and comparability
4. Exploring options to transition non-aligned activities towards sustainable practices

Moreover, we will persist in promoting sustainable practices, investing in clean technologies, and increasingly involving our stakeholders in our sustainability journey.

EU TAXONOMY ELIGIBLE BUT NOT ALIGNED AND ALIGNED SUMMARY

%	2023	2022
Taxonomy eligible but not aligned		
Turnover	37.6%	38.2%
Capex	13.2%	15.9%
Opex	0.1%	0.0%
Taxonomy aligned		
Turnover	37.5%	35.2%
Capex	60.7%	60.0%
Opex	95.0%	92.4%

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EU TAXONOMY – QUANTITATIVE INFORMATION

KPI RELATED TO TURNOVER

Financial year 2023	2023			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities (1)	Code(a) (2)	Turnover(3)	Proportion of turnover, year 2023 (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circucal economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circucal economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) Turnover, year 2022 (18)	Category enabling activity (19)	Category tran-sitional activity (20)
		mPLN	%	Y;N;N-EL[1]	Y;N;N-EL	Y;N;N-EL	Y;N;N-EL	Y;N;N-EL	Y;N;N-EL	Y/N[2]	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	E[3]	T[4]
A. TAXONOMY-ELIGIBLE ACTIVITIES			**%**																
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Transport																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	93.6	1.1%	Y	N	N-EL	N-EL	N-EL	N-EL	Y	Y	Y	Y	Y	Y	Y	1.3%		
Freight transport services by road	CCM 6.6	229.2	2.6%	Y	N	N-EL	N-EL	N-EL	N-EL	Y	Y	Y	Y	Y	Y	Y	0.2%		
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	2,996.3	33.8%	Y	N	N-EL	N-EL	N-EL	N-EL	Y	Y	Y	Y	Y	Y	Y	33.7%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned (A.1)		**3,319.1**	**37.5%**	**37.5%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**35.2%**	**N/A**	**N/A**
Of which Enabling		**2,996.3**	**33.8%**	**33.8%**	**0%**	**0%**	**0%**	**0%**	**0%**								**33.7%**	**E**	
Of which Transitional		**0.0**	**0.0%**	**0.0%**													**0.0%**		
A.2 Taxonomy-eligible but not environmental sustainable activities (not Taxonomy-aligned activities)				EL; N-EL[5]	EL; N-EL	EL; N-EL	EL; N-EL	EL; N-EL	EL; N-EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	966.8	10.9%	EL	N-EL	N-EL	N-EL	N-EL	N-EL								33.1%		
Freight transport services by road	CCM 6.6.	2,366.9	26.7%	EL	N-EL	N-EL	N-EL	N-EL	N-EL								5.1%		
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15.	0.0	0.0%	EL	N-EL	N-EL	N-EL	N-EL	N-EL								0.0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**3,333.7**	**37.6%**														**38.2%**	**N/A**	**N/A**
A. Turnover of Taxonomy eligible activities (A.1+A.2)		**6,652.8**	**75.1%**														**73.4%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities (B)		**2,209.9**	**24.9%**																
TOTAL		**8,862.7**	**100%**																

[1]Y- Yes, N- No, N-EL – Not Elligible; [2]Y- Yes, N-No; [3]E- Enabling; [4]T- transitional; [5]El -Elligible, N/EL – Not Elligible

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KPI RELATED TO CAPEX

Financial year 2023	2023			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activites (1)	Code(a) (2)	CapEx (3)	Proportion of CaPex, year 2023 (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circucal economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circucal economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CaPex, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		mPLN	%	Y;N;N-EL[6]	Y;N;N-EL	Y;N;N-EL	Y;N;N-EL	Y;N;N-EL	Y;N;N-EL	Y/N[7]	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	E[8]	T[9]
A. TAXONOMY-ELIGIBLE ACTIVITIES			%																
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Transport																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.5	0.0%	Y	N	N-EL	N-EL	N-EL	N-EL	Y	Y	Y	Y	Y	Y	Y	0.2%		
Freight transport services by road	CCM 6.6	66.6	3.5%	Y	N	N-EL	N-EL	N-EL	N-EL	Y	Y	Y	Y	Y	Y	Y	0.9%		
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	1,101.7	57.2%	Y	N	N-EL	N-EL	N-EL	N-EL	Y	Y	Y	Y	Y	Y	Y	58.9%	E	
Construction and real estate activities																			
Acquisition and ownership of buildings	CCM 7.7	0.0	0.0%	Y	N	N-EL	N-EL	N-EL	N-EL	Y	Y	Y	Y	Y	Y	Y	0.0%		
CapEx of environmental sustainable activities (Taxonomy-aligned (A.1)		**1,168.8**	**60.7%**	**61.0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**60.0%**	**N/A**	**N/A**
Of which Enabling		**1,101.7**	**57.2%**	**57.5%**	**0%**	**0%**	**0%**	**0%**	**0%**								**58.9%**	**E**	
Of which Transitional		**0.0**	**0.0%**	**0.0%**													**0.0%**		
A.2 Taxonomy-eligible but not environmental sustainable activities (not Taxonomy-aligned activities)				EL; N-EL[10]	EL; N-EL	EL; N-EL	EL; N-EL	EL; N-EL	EL; N-EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	0.0	0%	EL	N-EL	N-EL	N-EL	N-EL	N-EL								0.0%		
Freight transport services by road	CCM 6.6.	105.0	5.4%	EL	N-EL	N-EL	N-EL	N-EL	N-EL								9.5%		
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15.	127.8	6.6%	EL	N-EL	N-EL	N-EL	N-EL	N-EL								6.4%		
Construction and real estate activities																			
Acquisition and ownership of buildings	CCM 7.7	24.0	1.2%	EL	N-EL	N-EL	N-EL	N-EL	N-EL								0.0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**256.8**	**13.2%**														**15.9%**	**N/A**	**N/A**
A. CaPex of Taxonomy eligible activities (A.1+A.2)		**1,425.6**	**74.0%**														**75.9%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities (B)		**501.4**	**26.0%**																
TOTAL		**1,927.0**	**100%**																

[6]Y- Yes, N- No, N-EL – Not Elligible; [7]Y- Yes, N-No; [8]E- Enabling; [9]T- transitional; [10]El -Elligible, N/EL – Not Elligible

contents →

KPI RELATED TO OPEX

Financial year 2023	2023			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activites (1)	Code(a) (2)	OpEx (3)	Proportion of OpEx, year 2023 (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circucal economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		mPLN	%	Y;N;N-EL[11]	Y;N;N-EL	Y;N;N-EL	Y;N;N-EL	Y;N;N-EL	Y;N;N-EL	Y/N[12]	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	E[13]	T[14]
A. TAXONOMY-ELIGIBLE ACTIVITIES			%																
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Transport																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.0	0.0%	Y	N	N-EL	N-EL	N-EL	N-EL	Y	Y	Y	Y	Y	Y	Y	0.0%		
Freight transport services by road	CCM 6.6	0.0	0.0%	Y	N	N-EL	N-EL	N-EL	N-EL	Y	Y	Y	Y	Y	Y	Y	0.0%		
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	86.0	94.9%	Y	N	N-EL	N-EL	N-EL	N-EL	Y	Y	Y	Y	Y	Y	Y	92.2%	E	
Construction and real estate activities																			
Acquisition and ownership of buildings	CCM 7.7	0.1	0.1%	Y	N	N-EL	N-EL	N-EL	N-EL	Y	Y	Y	Y	Y	Y	Y	0.2%		
OpEx of environmental sustainable activities (Taxonomy-aligned (A.1)		**86.1**	**95.0%**	**95.0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**92.4%**	**N/A**	**N/A**
Of which Enabling		**86.0**	**94.9%**	**94.9%**	**0%**	**0%**	**0%**	**0%**	**0%**								**92.2%**	**E**	
Of which Transitional		**0.0**	**0.0%**	**0.0%**													**0.0%**		
A.2 Taxonomy-eligible but not environmental sustainable activities (not Taxonomy-aligned activities)				EL; N-EL[15]	EL; N-EL	EL; N-EL	EL; N-EL	EL; N-EL	EL; N-EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5.	0.0	0%	EL	N-EL	N-EL	N-EL	N-EL	N-EL								0.0%		
Freight transport services by road	CCM 6.6.	0.0	0%	EL	N-EL	N-EL	N-EL	N-EL	N-EL								0.0%		
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15.	0.0	0%	EL	N-EL	N-EL	N-EL	N-EL	N-EL								0.0%		
Construction and real estate activities																			
Acquisition and ownership of buildings	CCM 7.7	0.1	0.1%	EL	N-EL	N-EL	N-EL	N-EL	N-EL	Y							0.0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0.1**	**0.1%**														**0.0%**	**N/A**	**N/A**
A. OpEx of Taxonomy eligible activities (A.1+A.2)		**86.2**	**95.1%**														**92.4%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)		**4.4**	**4.9%**																
TOTAL		**90.6**	**100%**																

[11]Y- Yes, N- No, N-EL – Not Elligible; [12]Y- Yes, N-No; [13]E- Enabling; [14]T- transitional; [15]El -Elligible, N/EL – Not Elligible

CONTEXTUAL INFORMATION & ACCOUNTING POLICY

The three KPIs reported under EU Taxonomy disclosures are calculated as a percentage. Therefore, the correct determination of the numerator and denominator of these indicators is of key importance.

The definitions indicated in the Disclosures Delegated Act and applied by InPost are as follows:

• **KPI RELATED TO TURNOVER**

Denominator – the turnover shall cover the revenue recognised pursuant to International Accounting Standard (IAS) 1, paragraph 82(a). References to the Consolidated Financial Statements for the year ended 31 December 2023:

• Net turnover presented in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2022 and note 9. Revenue in the relevant disclosures

Revenue from sales of services and products is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. It is accounted for in line with IFRS 15 Revenue from Contracts with Customers (courier services and out-of-home services, Sale of APMs and other equipment or other services such as marketing, installations and maintenance) where the Group identifies performance obligations and recognises it as they are fulfilled. The Group has no material transactions as a lessor which would have been accounted for in line with IFRS 16 Leases.

Numerator – the part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities. Aligned Turnover for activities 6.5 and 6.6 was calculated as % share of Group Revenue corresponding with the First and Last mile (delivery via Vehicles) costs in the total Direct costs of the services performed by the Group. Aligned turnover for activity 6.15 was calculated as % share of Group Revenue corresponding with sorting and APM network costs in total Direct costs of delivery services performed by group (costs incurred by group to perform activities related with group logistic infrastructure, which is enabling further deliveries of parcels with Group Fleet).

• **KPI RELATED TO CAPEX**

Denominator – shall cover additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any remeasurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. The denominator shall also cover additions to tangible and intangible assets resulting from business combinations. The Group's additions of property, plant and equipment and intangible assets including those from business combinations determined at fair value and including additions of right-of-use assets. References to the Consolidated Financial Statements for the year ended 31 December 2023:

• Intangible assets additions – note 20. Intangible assets in the relevant disclosures, row named Additions

• Property, Plant and Equipment additions (including right-of-use assets additions) – note 21. Property, Plant and Equipment in the relevant disclosures, row named *Additions*

The above-mentioned additions were generally accounted for in line with IAS 38 Intangible assets (intangible assets, e.g. internally developed product design), with IAS 16 Property, Plant and Equipment (tangible fixed assets, e.g. automated parcel machines) and with IFRS 16 Leases (right-of-use assets, e.g. sorting equipment, electric vehicles or a land on which automated machines are placed). The Group has not purchased any investment properties nor biological assets.

Numerator – equals to the part of the capital expenditure included in the denominator that is any of the following:

(a) related to assets or processes that are associated with Taxonomy-aligned economic activities;

(b) part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned ('CapEx plan');

(c) related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to a reduction in greenhouse gases, as well as other economic activities, provided that such measures are implemented and operational within 18 months.

The InPost Group calculates Taxonomy-eligible and Taxonomy-aligned CapEx from activities 6.5. Transport by motorbikes, passenger cars and light commercial vehicles and 6.6 Freight transport services by road. Long-term leases of electric vehicles only (recognised in accordance with IFRS 16) form the eligibility in this specific KPI. Aligned CapEx from activities 6.15 which includes CapEx with respect to sorting & distribution centres, sorting equipment and machines such as APMs (Automated Parcel Machines)and long-term leases of land for purpose of APM deployment and APM. No additions to development projects connected to logistics software are considered eligible.

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• **KPI RELATED TO OPEX**

Denominator – shall cover direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced, that are necessary to ensure the continued and effective functioning of such assets. A majority of outlay that meets the definition of operating expenditure relate to maintenance costs (with regard mainly to the APMs) and renovation measures (in buildings).

Numerator – equals to the part of the operating expenditure included in the denominator that is any of the following:

(a) related to assets or processes associated with Taxonomy-aligned economic activities, including training and other human resources adaptation needs, and direct non-capitalised costs that represent research and development;

(b) part of the CapEx plan to expand Taxonomy-aligned economic activities or allow Taxonomy-eligible economic activities to become Taxonomy-aligned within a predefined timeframe;

(c) related to the purchase of output from Taxonomy-aligned economic activities and to individual measures enabling the target activities to become low-carbon or to lead to a reduction in greenhouse gases as well as individual building renovation measures, providing that such measures are implemented and operational within 18 months.

In addition, the other expenditures relating to the day-to-day servicing of items of property plant and equipment that are included within the OpEx denominator comprise cleaning services or workwear for the repairmen and service engineers. However, these types of costs are a tiny minority in comparison to the named groups of OpEx (such as maintenance or renovation) and none of them is present in the numerator of the KPI.

APPENDIX 1

In accordance with Art. 8 Sec. 6, 7 and 8 of Disclosures Delegated Act, the Group is obliged to disclose relevant information concerning the activities related to gas and nuclear energy. The relevant disclosures tables can be found below.

Template 1 Nuclear and fossil gas related activities

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

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STAKEHOLDER MANAGEMENT

GENERAL OVERVIEW
STAKEHOLDER GROUPS

GENERAL OVERVIEW

GRI 2-29

Our business has a significant impact on society because we are an integral part of the everyday lives of our customers and partners. Regular interaction and cooperation with stakeholders are vital for us. Through dialogue, we can identify the needs of different parties and strive to meet their expectations. We also believe in providing our stakeholders with timely and relevant information about what InPost Group is doing to drive positive societal changes in our business.

At InPost, we recognise that a company's value goes beyond its market value. It extends to the network of relationships with stakeholders and the impact that company's activities has on the environment and society.
To ensure that we address the most relevant topics for our business and stakeholders, we engage openly with them and consider stakeholders' views and opinions when making decisions about our day-to-day operations. We strive to understand and include their real needs and expectations in the decision-making process. The perceptions of stakeholders are crucial. They influence their decisions to invest, purchase our services and goods, enter into business relationships with InPost, or make recommendations that impact the long-term sustainability of our company.

Our engagement and dialogue with stakeholders enable us to understand and monitor the effects of our actions in the communities in which we operate. To maintain this engagement, we establish and maintain various stakeholder engagement mechanisms. We believe that involving our stakeholders in our decision-making process, helps us create a positive impact on the environment and society while delivering success in the market.

To further unlock the ESG benefits that already exist within our organisation relative to traditional forms of door to door delivery and to actively engage stakeholders in InPost's sustainability journey, we conducted a dialogue with stakeholders according to the AA1000 standard. The project included:

- → Initiating a first series of stakeholder dialogue sessions in the biggest markets where the Group operates.
- → Identifying and mapping relevant stakeholders, and developing a holistic plan for stakeholder management.
- → Involving stakeholders through surveys to identify the positive and negative impacts that the InPost Group may have on these stakeholder groups.

For more on the preliminary materiality assessment, which outlines a process for identifying and prioritising stakeholder's sustainability-related areas of interest, see page 280

"While ESG serves as our operating license, it is granted to us by our stakeholders, both outspoken and silent ones. These stakeholders are not just observers but are also clients of our actions, including our ESG strategies. With a focus on customer-centricity, we enhance our engagement with them through dialogue sessions, attentive participation in events, and responsive action to their feedback."

KAMILA SOLON-SEREK
Manager of the Communication and ESG Projects Team

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STAKEHOLDER GROUPS

GRI 2-29

Within the scope of our engagement efforts, a key task is to identify the multiple stakeholder groups with whom InPost needs and wants to interact. As a result we have developed a summary list of the different stakeholder constituents which we have grouped into the following categories:

CUSTOMERS /END–USERS

InPost is defined by its customer-centric approach. Our goal is to drive sustainable practices while addressing our customers' needs. Recognising their desire for climate-conscious actions, we have established In_Client, an entire ESG pillar dedicated to tackling this important topic. We foster long-term relationships with our customers by providing new products, services, and initiatives. To ensure customer satisfaction, we handle feedback directly, manage complaints, and gather insights through surveys that focus on behaviours, attitudes, and expectations related to InPost's products and services. We engage in continuous customer support and communicate with this stakeholder group daily via mail, social media, and digital platforms such as websites, mailing lists, apps, and newsletters. Our outreach extends through traditional and online advertising campaigns as well as PR channels.

EMPLOYEES

We aim to build a team comprising skilled experts and leaders who align their career growth with the success of our company. To achieve this, we aim to attract employees who are the best fit for our organisation and to create an engaging culture with a positive employee experience. To engage our employees, we implement various strategies such as comprehensive onboarding, skill enhancement and retraining programmes, talent initiatives, personal development schemes, maintaining a transparent succession plan, and offering leadership programmes. We use the Kincentric Engagement Survey to gather and understand our employees' perceptions of working at InPost. Regarding business updates, we communicate financial results, targets, new projects and solutions, and their launches, along with HR updates and new benefits. Our staff is also involved in an annual survey to identify relevant non-financial reporting topics. We communicate with our employees daily through the intranet, mailings, InPost News, InTalks meetings, posters, screens, and other channels.

COURIERS*

We prioritise the well-being of our couriers by involving them in a comprehensive onboarding process and health and safety training. It is crucial for them to stay updated on our offerings and receive training on pertinent Company-related subjects through access to the most current knowledge base.

To provide training, we use EduKurier, InPost's original e-learning platform which involves daily proficiency tests to ensure that all couriers are fully up to speed on our products, processes and customer service standards. We value our couriers' opinions and offer them the opportunity to share their thoughts and provide feedback regarding the Company. We maintain daily communication channels that include morning briefings, direct interaction, push notifications via the app, online messaging, and surveys. Our goal is to ensure that our couriers feel supported and informed as they carry out their daily tasks, delivering parcels to our customers. We believe that by prioritising their well-being and providing them with the necessary tools and training, we can create a positive work environment that benefits all stakeholders involved.

*key group of workers in the value chain

BUSINESS PARTNERS (ORGANISATIONS/FOUNDATIONS)

Our goal is to establish long-term relationships with our business partners (organisations/foundations) to ensure mutual support and growth. We provide project support and evaluate event activities and initiatives. We communicate with our partners through various channels, including online meetings, phone calls, emails, and face-to-face discussions.

CITY'S INTERNAL DEPARTMENTS

We operate in numerous administrative regions, so it is essential for us to foster cooperation with Local Governments. Our communication involves discussing the deployment of APMs, particularly in urban areas where placement might spark debate. We engage in conversations concerning eco/smart initiatives, operational processes, contract workflows, approvals, and the evaluation of these initiatives. We communicate with administrative departments daily through various channels, including online meetings, phone calls, emails, and face-to-face discussions.

GRI 2-29

STAKEHOLDER GROUPS

LOCAL COMMUNITIES

InPost contributes to the socioeconomic development of regions and makes an indirect contribution to the prosperity of local communities. We organise various social, educational, cultural, and sports initiatives aimed at benefiting the community. Additionally, we promote and encourage employee volunteering in local programmes. Engagement with local communities happens through diverse channels such as online meetings, phone calls, emails, and face-to-face interactions. Depending on the entity, we may meet with them from a few times a week to several times a year. The primary objective of this communication is to foster collaboration and charity initiatives and develop relationships.

MEDIA

Media are an important stakeholder in our Company and a key channel for InPost reaching out to the broader public. Their involvement in our communications aids us in sharing details about our new offerings, and solutions, and reporting our business outcomes. Our designated Company Spokesperson addresses inquiries, and we actively engage in press conferences and meetings with journalists. Daily interactions with the media take place through our PR channels, InPost's social media platforms, and digital tools.

MERCHANTS

Merchants are a key partner for InPost, and it is essential for us to be responsive to their needs. We stay updated on trends to collaborate effectively, gear up for potential challenges, and anticipate customer needs more effectively. One way we achieve this is by conducting research on the quality of customer service. Our ongoing communication with merchants underpins our continual focus on delivering service excellence, enables tailored offerings, and facilitates joint marketing initiatives.

To research planned products and services, we develop a Demand Book and extend invitations to merchants to participate in testing new offerings. We communicate with merchants on a day-to-day basis through various channels such as social media and digital tools (websites, mailing, apps), advertising and educational campaigns, surveys, and direct contact. Merchants receive regular updates via mail regarding regulatory changes, pricing details, InPost documentation, and sustainability-related subjects. Furthermore, we host conferences and share specialised articles on our website.

MUNICIPALITIES AND AUTHORITIES

Our communication involves discussing initiatives included in the InPost Green City Programme and beyond, servicing cities after they have joined. Daily communication occurs through a variety of channels, including online meetings, phone calls, emails, and face-to-face discussions.

NATURE

InPost Group considers the natural environment to be a silent , but immensely important, Stakeholder and strives to integrate its best interests into our decision-making and business operations. Acknowledgement, consideration and mitigation of the impacts on the natural environment are built into our thinking via active engagement with a wide range of relevant parties such as researchers, local communities, environmental organizations, government agencies.

NGOs

The primary objective of this engagement is to foster cooperation, develop relationships and to actively participate in collaborative groups. Engagement with NGOs occurs through diverse channels like online meetings, phone calls, emails, and face-to-face interactions. Depending on the entity, we may meet with them several times a month.

SHAREHOLDERS AND INVESTORS

The Investor Relations (IR) department is the primary channel for communication with our shareholders and investors. Engaging this stakeholder group is a dynamic process encompassing various platforms. We ensure transparent and timely communication through a range of mediums, including publications on our official website, detailed presentations that outline our strategic vision, comprehensive financial reports, and regular press releases. Earnings calls provide an interactive platform for direct engagement, allowing us to discuss financial performance and address queries. Our participation in brokers' conferences facilitates broader industry discussions. Additionally, we facilitate personalised interactions through one-on-one meetings, conference calls, and on-site visits, to foster a deeper understanding of individual concerns and preferences. By employing this multifaceted approach, we aim to maintain an open, informative, and collaborative dialogue with our shareholders and investors.

SUPPLIERS
(incl. Workers in the Value Chain)

Partnerships based on responsible sourcing allow us to conduct our business in an innovative and reliable way. The Supplier Standards of Conduct (SSoC) were created to reinforce InPost's commitment to work together with our suppliers towards a longterm, sustainable and successful future for all involved parties. Communication with suppliers is necessary to provide information about our offer, terms of trade and quality assurance. Daily communication channels with suppliers encompass mailings, online meetings, face-to-face interactions, participation in fairs, and informal networking opportunities.

GRI 2-29

STAKEHOLDER MATRIX AND PRIORITISATION

As part of the "Stakeholder Dialogue" project, we took the time to understand and prioritise the interests of our stakeholders. We created a matrix that analysed our relationship with stakeholders against specific criteria. This allowed us to identify the stakeholders who are most important to us. When analysing the relationships, we looked at various factors such as the importance and influence of the stakeholder, the nature of the relationship (positive, negative, or neutral), and the desired direction for each relationship to move forward. By doing this, we gained a better understanding of our stakeholders and their interests, allowing us to prioritise them accordingly.

Identifying and mapping relevant stakeholders is the basis for guidance on stakeholder management in the updated Stakeholder Engagement Policy adopted at the end of 2023. Full stakeholder governance setup across markets is planned for 2024.

TWO LEVELS OF STAKEHOLDERS

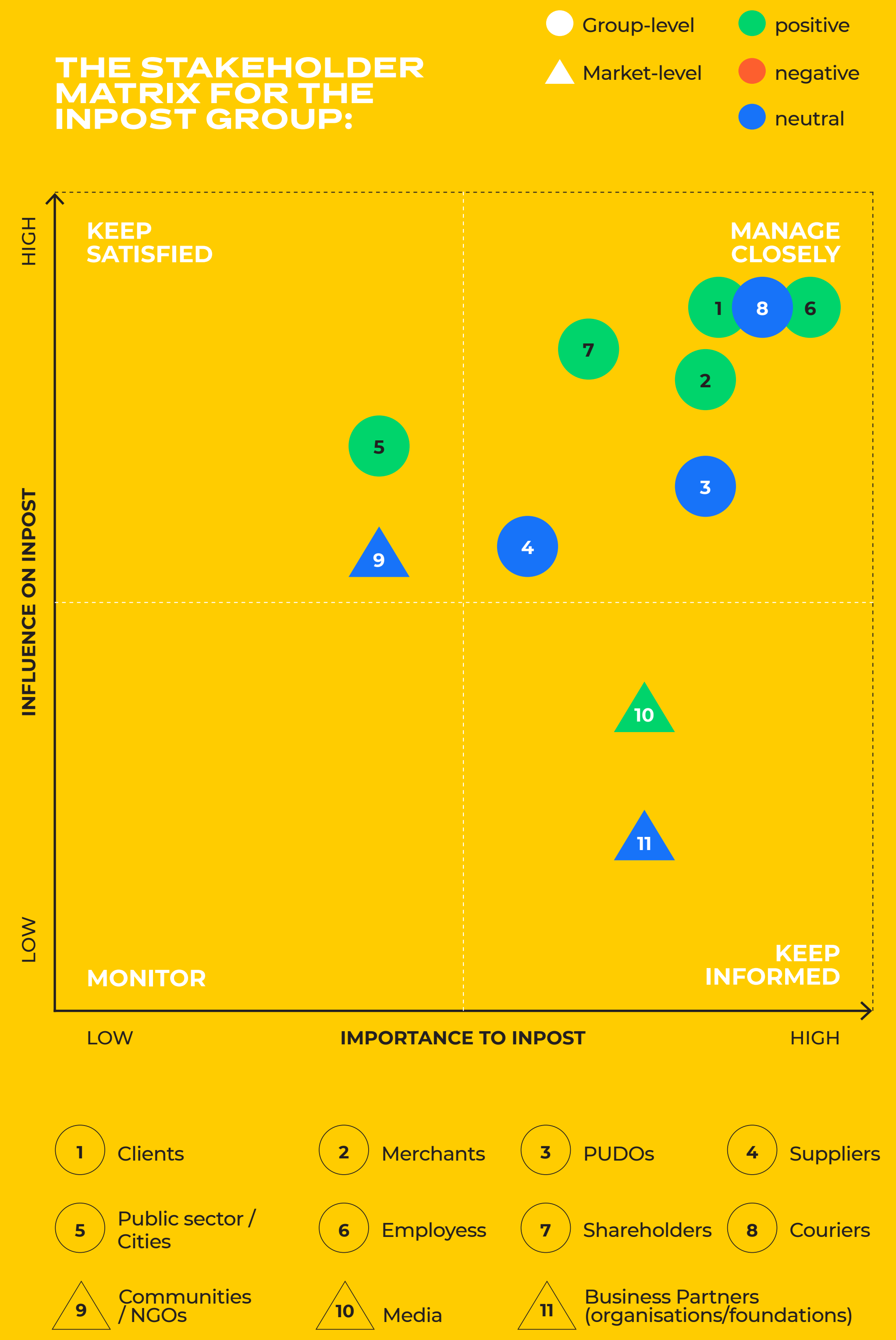
Stakeholders are prioritised based on various factors such as the Stakeholder's type, expectations and needs, impact level, importance to strategic goals and business operations, and current relationship. The most important groups of stakeholders are reflected in action plans for each market. Prioritisation may be conducted on the market level or any particular matter in local action plans. In terms of the impact on governance, two levels of stakeholders are defined – group-level stakeholders and market-level stakeholders. Group-level stakeholders require a consistent approach to achieve ESG objectives or manage the business impact, coordinating activities and monitoring progress to effectively adjust plans. This results in the need to manage selected stakeholders on a group wide basis.

Action plans are developed on the market level but must be aligned across markets and approved by Group-level functions such as the Chief Marketing and ESG Officer and ESG Steering Board. Reporting is done to Group-level functions. Daily management of relations stays at the market level. This includes clients, merchants, PUDOs, suppliers, employees, shareholders, couriers, the public sector, and cities.

The management of market-level stakeholders is generally of a different nature to the initiatives at the Group-wide level. As a result, action plans are developed primarily at the local market level with input and advice from Group-level functions as required. The Chief Marketing and ESG Officer is informed about local market action plans and has the authority to amend or veto if necessary. Reporting is done to the local coordinator and ESG strategy management. Daily management of relations stays at the market level. This includes organisations, foundations, local communities, NGOs, and the media.

Our approach to stakeholder management is designed to be comprehensive, ensuring that all stakeholders are considered and prioritised appropriately. By doing this, we can build strong relationships with all stakeholders and achieve our ESG objectives while also maintaining a positive impact on our business operations.

THE STAKEHOLDER MATRIX FOR THE INPOST GROUP:



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STAKEHOLDER ENGAGEMENT POLICY

GRI 2-23

In fulfilling our responsibilities, within the framework of the law, the articles of association, and the guidelines for conduct outlined in the Purpose and Values of the InPost Group, the Supervisory Board of InPost S.A. developed a *Stakeholder Policy*. The existing policy included a list of Company stakeholders, engagement methodology, stakeholder engagement responsibilities, engagement risks, and communication of outcomes. However, it needed to be updated and rolled out. During the course of 2023 this *Stakeholder Policy* was revised following the "Stakeholder Dialogue" project being supplemented with new responsibilities for the Board, CEO and business areas. The policy update also included building in stronger linkages to strategic processes and risk management controls.

We recognise the importance of the Group's activities, both direct and indirect, on all our stakeholders in the economic, social, human rights (including labour), and environmental areas, and their contribution to achieving the Sustainable Development Goals (SDGs) approved by the United Nations. Our policy aligns with the *Universal Declaration of Human Rights, the Ten Principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights,* and the *Fundamental Conventions* prepared by the International Labour Organisation.

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To ensure that the interests of relevant stakeholders are taken into consideration when determining aspects of the sustainability strategy, we have published the *Stakeholder Engagement Policy* on our Company's website. Additionally, the Board of Directors may approve other corporate policies addressing specific stakeholders, and we also have a policy on bilateral contacts with shareholders in accordance with the *Dutch Corporate Governance Code,* which is also available on our website.

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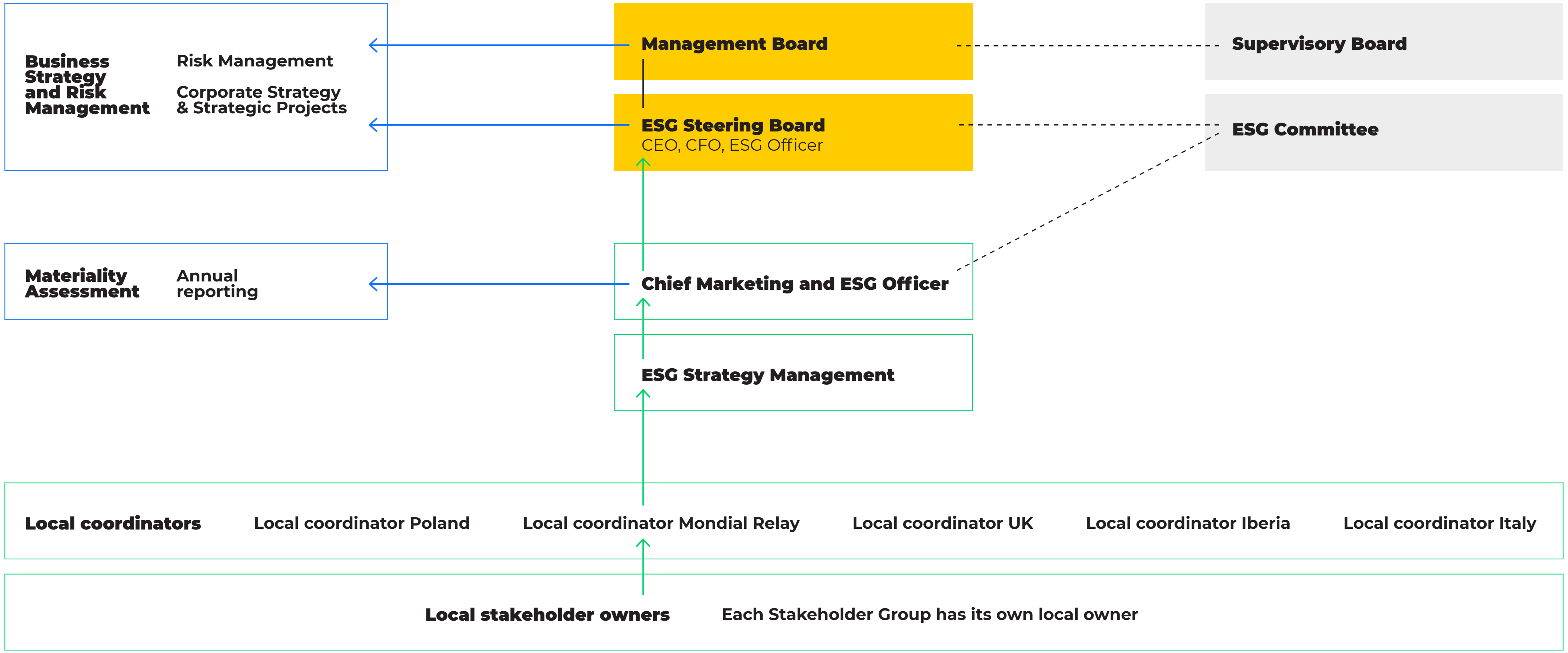
GOVERNANCE STRUCTURE

The process of identifying and prioritising stakeholder groups, as described above, is reflected in the management structure of topics related to them. Our governance structure is designed to ensure effective communication of stakeholder views and needs to the Board of Directors, and their input is incorporated into strategic processes where necessary.

According to our *Stakeholder Engagement Policy,* The ESG Steering Board is the top-level governance body responsible for the appropriate stakeholder management. The Board reports annually to the ESG Committee of the Supervisory Board.

INPOST GROUP – GOVERNANCE STRUCTURE



UPDATE OF THE STAKEHOLDER MANAGEMENT PROCESS

GRI 2-29

PROCESS STEPS

The stakeholder management process, updated on December 2023, includes the following steps:

- Committing to due diligence
- Identifying impact
- Reacting to impact
- Monitoring implemented measures
- Communicating how different kinds of impact are addressed
- Access to remedy

The process applies to human rights due diligence and the analysis of any other InPost impact observed in the value chain. The purpose of the process includes remediation of negative impact, if identified.

IMPLEMENTATION OF ANNUAL ACTION PLANS

The ESG Steering Board ensures that stakeholders are provided with feedback on relevant issues, concerns or any other matters in a timely and sound manner and decisions that and affect the relation with a given stakeholder are made in a balanced and effective manner while respecting their interests. Stakeholder management is based on annual action plans that include:

- An assessment of the quality of relations with stakeholders and their development
- Business objectives of the cooperation
- Ways of mitigating negative impact, if identified
- Ways of mitigating risks arising from the cooperation, if identified

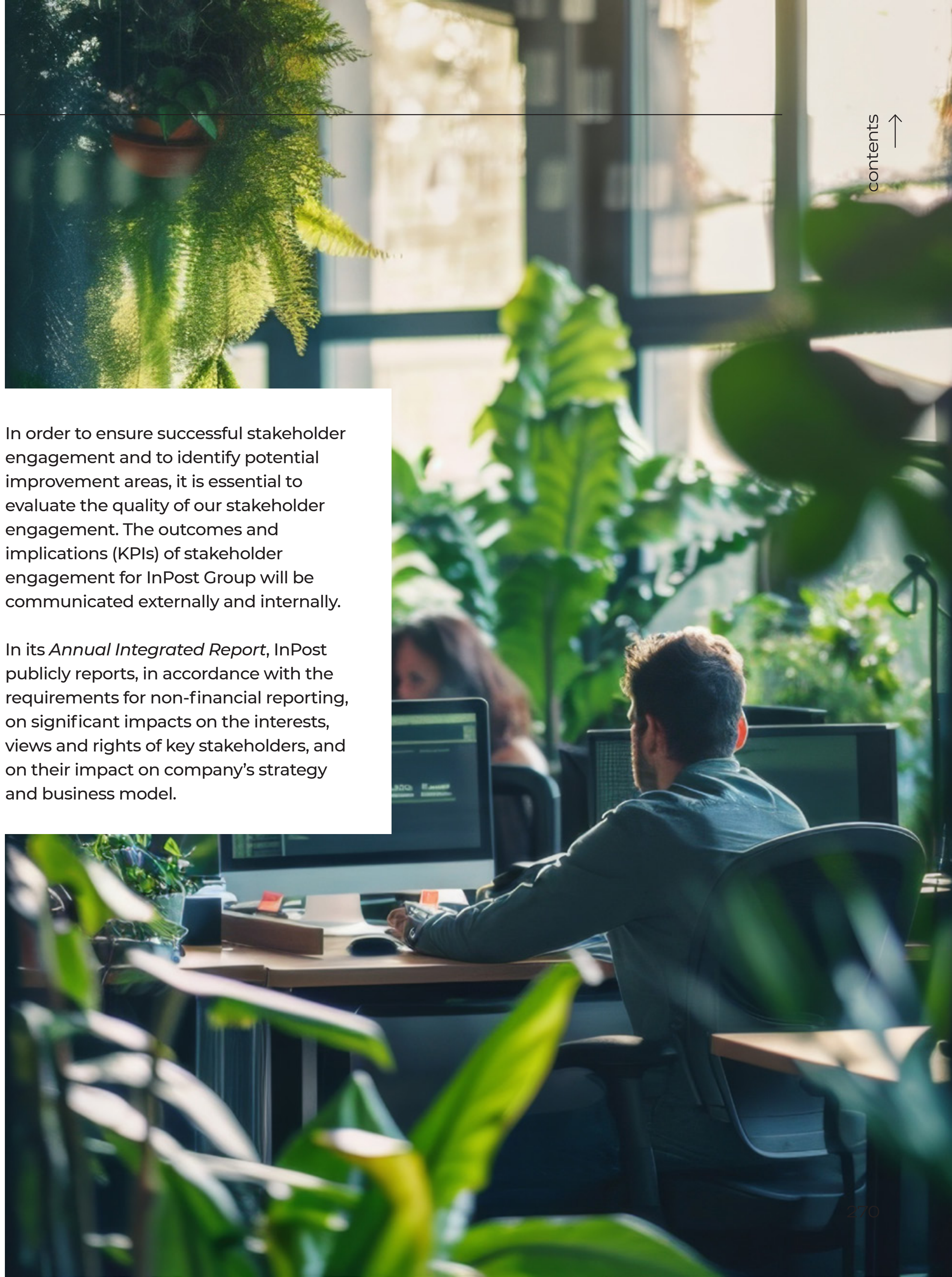
MONITORING AND EVALUATION

In order to ensure successful stakeholder engagement and to identify potential improvement areas, it is essential to evaluate the quality of our stakeholder engagement. To this end, the local coordination and stakeholder owners will assess the quality of individual engagements including monitoring and evaluation of:

- Commitment and integration with stakeholders
- Purpose, scope and stakeholder participation
- Process (planning, preparing, engaging, acting, reviewing and improving)
- Outputs and outcomes related to the established stakeholder engagement KPIs
- Reporting

In order to ensure successful stakeholder engagement and to identify potential improvement areas, it is essential to evaluate the quality of our stakeholder engagement. The outcomes and implications (KPIs) of stakeholder engagement for InPost Group will be communicated externally and internally.

In its *Annual Integrated Report*, InPost publicly reports, in accordance with the requirements for non-financial reporting, on significant impacts on the interests, views and rights of key stakeholders, and on their impact on company's strategy and business model.



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MATURITY ROADMAP FOR STAKEHOLDER ENGAGEMENT

The stakeholder management process that was updated in December 2023 will be phased in during 2024 with a focus on building additional capabilities at the local market level. The objective is to formulate strategies for the largest and highest priority local markets and to establish timeframes for the smaller remaining markets. Capability building will be provided through trainings for stakeholder owners and local coordinators. In 2025, the expectation is to enhance the maturity of growing markets and develop group-level stakeholder strategies. It is planned to conduct market-level dialogue sessions and training sessions, as part of individual development plans for local coordinators. The stakeholders matrix, strategy and reporting will be developed at the group-level. In 2026 and following year all strategies will be operational, comprehensive reporting will be ongoing and a dialogue session will serve as an annual communication channel with stakeholders.

GRI 2-25

Each year, business strategy and materiality assessment will be supplied with market-and Group-level data. Engagement with stakeholders is a crucial aspect of our due diligence process and sustainability materiality assessment. This involves identifying and assessing actual and potential negative impacts throughout our value chain. Stakeholders are encouraged to report any grievances or negative impacts related to InPost at any point in the value chain. If a stakeholder becomes aware of any such impact or risk in their relationship with InPost, they can contact us using the dedicated contact channels for their respective stakeholder group (according to our Stakeholder Engagement Policy). The Whistleblower Policy and SpeakUp platform for reporting violations are described in the Corporate Governance chapter.

NEGATIVE IMPACTS OR INSTANCES OF DISSATISFACTION WITH INPOST ACTIVITIES INCLUDES:

COMPLAINTS RELATED TO SERVICES
The stakeholders involved in reporting this negative impact include consumers, merchants, business partners, and third parties. Managing the complaint procedure is the responsibility of InPost employees, and involves a thorough analysis and validation assessment. Customers can lodge complaints through the Company website, (most commonly)or by post. They can also make claims via the chatbot in the mobile app or contact the centre hotline, by e-mail or phone. Then the complaint is assessed by the relevant department, culminating in a response tailored to the customer. Each complaint receives personalized attention from InPost, potentially resulting in financial or non-financial compensation, such as discount codes.
The effectiveness of the grievance processes are monitored in a complaint registry, cataloguing details such as the nature of the complaint, resolutions offered, and the timeliness of responses.

REPORTS OF GDPR VIOLATIONS
The management approach to this topic and confirmed numbers of GDPR violations are described in the Management of Material Topics section.

POSTULATES CONCERNING THE PRESENCE OF COURIERS IN URBAN SPACES
Impacts related to couriers are reported by the administrations of cities involved in the InPost Green City Programme. These effects include undesirable actions like couriers driving across green areas or parking illegally. City officials have the option to reach out to InPost either directly contact or in writting to highlight these issues. The Company then decides which local Company branch is responsible for resolving the issue and actions are taken to mitigate any negative impact. These resolutions are then reported back to the city administrators.

In addition, employees can submit proposals to streamline Company processes and mitigate negative impacts. Stakeholders reporting such improvements include the Risk Team and business process owners. The process reviews are carried out by the Process Architecture and Control team in accordance with an agreed calendar of activities. Its responsibilities include process review and proposals for optimisation activities, along with the support of automation and robotisation. Stakeholders participate in all stages of the review, optimisation, and implementation. Activities within these procedures include recommendations for process optimisation, corrective actions and controls, which aim to prevent negative impacts in the future.Post-control monitoring ensures that the controls are conducted and efficient, and that solutions are implemented according to the timeframe established. The final outcome includes a report outlining the process and control, the monitoring of the solution implementation and the results of control tests to monitor the effectiveness of the mechanisms.

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GRI 2-28

INPOST IS A MEMBER OF BUSINESS LEADERSHIP ORGANISATIONS AND PARTICIPATES IN MULTILATERAL DIALOGUE TO SHAPE A SECURE REGULATORY ENVIRONMENT FOR FURTHER GROWTH.

BUSINESS CENTRE CLUB (BCC)
is a prestigious business club and the largest individual entrepreneur organisation in Poland, concentrating on lobbying activities that aiming to further the growth of the Polish economy.

EMPLOYERS OF POLAND
represents 19,000 companies with over five million employees, supporting communication with political and economic decision-makers and working for the common interests of employers in member organisations.

POLISH CONFEDERATION LEWIATAN
is a Polish business organisation, that acts on behalf of its members by supporting legislation, dialogue with administration, and tools for business development.

CORPORATE CONNECTION
is an international professional business organisation that brings together business owners seeking intensive growth and the creation of business opportunities for each other.

THE POLISH CHAMBER OF COMMERCE AND INDUSTRY IN FRANCE
cooperates with the Polish embassy, governmental and non-governmental institutions to bring together both Polish and French companies, including representatives of the main sectors of the economy: energy, construction, metallurgy, agro-food industry, transport, services and telecommunications.

THE FRENCH POLISH CHAMBER OF COMMERCE (CCIFP)
is an independent organisation that contributes to the development of investment and business activities in Poland and plays an active role in contacts with state administration bodies and employer organisations.

THE AMERICAN CHAMBER OF COMMERCE IN POLAND (AMCHAM)
is composed of over 300 companies representing a wide range of sectors, and aims to build connections and develop the business market in Poland.

THE POLISH BUSINESS ROUNDTABLE
is an association of owners and top managers of the largest companies operating in Poland. It promotes Polish entrepreneurship, monitors economic and legal conditions of business activity in Poland and supports civic and social campaigns.

THE LUXEMBOURG-POLAND CHAMBER OF COMMERCE (LPCC)
is a well-established non-profit organisation based in the Grand Duchy of Luxembourg that facilitates business-to-business relations in Luxembourg and Poland.

THE RESPONSIBLE BUSINESS FORUM
is an NGO that comprehensively addresses the concept of corporate social responsibility; in Poland, it is both the largest such NGO and has the longest tradition, having operated since 2000. The Forum is an expert organisation that initiates and partners in key activities for Polish CSR.

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THE 17 GOALS CAMPAIGN
is the first and the biggest national cross-sectoral initiative for the Sustainable Development Goals in Poland. It encourages business to contribute to the realisation of the 2030 Agenda. The 17 Goals Campaign mobilizes business community and other stakeholders to take action and create cross-sectoral partnerships for chosen Goals or include certain issues in business models and CSR practices. Its main goal is to encourage 500 companies to act for SDGs till 2030.

UNEP/GRID-WARSAW,
since 1991 has been carrying out the mission of the United Nations Environment Programme (UNEP) in Poland, working towards sustainable development. It supports proper environmental management and the protection of biodiversity. It promotes a sense of responsibility for the environment in society and business. It specializes in acquiring, processing, and disseminating environmental information

FEDERATION OF E-COMMERCE AND DISTANCE SELLING
The Union TLF (Transport & Logistic Companies in France) is an interprofessional association that promotes and defends the interests of the entire transport and logistics sector. It represents, promotes and defends the interests of the profession in dealings with public authorities and French, European, international and local bodies through its regional delegations and affiliated freight forwarders' unions.

THE POLISH ECONOMIC SOCIETY (PES)
is a non-profit organisation whose aim is to promote and develop economic science in Poland. PES organises conferences, seminars, and workshops, publishes scientific papers, and conducts research in the field of economics. Members of PES are scientists and economic practitioners alike who share their knowledge and experience to contribute to the development of the Polish economy.

THE OPEN EYES ECONOMY (OEES HUB)
think tank is engaged in research, educational, and publishing initiatives in the field of the economy of value. The projects pursued by OEES HUB aim to deepen and promote knowledge about various aspects of the economy of value and to disseminate solutions based on it in public actions and debate.

THE UN GLOBAL COMPACT
is the world's largest corporate sustainability initiative aimed at encouraging businesses and organizations to adopt sustainable and socially responsible policies. It supports companies in conducting business responsibly by aligning their strategies with the Ten Principles of the Global Compact on human rights, labor, environment, and anti-corruption. It also encourages strategic actions to achieve broader social goals, such as the UN Sustainable Development Goals (SDGs).

THE CHAMBER OF ELECTRONIC ECONOMY
rof companies associated with the electronic economy market in Poland, with a particular focus on companies affiliated with the e-Chamber. The mission of the e-Chamber is to develop the Polish digital economy domestically and internationally through cooperation, exchange of know-how, legislative actions, and strong, effective representation of common interests in dialogue with Polish governmental institutions, the European Union, and non-governmental organisations.

WARSAW ENTERPRISE INSTITUTE (WEI)
focuses on four areas that are key to the business environment and to improving Poland's prosperity: state and law, security, economy and demography. WEI conducts research, analyses and educational projects, and publishes commentaries, positions, memoranda and reports. It prepares solutions for both state institutions and independent social and commercial entities.

30% CLUB POLAND
is a branch of the global 30% Club campaign supported by a network of CEOs and Chairs taking action to increase gender diversity at board and senior management levels. It believes that gender balance on boards not only encourages better leadership and governance, but that divercity further contributes to better all-round board performance, and ultimately increased corporate performance for both companies and their shareholders.

THE ASSOCIATION OF POLISH CITIES
represents the interests of local governments of urban municipalities in Poland, effectively supports Polish cities in their efforts to develop socially and economically, and disseminate good practices in modern and innovative governance of communities of citizens.

APPROACH TO NON-FINANCIAL REPORTING

GRI RESTATEMENTS
INDEPENDENT LIMITED ASSURANCE REPORT TO INPOST S.A.

This marks the fourth sustainability report from the InPost Group and the third to include an external limited assurance. The statement of the limited assurance – delivered for the second time by EY can be found on Page 277.

GRI 2-14

The ESG committee receives quarterly reports on the implementation of the ESG strategy and submits them to the Supervisory Board. The Supervisory Board, as the highest governance body at the company, supervises all ESG-related processes, including reporting. This report was reviewed and approved by the Supervisory Board, including the Impact Materiality process described under GRI 3-1, 3-2, 3-3 and Preliminary Double Materiality Process, first attempt of the Group to perform an assessment according to the CSRD, preparing for the obligation starting from financial year 2024.

GRI 2-2

The scope of non-financial data matches what is included in the Group's financial reporting on Page 210. It encompasses InPost S.A., its direct subsidiaries: Integer.pl S.A., InPost Technology S.à r.l., Integer France SAS, and indirect subsidiaries: Integer Group Services sp. z o.o., InPost Paczkomaty sp. z o.o., InPost sp. z o.o., the French company Mondial Relay SAS, the Italian company Locker InPost Italia Srl, and the British company InPost UK Limited. The remaining companies of the InPost Group as of 31st December 2023 were not employing employees and were in the process of liquidation (Granatana Limited in liquidation, Giverty Holding Limited in liquidation, M.P.S.L. Modern Postal Services Ltd in liquidation). Giverty Holding Ltd was dissolved as of 24th February 2024.

Due to the varying levels of business maturity across different markets, data points are reported in segmentation for the Polish entities, Mondial Relay, and the International segment (which encompasses joint reporting for companies operating both in Italy and the UK). This approach aligns with our financial reporting standards. You can find detailed information on the methodology applied for each reported indicator within the GRI index, located by each indicator on Page 288.

Undoubtedly, the most important feature of the integrated annual report is the stakeholder involvement in defining its content. The report serves as an integrated answer to the legitimate information needs of stakeholders, identified through dialogue. Thus, it becomes a two-way communication tool, created through engagement with stakeholders, not in isolation. At the heart of this lies value creation, with the report providing a balanced insight into the company's strategic progress, mindful of risks, opportunities, and material ESG issues. It blends financial data with evaluations of significant sustainability matters, presenting a comprehensive view of the organization. The report also includes responses to feedback from investors, gathered during regular interactions and at the Annual and Extraordinary General Meetings. Minutes from these meetings are accessible on InPost's corporate website.

To offer a holistic perspective on the company and its long-term value generation, we adopt the following frameworks:

- Integrated Reporting Framework (IFRS Foundation);
- United Nations Global Compact (UNGC);
- The Non-Financial Reporting Directive (NFRD);
- Dutch Corporate Governance Code (Dutch CGC);
- Dutch Association of Investors for Sustainable Development (VBDO).

Additionally, the Preliminary Double Materiality assessment was carried out in accordance with the Corporate Sustainability Reporting Directive, although it has not yet been externally audited. From the financial year 2024 onwards, InPost Group will begin to deliver its non-financial reporting in line with the Directive and the European Sustainability Reporting Standards, which we are required to follow.

For sustainability reporting, this report provides information on the following standards:

- United Nations Sustainable Development Goals (SDGs);
- The Sustainability Accounting Standards Board (SASB);
- GRI Standard;
- Task Force on Climate-related Financial Disclosures (TCFD);
- Taskforce on Nature-related Financial Disclosures (TNFD);
- GHG Protocol.

The yearly report serves as a key method for communicating advancements in alignment with the ten principles for businesses outlined by the United Nations Global Compact. To read more please go to Page 292.

GRI 2-3

The company reports in a yearly cycle. This document encompasses the year 2023 (1 January 2023 – 31 December 2023), unless a different reporting period for data and information has been indicated within the text or under a table. The period for financial reporting is the same.

Publication date: March 28, 2024

Contact points: In case of any questions or remarks regarding the report, please contact Investor Relations: ir@inpost.eu or the ESG Team: esg@inpost.pl.

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GRI 2-4

RESTATEMENTS OF INFORMATION

GRI	Country	Description
2-21	Group	In the 2022 Integrated Annual Report, the Short-Term Incentives (STI) for Rafał Brzoska, Adam Aleksandrowicz, and Michael Rouse were reported as 2,600 kPLN, 1,500 kPLN, and 9,300 kPLN respectively. In the current report, for a better understanding of the relation between STI and Group performance, we are reporting the 2022 and 2023 STI as the amounts paid/to be received for the respective year, not the amounts received on cash basis in the given year. Due to this change, the highest paid individual for the year 2022 has changed from Michael Rouse to Rafał Brzoska, the CEO of the Group. STI 2022 was received by the Management in April 2023, STI 2023 will be paid to Management in April 2024. In the Integrated Annual Report 2022, the remuneration for Rafał Brzoska equalled to PLN 15.8 million (fixed: 2.7m, variable: 2.6m, LTIP: 10.5m), for Adam Aleksandrowicz PLN 10.0 million (fixed: 1.8m, variable: 1.5, LTIP: 6.7), for Michael Rouse PLN 19 million (fixed: 2.7, variable: 9.3, LTIP: 7.0).
301-1	Poland	Recalculation of materials (branches) is a result of revised methodology and more accurate data related with weights of materials used. In 2022 we have estimated particular weights of materials based on average figures available in the general market sources (such as publicly available product specifications). In 2023 we have performed a number of physical observations which included measurement of weight of particular categories of materials. Taking into consideration more accurate and reliable data we have restated 2022 numbers. Effect of the recalculation: Non-renewable materials used [t] before: 563.8, after: 1,151.6 (+104%); Renewable materials used [t] before: 7.3, after: 17.5 (+139%).
301-1	United Kingdom	Recalculation of estimates due to recalculation of materials (branches) in Poland. Estimates for all categories based on the ratio of volume in UK to volume in Poland. Effect of the recalculation: Non-renewable materials used [t] before: 12.0, after: 46.5 (+286%); Renewable materials used [t] before: 0.3, after: 0.7 (+132%).
301-1	Italy	Recalculation of estimates due to recalculation of materials (branches) in Poland. Estimates for all categories based on the ratio of volume in Italy to volume in Poland. Effect of the recalculation: Non-renewable materials used [t] before: 4.8, after: 18.8 (+289%); Renewable materials used [t] before: 0.1, after: 0.3 (+139%).
301-1	Spain	Recalculation of estimates due to recalculation of materials (branches) in Poland. Estimate: plastic pallets, plastic cloth parcel bags, punched pockets, labels, other non-renewable and renewable materials based on the ratio of volume in Spain to volume in Poland. Effect of the recalculation: Non-renewable materials used [t] before: 192.0, after: 167.1 (-13%); Renewable materials used [t] before: 650.5, after: 650.7 (0%).
301-1	Portugal	Recalculation of estimates due to change in weighting factors in Poland. Estimates based on ratio of volume in Portugal to volume in Poland. Effect of the recalculation: Non-renewable materials used [t] before: 9.7, after: 3.8 (-61%); Renewable materials used [t] before: 17.2, after: 0.1 (-100%).
302-1	Group	Recalculation is a result of revised methodology and more accurate data. InPost Group's total energy consumption in GJ 2022, before: 323,731, after: 276,823, decrease by 15%, 2021 before: 331,618, after: 276,062, decrease by 17%. Details are described on page 322.
305-1 305-2 305-3 305-4	Group	Recalculation is a result of revised methodology, more accurate data and unification of emission factors sources. InPost Group's emission 2022, Scope 1, 2,3, market-based before: 499,997 t CO2e, after: 478,388 t CO2e, decrease by 4%, 2021 before: 542,275 t CO2e, after: 448,448 t CO2e, decrease by 17%. Details are described on pages 318-322
306-3	Poland	Recalculation of municipal waste (branches and offices) at InPost Poland is a result of revised methodology and more accurate data related with weights of waste generated. Waste for 2022 was originally calculated based on indicators from scientific sources, reports available online. These were typical densities of municipal waste from residents. Waste for 2022 was recalculated according to new indicators, which were worked out with the municipal company. Garbage trucks serving the facilities are equipped with scales, and based on this data and consultations, we were given averaged weights of municipal waste. Compared to the typical waste from residents, the waste at the branches is definitely lighter, e.g. through the high proportion of paper towels in mixed waste or varnished paper. Due to the continuous improvement of the waste monitoring process, internal audits are planned in 2024 at selected facilities to verify the municipal waste generated. Based on the observations made, final waste factors will be developed. Effect of the recalculation: All municipal waste (total, regardless of waste fractions) [t] before: 2,087.7, after 1,076.0 (-48%).
306-3	Italy	Change in the value of waste generated. No waste due to lack of operational control at facilities Effect of the recalculation: All municipal waste (total, regardless of waste fractions) [t] before: 6.4, after 0.0 (-100%); Waste from operations [t] before: 44.8, after: 0.0 (-100%).
306-3	UK	Recalculation of estimates due to change in new methodology in Poland. Estimates based on the ratio of volume in the UK to volume in Poland. Effect of the recalculation: All municipal waste (total, regardless of waste fractions) [t] before: 16.0, after 43.4 (+172%).

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INDEPENDENT LIMITED ASSURANCE REPORT TO INPOST S.A.

To the Management Board
InPost S.A.
70 route d'Esch
L-1470
Luxembourg

SCOPE

We have been engaged by InPost S.A. ("InPost" or the "Entity") to perform a 'limited assurance engagement' as defined by International Standards on Assurance Engagements here after referred to as the engagement in relation to the specific GRI indicators included in the ESG Report for the year ending 31 December 2023 listed and detailed below under the definition "GRI Indicators in Scope" ("2023 ESG Report" or the "Subject Matter"). The ESG Report is part of the Company's annual report ending 31 December 2023.

The sustainability information narratives and indicators presented in the 2023 ESG Report of Inpost S.A. are included in the scope of our assurance engagement namely:

- GRI 2-7, GRI 2-8, GRI 2-9, GRI 2-15, GRI 2-19, GRI 2-20, GRI 2-21, GRI 2-26, GRI 2-27, GRI 2-29, GRI 3-1, GRI 3-2,
- GRI 201-1, GRI 201-2, GRI 204-1, GRI 205-2, GRI 205-3, GRI 207-1, GRI 207-2,
- GRI 401-1, GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-7, GRI 403-8, GRI 403-9, GRI 404-1, GRI 404-3, GRI 405-1, GRI 405-2, GRI 406-1, GRI 418-1,
- GRI 301-1, GRI 301-2, GRI 302-1, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5 (only data for Polish entity), GRI 306-3.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

CRITERIA APPLIED BY INPOST S.A.

In preparing the 2023 ESG Report, InPost S.A. applied the Global Reporting Initiative Standards' ("GRI Standards") ("Criteria"). Such Criteria were specifically designed for reporting sustainability information. As a result, the Subject Matter information may not be suitable for another purpose.

INPOST S.A.'S RESPONSIBILITIES

InPost S.A.'s management is responsible for selecting the Criteria, and for presenting the 2023 ESG Report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY'S RESPONSIBILITIES

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with InPost S.A. on 21 November 2023.Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

OUR INDEPENDENCE AND QUALITY CONTROL

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The official and binding Independent Limited Assurance Report for InPost S.A.'s ESG Report, for the year ending on 31st December 2023, is available separately and has been formally signed by EY.

INDEPENDENT LIMITED ASSURANCE REPORT TO INPOST S.A.

DESCRIPTION OF PROCEDURES PERFORMED

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the 2023 ESG Report and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Assessment of the suitability of the reporting criteria and their consistent application.
- Obtaining an understanding of InPost S.A.'s processes for determining the material issues for InPost S.A.'s key stakeholder groups.
- Interviews with relevant representatives at group level and selected business unit level concerning sustainability strategy and policies for material issues, and the implementation of these across the business.
- Interviews with relevant staff at corporate and business unit level responsible for data capture and preparation of the information in the 2023 ESG Report.
- Review of the processes for gathering and consolidating the specified performance data and, for a sample, checking the data consolidation.
- Checks on a sample basis of the quantitative information included in the 2023 ESG Report as well as its adequate compilation from data supplied by information sources. The tests have been defined to provide limited assurance levels in line with the criteria described in this report.
- Review of material qualitative statements in the 2023 ESG Report with regard to consistency and plausibility.
- We also performed such other procedures as we considered necessary in the circumstances.

CONCLUSION

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the 2023 ESG Report for the year ended 31 December 2023, in order for it to be in accordance with the Criteria.

Ernst & Young
Société Anonyme
Cabinet de Révision Agréé

Olivier Lemaire
Partner

Luxembourg, 27 March 2024

The official and binding Independent Limited Assurance Report for InPost S.A.'s ESG Report, for the year ending on 31st December 2023, is available separately and has been formally signed by EY.

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ATTACHMENTS

PRELIMINARY DOUBLE MATERIALITY - APPENDIX
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THE UNITED NATIONS GLOBAL COMPACTS 10 PRINCIPLES FOR BUSINESS
ESG GOVERNANCE
GRI DISCLOSURES
TCFD/TNFD TABLES
ABBREVIATIONS LIST

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PRELIMINARY DOUBLE MATERIALITY - APPENDIX

GRI 3-1 PROCESS OVERVIEW

At InPost Group, we recognise the significance of our impact on the natural environment, society, our employees, and we strive to ensure that our corporate governance enables us to conduct business in a transparent, innovative, ethical, and responsible manner. The analysis was conducted based on the ongoing process of identifying material topics and principles of dialogue with our stakeholders as well as based on an initial financial materiality assessment taking into account InPost ERM as well as internal expertise.

	1. Understanding the context	2. Identifying the organisation's list of impacts	3. Assessing the importance of topics through the engagement of stakeholder groups	4. Prioritise the most significant impacts for reporting	5. Assessing the financial material impact of topics	6. Review of material topics by key internal stakeholders, with oversight from the Supervisory Board	7. Results publication and gap analysis
Overview	Each year, we thoroughly analyse our current situation, encompassing our business model, macroeconomic environment, and megatrends, and we update our value chain analysis. We strive to understand the impact of our organisation on our stakeholders and to identify "silent stakeholders". Additionally throughout the year, we made progress in identifying gaps in the IAR 2022 process: we focused on various aspects, including enhancing stakeholder dialogue, fostering a more open feedback culture, and developing stakeholder management procedures and policies. For more details, please refer to the dedicated section about Stakeholder Management on Page 264.	Identification and assessment of impacts (including through stakeholder engagement) related to the company's own operations, in the supply chain and in business relationships. Utilizing the following methods for identifying topics: • In-depth interviews with internal stakeholders – meetings with each department. • Comparability of topics year-on-year. • Updating topics based on investor ratings. • Understanding future legislative changes. • Comparative analysis of material topics within our peer group. • Market monitoring including trends analysis.	Engaging stakeholders through surveys and dialogue sessions. Stakeholders were tasked with determining whether InPost Group's impacts were positive or negative and assessing the influence on ESG topics using a scale. During the stakeholder sessions and surveys we were ooperating not on topic levels but on more detailed impacts and sub-impact level to receive as many insights as possible.	After dialogue sessions and scoring, impacts were compared with the list of sustainable development issues included in AR16 in the ESRS 1 standard and grouped to relevant topic levels in order to report cohesively about multiple impacts related to the same topic.. Topics were grouped based on both market standards to ensure better comparability without losing the stakeholder focus. Topics were further tested against the topics in the GRI Sector Standards, ESRS and MSCI ESG Industry Materiality Map to ensure that we had not overlooked any topics that are material for our organisation. Thresholds used in deterring materiality were consulted both internally and with consultants and financial institutions. Based on mapping and prioritisation, ten key material topics were identified. Two in the Environment area, five in the Social area and three in the Governance area.	Triggers of financial value creation were assessed based on continuation of use of, or access to, resources and reliance of InPost on relationships. The assessment began with a list of sustainable development issues included in AR16 in the ESRS 1 standard. Topics were later cross-checked with ERM risk factors and business imperative to assess financial materiality of topics. This initial analysis will be conducted more thoroughly in 2024 and will be connected to the ERM development roadmap. Based on this analysis, seven out of ten material topics were assessed as financially material and one additional topic was added.	The results of surveys and dialogue sessions were presented with financial materiality approach and grouping to the internal ESG committee and submitted to the Supervisory Board for consideration to be published in the IAR 2023 and to to approve prioritisation. The findings were shared with key internal stakeholders following the incorporation of feedback.	Documenting the process within the organization and presenting the results to the auditor. Enhancing the quality of reporting in the areas of material topics based on the audit report findings. Preparation for the double materiality analysis based on the CSRD directive.

	1. **Understanding the context**	2. **Identifying the organisation's list of impacts**	3. **Assessing the importance of topics through the engagement of stakeholder groups**	4. **Prioritise the most significant impacts for reporting"**	5. **Assessing the financial material impact of topics**	6. **Review of material topics by key internal stakeholders, with oversight from the Supervisory Board**	7. **Results publication and gap analysis**
Partici-pants	ESG Strategy, Corporate Strategy, ESG Officer	ESG Strategy, Corporate Strategy, ESG Officer, Investor Relations	ESG Strategy	ESG Strategy, Corporate Strategy, ESG Officer, ESG Steering Committee	ESG Strategy, Corporate Strategy, Risk Manager, Decarbonisation Expert, ESG Steering Committee	ESG Officer, Corporate Strategy, ESG Steering Committee CFO, Supervisory Board	ESG Strategy, Corporate Strategy, External Assurance
Inputs	Market trends, Competitors, Meetings, EFRAG Guidelines, AR 16 in the ESRS 1	Process, Benchmarks, Feedback, EFRAG Guidelines, AR 16 in the ESRS 1	List of impacts, ESG Strategy, Governance, Stakeholder management process, EFRAG Guidelines, AR 16 in the ESRS 1	List of material topics, MSCI ESG Industry Materiality Map, GRI Sector Standards, ESRS, EFRAG Guidelines, AR 16 in the ESRS 1	ERM, EFRAG Guidelines, List of material topics, AR 16 in the ESRS 1	List of material topics and financially material topics	Accepted list of material topics and financially material topics
Outputs	Process, Benchmarks, Feedback, Stakeholders expectations	List of impacts, Governance, Stakeholder management process	List of material topics	List of priorities and key material topics	List of financially material impacts	Internal recommendation of list disclousure and reporting Meeting minutes with Committee approval	External Double Materiality gap analysis

IMPACT MATERIALITY

DEFINING THE IMPORTANCE

In 2023, the materiality matrix was created based on an analysis that involved sending a survey to our internal and external key stakeholders on our markets of operations in order to be aligned with GRI and ensure comparability with 2022. We strive to increase the engagement of our stakeholders; therefore, in 2023, we broadened our reach to include internal stakeholders such as employees from France, Benelux, the United Kingdom, Italy, and Iberia, as well as external stakeholders including consumers from France and the United Kingdom. Additionally, in France, we received responses from PUDO operators.

Questions were asked using a consistent approach: Step 1 - determining whether InPost has a positive or negative impact on a given topic for a given respondent. Then step 2 - assessing the impact on a scale from 1 to 5, where 1 meant a very small impact, and 5 a very big impact. In the initial calculation, we compared whether the impact was more positive or negative percentage-wise. We considered topics with at least 70% positive ratings as positive. The survey results clearly indicated that InPost was assessed by respondents as having a positive impact In all areas.

Impacts were first assessed (scoring was first provided for negative and positive impacts separately, then points were summed up, with additional importance points for three key positive and negative impacts by importance) and later compared with the list of sustainable development issues included in AR16 in the ESRS 1 standard and grouped to relevant topic level

Environment: Climate change mitigation; Resource use & circular economy

Social: Occupational health and safety; Working conditions; Diversity & equity; Access to logistics

Governance: Corporate & data ethics; Supplier relations

To further improve the process and its results impacts were discussed during dialogue sessions and discussed with external experts (as a part of CSRD preparedness process and circularity project) and internal experts (as part of assessment of impacts on value chain).

Engaged stakeholder groups in IAR	2023	2022
Internal stakeholders groups	Poland Employees France & Benelux Employees United Kingdom Employees Italy Employees Iberia Employees	Poland Employees
Internal stakeholders number	551	248
External stakeholders groups	Poland Customers, Merchants, Suppliers, Couriers, Cities France & Benelux Customers, PUDOs United Kingdom Customers Investors*	Poland Customers, Merchants, Investors
External stakeholders number	1,750	2,477

*Engaged outside of the survey

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PRIORITISING TOPICS

GRI 3-3

Impact materiality was then prioritised and categorised based on two elements:

1.
Overall importance points share (share of points allocated to a topic)

2.
Preliminary impact materiality proxy (PIMP) using the following formula: Preliminary impact materiality proxy: Scale of impact + Scope of impact + Irremediability of impact

Scale of impact (5 absolute, 4 high, 3 medium, 2 low, 1 minimal, 0 none)

Scope of impact (5 global/total – effect impacting general population, 4 widespread – effect impacting countries where InPost operates in, 3 medium – effect impacting a group of InPost stakeholders in countries where InPost operates, 2 concentrated – effect impacting a sub-group, 1 limited – effect impacting a small number of stakeholders, 0 none)

Irremediability of impact (for negative impacts: 5 non-remediable/ irreversible, 4 very difficult to remedy or long-term, 3 difficult to remedy or mid-term, 2 remediable with effort (time & cost) 1 relatively easy to remedy short-term 0 very easy to remedy; for positive impacts: internal judgement against what type of negative impact this action is against)

Based on those two elements impacts were categorised as:

- **Critical** (above 9% of overall importance points share and/or >12 PIMP points);
- **Significant** (9%-8%] of overall importance points share and/or (12;10] PIMP points;
- **Important** (8%-6%] of overall importance points share and/or (10;8] PIMP points;
- **Informative** (6%-4%] of overall importance points share and/or (8;5] PIMP points;
- Topics that received less than 4% of overall importance points share or below 5 PIMP points were excluded as not-material. Latter topics were tested against GRI Standards and MSCI ESG Industry Materiality Map.

Each significant topic has been addressed in the appropriate section of the report and was initially mapped with GRI and ESRS. We listen to our stakeholders - their main concerns regarding InPost's operations have been taken into account in the stakeholder dialogue report, and each issue has been addressed within this report.

Material topic	Share of overall importance points	PIMP points	Impact materiality category
Climate change mitigation	31%	15	Critical
Climate advocacy	10%	15	Critical
Resource use & circular economy	9%	13	Critical
Access to logistics services	4%	12	Critical
Citizenship	12%	9	Critical
Supplier relations	7%	8	Important
Working conditions	8%	8	Significant
Corporate & data ethics	6%	7	Important
Diversity & equity	4%	7	Informative
Occupational health and safety	4%	7	Informative

METHODOLOGY – FINANCIAL MATERIALITY

IDENTIFY MATERIAL FINANCIAL EFFECTS

In order to identify the material financial effects, the sustainable development issues listed in AR16 in the ESRS 1 standard level was assessed in respect of triggers of financial value creation conceptually attributed to two groups:

Group 1: Continuation of use of, or access to, resources (including workforce) needed in their business process by the InPost considering aspects such as: pricing and margins; market for and available supply of the resource; degradation and remaining useful life of the resource, ability to maintain or recreate the resource, and cost thereof; policy/ regulatory constraints.

Scale for continuation of use of resources:

4. **impossible**, very costly or unavailable in the short term;	3. **possible but costly in the short term**, very costly or lack-ing in the medium term, impossible in the long term;	2. **possible in the short term,** costly in the medium term, very costly in the long term;
1. **possible in the short, medium and long term;**	0. **without consequence** in the short, medium and long term	

Group 2: Reliance of the InPost on relationships considering aspects such as: financial institutions and providers of financial capital; supply chain, includ-ing contractors; customers (competitive / ethical behaviour, privacy, satisfaction, product impact on health, marketing and communication, product safety), including brand and reputational consequences; external stakeholders; roader society/communities, including tolerability of the negative externalities produced by InPost.

Scale for reliance on relationships:

4. **strong adverse reaction** currently or very likely in the future,	3. **adverse reaction currently,** strong adverse reaction likely in the future	2. **negative reaction currently,** adverse reaction likely in the future,
1. **signs of negative reaction currently or in the future,**	0. **neutral** / no reaction currently and likely in the future	

The initial financial materiality of the financial impact was established by selecting the higher of the two scores and categorizing them into the following groups:

4. Critical;

3. Key;

2. Medium;

1. Low;

0. Minimal

Topics with the score low or minimal, were initially assessed as non-material from the financial perspective

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CROSS-CHECK WITH INPOST ERM SYSTEM

Following a thorough examination of the Risk Register within InPost's ERM system, with a specific emphasis on ESG risks in short-term, medium-term, and long-term contexts, it was determined that the majority of risk topics were addressed in the material topics list. However, an additional topic of significance from a financial materiality perspective was identified: climate change adaptation. This is due to the exposure of APMs to climate-related physical risks, such as weather phenomena.

FINANCIAL MATERIALITY CATEGORISATION

To guarantee that financial materiality aligns seamlessly with InPost's long-term strategy and regulatory environment, additional aspects were cross-checked by incorporating the "Business Imperative" category. The addition of this category is aimed at ensuring regulatory compliance and showcasing InPost's strategic dedication to environmental sustainability and accessible logistics services.

The ultimate categorization of InPost's financial materiality was determined by the highest ranking from the three categories derived from the initial assessment, ERM cross-check, and business imperative. In 2024, a comprehensive evaluation and alignment between ERM and financial materiality assessment will be conducted. Once again, low ratings were deemed non-material from a financial standpoint.

Material topic	Financial materiality category
Climate change mitigation	Critical
Climate change adaptation	Medium
Resource use & circular economy	Key
Access to logistics services	Critical
Supplier relations	Key
Working conditions	Key
Corporate & data ethics	Key
Occupational health and safety	Key

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TOPICS SUMMARY

GRI 3-2

OVERVIEW

The table below shows a mapping of material topics to ESG categories and ESRS, as well as prioritisation, indication of financially material impact types and metrics closely connected to particular issues.
We also indicate reporting frequency, sources for data and whether or not any of the topics was linked to executive compensation in 2023.

ESG	ESG Category	Material topic	Impact materiality	Impact description	ESRS	Financially materiality	Type of impact	Target metric	Metric monitoring process	Reporting frequency	Target year	Executive compensation linkage
Environment	Climate change	Climate change mitigation	Critical	Impacts related to GHG emissions across our value chain and to our energy usage	E1: Climate change	Critical	Risk	CO2 re-duction	SBITi, CDP	Annually	2023	Yes*
	Climate change	Climate change adaptation	-	Exposure of APMs to climate-related physical risks (weather phenomena)	E1: Climate change	Medium	Risk	–	–	–	–	–
	Environment and ecosystems	Resource use & circular economy	Critical	Consumption of materials and raw materials, plus waste management and recycling (including return packaging)	E5: Resource use & circular economy	Key	Risk/ Opportunity	–	–	–	–	Yes*

*Liked through external ESG ratings

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GRI 3-2

ESG	ESG Category	Material topic	Impact materiality	Impact description	ESRS	Financially materiality	Type of impact	Target metric	Metric monitoring process	Reporting frequency	Target year	Executive compensation linkage
Social	Safety and security	Occupational health and safety	Informative	Risks of work-related injuries or fatalities	S1: Own workforce S2: Workers in the value chain	Key	Risk	APT, Courier Turnover	ERM	Quarterly	2023	Yes*
	DE&I	Diversity & equity	Informative	Equal opportunities, non-discrimination (due to age, nationality, gender, etc.)	S1: Own workforce	No	–	–	–	–	–	Yes*
	Accessibility	Access to logistics services	Critical	Improving access to logistics services (price, location, accessibility for disabled persons)	S3: Affected communities	Critical	Revenue	% population close to APM	Business Review	Quarterly	2023	Yes*
	Citizenship	Citizenship	Critical	Developing local businesses, aiding persons in need, including persons who are ill and persons with disabilities	S3: Affected communities	No	–	–	–	–	–	Yes*
	Climate advocacy	Climate advocacy	Critical	Fostering environmentally-friendly consumer habits, environmental education of customers	S4: Consumers & end-users	No	–	–	–	–	–	Yes*
	Employee relations and labour rights	Working conditions	Significant	Mental well-being of employees, working and wage conditions	S1: Own workforce S2: Workers in the value chain	Key	Risk	Employee Turnover	ERM	Quarterly	2023	Yes*
Governance	Business ethics	Corporate & data ethics	Important	Compliance with the Code of Ethics	G1: Business conduct	Key	Risk	Number of incidents	ERM	Quarterly	2023	Yes*
	Sustainable procurement	Supplier relations	Important	Compliance with the law by subcontractors and suppliers, control over working conditions of service providers and product suppliers	G1: Business conduct	Key	Risk	Number of incidents	ERM	Quarterly	2023	Yes*

*Liked through external ESG ratings

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GRI INDEX

Standard Number	Disclosure number	GRI Standards	Non-financial assurance	SDGs	UN Global Compact	Page/ Comments
General Disclosures 2021						
GRI 2	2-1	Organizational details				12
	2-2	Entities included in the organization’s sustainability reporting				275
	2-3	Reporting period, frequency, and contact point				275
	2-4	Restatements of information				276
	2-5	External assurance				277
	2-6	Activities, value chain and other business relationships				19,22
	2-7	Employees	X	SDG 8, 10		11, 187,296
	2-8	Workers who are not employees	X	SDG 8		187,297
	2-9	Governance structure and composition	X	SDG 5, 16		63,67,71
	2-10	Nomination and selection of the highest governance body		SDG 5, 16		63
	2-11	Chair of the highest governance body		SDG 16		65
	2-12	Role of the highest governance body in overseeing the management of impacts		SDG 16		63
	2-13	Delegation of responsibility for managing impacts				78
	2-14	Role of the highest governance body in sustainability reporting				275
	2-15	Conflicts of interest	X	SDG 16		116
	2-16	Communication of critical concerns				117
	2-17	Collective knowledge of the highest governance body				67
	2-18	Evaluation of the performance of the highest governance body				64
	2-19	Remuneration policies	X			84, 86, 87, 89, 99
	2-20	Process to determine remuneration	X			84
	2-21	Annual total compensation ratio	X			298
	2-22	Statement on sustainable development strategy				6,8
	2-23	Policy commitments		SDG 16		116,268
	2-24	Embeding policy commitments				116

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Standard Number	Disclosure number	GRI Standards	Non-financial assurance	SDGs	UN Global Compact	Page/ Comments
	2-25	Processes to remediate negative impacts				106, 118
	2-26	Mechanisms for seeking advice and raising concerns	X	SDG 16		117, 118
	2-27	Compliance with laws and regulations	X			119
	2-28	Membership of associations				272
	2-29	Approach to stakeholder engagement	X			255-257, 264, 270, 146, 148
	2-30	Collective bargaining agreements		SDG 8	Principle 3	298
Material Topics 2021						
GRI 3	3-1	Process to determine material topics	X			14, 280
	3-2	List of material topics	X			16, 286-287
	3-3	Management of material topics				283
Economic Performance						
GRI 201	201-1	Direct economic value generated and distributed	X	SDG 8, 9		156, 298
	201-2	Financial implications and other risks and opportunities due to climate change	X	SDG 13	Principle 7	113
	201-3	Defined benefit plan obligations and other retirement plans				299
Market Presence 2016						
GRI 202	202-1	Ratios of standard entry level wage by gender compared to local minimum wage		SDG 5, 8		299
Indirect Economic Impacts 2016						
GRI 203	203-1	Infrastructure investments and services supported		SDG 9		156, 300
Procurement Practices 2016						
GRI 204	204-1	Proportion of spending on local suppliers	X	SDG 8		301
Anti-corruption 2016						
GRI 205	205-1	Operations assessed for risks related to corruption		SDG 16	Principle 10	119
	205-2	Communication and training about anti-corruption policies and procedures	X	SDG 16	Principle 10	119, 302
	205-3	Confirmed incidents of corruption and actions taken	X	SDG 16	Principle 10	119

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GRI INDEX

Standard Number	Disclosure number	GRI Standards	Non-financial assurance	SDGs	UN Global Com-pact	Page/ Comments
Tax 2016						
Gri 207	207-1	Approach to tax	X	SDG 1, 10, 17	Principle 10	120
	207-2	Tax governance, control, and risk management	X	SDG 1, 10, 17		124
	207-3	Stakeholder engagement and management of concerns related to tax		SDG 1, 10, 17		125
	207-4	Country-by-country reporting		SDG 10, 17		122, 123
Materials 2016						
GRI 301	301-1	Materials used by weight or volume	X	SDG 8, 12	Principle 8, 9	177, 303
	301-2	Recycled input materials used	X	SDG 8, 12		177, 303
Energy 2016						
GRI 302	302-1	Energy consumption within the organization	X	SDG 7, 8, 12, 13	Principle 8, 9	166, 322
Emissions 2016						
GRI 305	305-1	Direct GHG emissions	X	SDG 3, 12, 13, 14, 15	Principle 8, 9	164, 315, 316, 317-321
	305-2	Energy indirect (Scope 2) GHG emissions	X	SDG 3, 12, 13, 14, 15		164, 315-317,318-322
	305-3	Other indirect (Scope 3) GHG emissions	X	SDG 3, 12, 13, 14, 15		164, 315-317, 318-322
	305-4	GHG emissions intensity	X	SDG 3, 13, 14, 15		176, 322
	305-5	Reduction of GHG emission	X	SDG 13, 14, 15		176
Waste 2020						
GRI 305	306-1	Waste generation and significant waste-related impacts		SDG 3, 6, 11, 12	Principle 8, 9	178
	306-2	Management of significant waste-related impacts		SDG 3, 6, 11, 12		155, 177
	306-3	Waste generated	X	SDG 3, 6, 11, 12		177 ,304
Employment 2016						
GRI 401	401-1	New employee hires and employee turnover	X	SDG 5, 8, 10		187, 305-306
	401-2	Benefits provided to full-time employee that are not provided to temporary or part--time employees		SDG 3, 5, 8		187
Supplier Environmental Assessment 2016						
GRI 308-1	308-1	New suppliers that were screened using envinronment criteria		SDG 13		126

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Standard Number	Disclosure number	GRI Standards	Non-financial assurance	SDGs	UN Global Compact	Page/ Comments
Occupational Health and Safety 2018						
GRI 403	403-1	Occupational health and safety management system	X	SDG 3, 8, 16	Principle 1	128
	403-2	Hazard identification, risk assessment, and incident investigation	X	SDG 8		128
	403-3	Occupational health services	X	SDG 8		128
	403-4	Worker participation, consultation, and communication on occupational health and safety	X	SDG 8, 16	Principle 1	128
	403-5	Worker training on occupational health and safety	X	SDG 8		128
	403-6	Promotion of worker health		SDG 3, 8		128
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	X	SDG 8		128
	403-8	Workers covered by an occupational health and safety	X	SDG 8		307
	403-9	Work-related injuries	X	SDG 3, 8, 16		309
	403-10	Work-related ill health		SDG 3, 8, 16		310
Training and Education 2016						
GRI 404	404-1	Average hours of training per year per employee	X	SDG 4, 5, 8, 10		189, 310
	404-2	Programs for upgrading employee skills and transition assistance programs		SDG 8		188
	404-3	Percentage of employees receiving regular performance and career development reviews	X	SDG 5, 8, 10	Principle 6	189, 311
Diversity and Equal Opportunity 2016						
GRI 405	405-1	Diversity of governance bodies and employees	X	SDG 5, 8	Principle 6	312-314
	405-2	Ratio of basic salary and remuneration of women to men	X	SDG 5, 8, 10	Principle 6	314
Non-discrimination 2016						
Gri 406	406-1	Incidents of discriminations and corrective actions taken	X	SDG 5, 8, 16	Principle 6	119
Local communitities 2016						
GRI 413	413-2	Operations with significant actual and potential negative impacts on local communities		SDG 11		156
Supplier Social Assessment 2016						
GRI 414	414-1	New suppliers that were screened using social criteria				126
Public Policy 2016						
GRI 415	415-1	Political contributions		SDG 16	Principle 10	132
Customer Privacy 2016						
GRI 418	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	X	SDG 16	Principle 1	133, 323

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THE UNITED NATIONS GLOBAL COMPACT'S 10 PRINCIPLES FOR BUSINESSES

Global Compact Network Poland

		Section
Principle 1	Support and respect the protection of internationally proclaimed human rights.	ESG Pillar 3, taxonomy, governance
Principle 2	Ensure that business practices are not complicit in human rights abuses.	ESG Pillar 3, taxonomy, governance
Principle 3	Uphold the freedom of association and the effective recognition of the right to collective bargaining.	ESG Pillar 3, taxonomy, governance
Principle 4	Eliminate all forms of forced and compulsory labour.	ESG Pillar 3, taxonomy, governance
Principle 5	Abolish child labour.	ESG Pillar 3, taxonomy, governance
Principle 6	Eliminate discrimination in respect of employment and occupation.	ESG Pillar 3, taxonomy, governance
Principle 7	Adopt a precautionary approach to environmental challenges.	ESG Pillar 2, Management approach
Principle 8	Conduct environmentally responsible activities.	ESG Pillar 2, Management approach
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	ESG Pillar 1
Principle 10	Fight corruption in all its forms including extortion and bribery.	Governance

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ESG GOVERNANCE – POLICIES, MANAGEMENT SYSTEMS, CERTIFICATIONS, DUE DILIGENCE

TYPE	POLAND	MONDIAL RELAY (BE, FR, NL)	IBERIA (ES, PT)	UK	IT
Integrated management system					
Group Policies and documents	Divident Policy				
Local Policies and documents	Integrated Management System*/Quality Manual (KZSZ – Księga Zintegrowanego Systemu Zarządzania) covering: ISO 9001 – Quality management ISO 14001 – Environmental management ISO 45001 – Occupational health and safety ISO 28000 – Security management”		ISO 14001 ISO 9001 (to be implemented in 2024)		ISO 9001
Environmental issues					
Group Policies and documents	Environmental Policy Internal Carbon Pricing Guidelines ESG Strategy Decarbonisation Strategy				
Local Policies and documents	Integrated Management System*/Quality Manual (KZSZ – Księga Zintegrowanego Systemu Zarządzania) ISO 14001 ISO 14001 – Environmental management system	Regulatory energy audit NF EN 16247 Standart 2019-2023 (FR) Waste sorting 5 streams Decree 2016- 288 (FR) Regulatory GHG Assessment 2018 (BE, FR, NL) French Tertiary Decret (FR) Evcom commitment (FR) Signatory of the FEVAD Charter of Commit-ment to Reduce the Environmental Impact of E-commerce (FR)	ISO 14001		

*The Integrated Management System is regularly reviewed and certified. In 2023, system was audited and certified by external auditor QS Zurich AS. The IMS covers operations at InPost sp. z o.o. The Certificate states that the system includes “Modern courier and fulfillment @services ”. These services are provided by InPost sp. z o.o. and they are the core activities of the parent company InPost S.A. and key operations in Poland. Based on revenue in 2023 operations in InPost sp. z o.o. represented 60% of Group’s revenue. On this basis, it can be said that IMS covers 60% of the InPost Group’s operations.

TYPE	POLAND	MONDIAL RELAY (BE, FR, NL)	IBERIA (ES, PT)	UK	IT
Employee issues					
Group Policies and documents	Delegation Policy in the Group Code of conduct				
Local Policies and documents	MBO regulations Working Regulations Teleworking Regulations Remuneration Policy Bonus Policy Training and Development Policy	Labour Code (FR) Labour Code (BE) Labour Code (NL) Road transport collective agreement (IDCC 16) (FR) Quality of life at F6 professionnal equality between menand women, and disabled workers (FR) Working hours agreement (FR) Agreement on the management jobs and career path (FR) Difficult work agreement (FR) Labour Code (BE, FR, NL) Home office agreement (FR) Mobility Charter (FR)	Expenses policy Referral policy Remote working Time registration policy	Sickness policy Redundancy policy Paternity leave policy Maternity leave policy Managing underperformance policy Jury service policy Holiday policy Grievance policy Flexible work policy Expenses policy Equal opportunities policy Employee data protection policy Disciplinary policy Dependent leave policy COVID-19 policy Bereavement leave policy “Work from anywhere” policy	Employee Handbook Manager Handbook Smartworking Policy IT Security Policy Annex to national labour agreement Cyber Security Informativa Gestanti Regulation for the use of computer tools, email, and the internet Instructions on personal data proces-sing in smart working Compliance policies
Respect for human rights					
Group Policies and documents	Diversity, Equity & Inclusion Policy Whistleblower Policy Anti-Harassment and Anti-Discrimination Policy Supplier Standards of Conduct				
Local Policies and documents	Code of Conduct for Business Partners	Harassment investigation process (FR)	Purchasing policy Suppliers Standards of conduct Equality Plan		Local Whistleblowing Policy

TYPE	POLAND	MONDIAL RELAY (BE, FR, NL)	IBERIA (ES, PT)	UK	IT
Counteracting corruption, bribery (ethical issues)					
Group Policies and documents	Insider Trading Policy Anti-Fraud Policy				
Local Policies and documents	Integrated Management System*/Quality Manual (KZSZ – Księga Zintegrowanego Systemu Zarządzania) ISO 45001	Committees for Health, Safety and Working Conditions (CSE) (FR) Conditions commission (CSSCT) (FR)			
Product quality					
Local Policies and documents	Integrated Management System*/Quality Manual (KZSZ – Księga Zintegrowanego Systemu Zarządzania) ISO 9001 Quality Policy (F_KZSZ 1 - Polityka Zintegrowanego Systemu Zarządzania)				
Social issues					
Group Policies and documents	Social Engagement Policy Stakeholder Engagement Policy ESG Strategy				
Local Policies and documents	Marketing communication policy				
Risk management					
Group Policies and documents	Enterprise Risk Management Methodology Rules of Procedure of the InPost Group Risk Committee				
Local Policies and documents		Business continuity plan (MR Plan de continuité de l'activité V 1.1 Coro- 20200312) (BE, FR, NL)			
Cyber security issues and data protection					
Group Policies and documents	Group Privacy Standard Group Data Protection Policy InPost Group Security Information Policy				
Local Policies and documents	Data Protection Policy	Information Information system security policy (PSSI Politique de sécurité du SI) (BE, FR, NL) GDRP (BE, FR, NL) IT Charter (BE, FR, NL)			

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GRI DISCLOSURES

GRI [2-7]
EMPLOYEES

	2023		2022		2021*	
	female	male	female	male	female	male
InPost Group						
permanent employees	2,089	3,035	1,541	2,300	1,119	1,615
temporary employees	907	1,036	1,053	1,269	5,242	
full-time employees	2,940	4,010	2,571	3,559	2,190	3,496
part-time employees	35	28	23	10	2,290	
non-guaranteed hours employees	21	33	0	0	0	0
all employees	**2,996**	**4,071**	**2,594**	**3,569**	**7,976**	
InPost Poland						
permanent employees	1,377	1,424	1,021	1,021	788	725
temporary employees	869	974	1,027	1,223	1,076	1,357
full-time employees	2,231	2,384	2,036	2,237	1,855	2,075
part-time employees	15	14	12	7	9	7
non-guaranteed hours employees	0	0	0	0	0	0
all employees	**2,246**	**2,398**	**2,048**	**2,244**	**3,946**	
Mondial Relay*						
permanent employees	615	1,497	448	1,190	290	838
temporary employees	36	61	26	43	2,809	
full-time employees	612	1,512	463	1,231	294	1,369
part-time employees	18	13	11	2	2,274	
non-guaranteed hours employees	21	33	0	0	0	0
all employees	**651**	**1,558**	**474**	**1,233**	**3,937**	
InPost International**						
permanent employees	97	114	72	89	41	52
temporary employees	2	1	0	3	0	0
full-time employees	97	114	72	91	41	52
part-time employees	2	1	0	1	0	0
non-guaranteed hours employees	0	0	0	0	0	0
all employees	**99**	**115**	**72**	**92**	**93**	

Methodology: In InPost Group, we classify as employees those individuals who are employed under a contract of employment, according to local laws.
* In 2021, Mondial Relay (France) reported “workers” under temporary employees. Accurate data is not available, therefore to have a full picture of employment, please read this table in conjunction with GRI 2-8.
** In 2021, under InPost International only data for the United Kingdom is reported.

GRI [2-8]
WORKERS WHO ARE NOT EMPLOYEES

	2023		2022		2021	
	female	male	female	male	female	male
InPost Group						
Agency workers	7,740		5,516		3,940	
Commission contract with hourly rate (including Internship contracts)	327	565	203	449	123	365
Management contract (Managers)	1	0	0	1	0	0
Management contract (highest governance body: Management Board + Supervisory Board)	2	5	2	6	2	6
Self-employment (including B2B contracts)	75	451	65	362	43	231
all	**9,166**		**6,604**		**4,710**	
InPost Poland*						
Agency workers	5,399		4,109		3,940	
Commission contract with hourly rate (including Internship contracts)	327	565	202	447	123	365
Management contract (Managers)	1	0	0	0	0	0
Management contract (highest governance body: Management Board + Supervisory Board)	2	5	2	6	0	5
Self-employment (including B2B contracts)	57	369	43	289	43	231
all	**6,725**		**5,098**		**4,707**	
Mondial Relay**						
Agency workers	1,968		63	1,334		
Commission contract with hourly rate (including Internship contracts)	0	0	1	2		
Management contract (Managers)	0	0	0	0		
Management contract (highest governance body: Management Board + Supervisory Board)	0	0	0	0		
Self-employment (including B2B contracts)	18	82	22	72		
all	**2,068**		**1,494**			
InPost International***						
Agency workers	373		3	7	0	
Commission contract with hourly rate (including Internship contracts)	0	0	0	0	0	0
Management contract (Managers)	0	0	0	1	0	0
Management contract (highest governance body: Management Board + Supervisory Board)	0	0	0	0	2	1
Self-employment (including B2B contracts)	0	0	0	1	0	0
all	**373**		**12**		**3**	

* In the calculation of the number of agency workers in Poland each year, we take into account the number of workers that is reported to the HR department. As a result, as of December 31st, 2023, 313 agency workers involved in Fulfilment warehouse operations have also been included.

** In 2021, Mondial Relay (France) reported "workers" under temporary employees. Accurate data is not available, therefore to have a full picture of employment, please read this table in conjunction with GRI 2-7.

***InPost International: Year-on-year difference due to more precise assumptions and data. In the calculation of the number of agency workers at Inpost International (Italy) we take into account the number of workers based on logistics invoices and additional estimates. For couriers, data based on logistics invoices. For depot workers, an estimate was made based on volume and hours of operation. Assumptions used: parcels/hour/FTE.

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GRI [2-21]:
ANNUAL TOTAL COMPENSATION RATIO

	InPost Group		
	2023	2022	2021
Annual compensation ratio*	253.6	252.7	373.9
Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees	1.1	0.9	6.1

Methodology: The share components of both Short-Term Incentives (STI) and Long-Term Incentives (LTI) are calculated based on the number of shares granted at the maximum level and the average price of InPost S.A. shares on Euronext stock exchange over 60 days period prior granting. Detailed information regarding the number of shares, their values, and data related to vesting and holding periods can be found on page 93.

[GRI 2-30]:
COLLECTIVE BARGAINING AGREEMENTS

	InPost Group		InPost Poland		Mondial Relay		InPost International*	
	2023	2022	2023	2022	2023	2022	2023	2022
Percentage of employees covered by collective bargaining agreements	31.0%	26.1%	0.0%	0.0%	96.0%	94.2%	45.0%	0.0%

Methodology: all markets were included. Increase in value at InPost International due to inclusion of National Collective Labor Contracts.

[GRI 201-1]:
DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED IN THE REPORTING PERIOD IN MILLIONS PLN

	InPost Group		
	2023	2022	2021
Direct economic value generated	**8,843.7**	**7,060.2**	**4,581.9**
Revenues	8,843.7	7,060.2	4,581.9
Economic value distributed	**7,912.3**	**6,603.3**	**5,377.5**
Operating costs	6,282.0	5,262.0	3,144.6
Employee wages and benefits	1,051.5	850.1	606.3
Payments to providers of capital	359.0	255.8	1,371.5
Payments to governement	202,3	226.4	252.8
Community investment	17.5	9.0	2.3
Economic value retained	**931.4**	**456.9**	**(795.6)**

Economic value generated presents the wealth produced by the Company and its impact on key stakeholders. It is a sum of economic value retained and economic value distributed.
Please be aware that the data presented in the table is not consistent with EBITDA.
All entitites included in the calculations. Data collected from entities donations and sponsorship as well as internal Accounting program.

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[GRI 201-3]:
DEFINED BENEFIT PLAN OBLIGATIONS AND OTHER RETIREMENT PLANS

	InPost Poland	
	2023	2022
Retirement plan	Employee Capital Plans According to the Law of 04.10.2018	Employee Capital Plans According to the Law of 04.10.2018
Value of liabilities	622,192.97 PLN	458,625.9 PLN
Type of participation	voluntary	voluntary
Level of participation	25% employees	15% employees
Percentage of salary contributed by employee	2%	2%
Percentage of salary contributed by employer	1.5%	1.5%

[GRI 202-1]:
RATIOS OF STANDARD ENTRY LEVEL WAGE BY GENDER COMPARED TO LOCAL MINIMUM WAGE

	2023		2022		2021	
	female	male	female	male	female	male
InPost Group						
Ratio of entry level wage of the organisations to the minimum wage	1.02	1.03	1.02	1.02	1.10	1.06
InPost Poland						
Ratio of entry level wage of the organisations to the minimum wage	1.00	1.00	1.00	1.00	1.14	1.14
Mondial Relay						
Ratio of entry level wage of the organisations to the minimum wage	1.05	1.04	1.03	1.03	1.00	1.00
InPost International*						
Ratio of entry level wage of the organisations to the minimum wage	1.36	1.30	1.50	1.42	1.73	1.40

Methodology: Ratio for InPost Group for 2023, 2022, 2021 as well as for Mondial Relay and InPost International for 2023 was calculated based on weighted average, where the weights correspond with the number of employees in each of the markets.
* for 2021 data only for the UK

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[GRI 203-1]
INFRASTRUCTURE INVESTMENTS AND SERVICES SUPPORTED

2023						
Extent of development of significant infrastructure investments						
No.	Name of the significant infrastructure investments	Size	Cost - value [PLN]	Duration	Current and expected impacts (positive or negative) on the community or local economies	Type of support (commercial/ in-kind/ pro bono)
1	Green investments (f.e green roofs)	200 APMs	517,000.0	January-December 2023	Positive: impact on urban biodiversity, lowering the temperature of APMs, supporting measures for sustainable cities and combating climate change, embedding APMs in the urban space	Pro bono
2	Green investments around the APMs	4 APMs	59,000.0	April-September 2023	Positive: impact on urban biodiversity, lowering the temperature of APMs, supporting measures for sustainable cities and combating climate change, embedding APMs in the urban space	Pro bono
3	Soil sensors	9	8,900.0	December 2023	Positive: optimization of water consumption when watering plants	In kind
4	API for four cities with air results from sensors located on APMs	4	n/a	n/a	Positive: additional source of information on the state of pollution for cities and citizen	In kind
	Planting trees	50	33,800.0	November 2023	Positive: involving residents in climate action	In kind
5	Playground in Łódź	500m2	121,000.0	November 2023	Positive: investment for local communities	In kind
	Solar benches	6	119,000.0	December 2023	Positive: investment for local communities	In kind
Extent of development of significant services provided						
No.	Name of the significant services provided	Size	Cost - value [PLN]	Duration	Current and expected impacts (positive or negative) on the community or local economies	Type of support (commercial/ in-kind/ pro bono)
1	Fitting the APMs into the urban fabric in accordance with the guidelines of the City of Poznan	25	100,000.0	January-December 2023	Positive: reflect the character of the city of Poznan	In kind
2	Education support	3 cities: Warszawa, Łódź, Wrocław,	300,000.0	January-December 2023	„Positive: investment in student competence development 1. Lodz - funding of two scholarships for students under the „"Young in Lodz"" programme 2. Warszawa - funding funding of scholarships under the Seed Project 3. Wrocław - scholarships"	Pro bono

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[GRI 203-1]
INFRASTRUCTURE INVESTMENTS AND SERVICES SUPPORTED

2022						
Extent of development of significant infrastructure investments						
No.	Name of the significant infrastructure investments	Size	Cost - value [PLN]	Duration	Current and expected impacts (positive or negative) on the community or local economies	Type of support (commercial/ in-kind/ pro bono)
1	Warsaw - Mokotow pocket park	800m2	504,200.0	July 2022- December 2022	Positive - financial support in the implementation of AdaptCity - Warsaw's climate change adaptation strategy	Pro bono
2	Green investments	9 cities (Gniezno, Cracow, Warsaw, Katowice, Wroclaw, Rumia, Srem, Przemysl, Skrazysko-Kamienna)	136,665.6	May-November 2022	Positive - new plantings, increasing biodiversity, cooperation with cities	Pro bono (8), in kind (1)
3	Installation of air sensors	2 cities (Rzeszow, Cracow)	104,985.0	June - November 2022	Positive - 33 new air sensors, cooperation with cities	Pro bono
4	Additional infrastructure investments	4 cities (Gniezno, Skrazysko-Kamienna, Cracow, Czestochowa)	81,709.57	April - December 2022	Positive - investments in small architecture, supporting revitalizaton, cooperation with cities	In kind
5	EV depots infrastructure. Charging stations.	30 InPost depots	9,780,000.0	Feb 2022-Feb 2023	Positive - popularization of EV, improvement in air quality	Commercial
Extent of development of significant services provided						
No.	Name of the significant services provided	Size	Cost - value [PLN]	Duration	Current and expected impacts (positive or negative) on the community or local economies	Type of support (commercial/ in-kind/ pro bono)
1	Inscribing the machine into the urban fabric	3 cities (Gniezno, Srem, Sopot)	14,200.0	March - June 2022	Positive - consistency of the APM apperance with the surroundings	Pro bono
2	Education support	3 cities (Lodz, Skarżysko-Kamienna, Lublin)	72,167.92	May - November 2022	Positive - supporting children with new equipment, scholarships and knowledg about ecology	Probono (2), In kind (1)

Data only for InPost Poland. Part of the investments was made under InPost Green City Programme. In 2023 programme is planned to be implemented in France.

[GRI 204-1]:
PROPORTION OF SPENDING ON LOCAL SUPPLIERS

	InPost Group	InPost Poland		Mondial Relay	InPost International
	2023	2023	2022	2023	2023
Percentage of the procurement budget spent on local suppliers	95.4%	96.0%	94.4%	91.8%	87.3%

Methodology: In the calculation a local supplier is a company that is headquartered and pays taxes in the country of operations. In the integrated report for 2022, only data for InPost Poland was reported due to the process of formulating global structures for procurement at InPost Group. Significant locations of operation: Poland, France, Belgium, Netherlands, Spain, Portugal, Italy, United Kingdom.

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[GRI 205-2]:
COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES

	2023		2022	
	Percentage of employees that the organization's anti-corruption policies and procedures have been communicated to	Percentage of employees that have received training on anti-corruption	Percentage of employees that the organization's anti-corruption policies and procedures have been communicated to	Percentage of employees that have received training on anti-corruption
InPost Group	**100.0%**	**55.3%**	**96.5%**	**58.2%**
Management Team (n-1)	100.0%	24.3%	82.2%	73.3%
Middle Management	100.0%	78.1%	98.5%	75.6%
Other employees	100.0%	50.7%	96.0%	52.1%
InPost Poland*	**100.0%**	**70.0%**	**100.0%**	**72.3%**
Management Team (n-1)	100.0%	0.0%	n/a	n/a
Middle Management	100.0%	93.4%	100.0%	94.0%
Other employees	100.0%	67.2%	100.0%	65.1%
Mondial Relay	**100.0%**	**25.9%**	**87.5%**	**26.4%**
Management Team (n-1)	100.0%	26.3%	61.9%	42.9%
Middle Management	100.0%	68.2%	94.9%	33.1%
Other employees	100.0%	9.2%	85.1%	13.8%
InPost International	**100.0%**	**37.4%**	**100.0%**	**93.9%**
Management Team (n-1)	100.0%	22.2%	100.0%	100%
Middle Management	100.0%	61.1%	100.0%	100%
Other employees	100.0%	19.8%	100.0%	91.0%
Highest Governance Bodies	**100.0%**	**36.4%**	**90.0%**	**50.0%**
Management Board**	100.0%	0.0%	66.7%	66.7%
Supervisory Board	100.0%	50.0%	100.0%	42.9%

Methodology: Although all employees of InPost Group are informed about anti-corruption policies and procedures, not all employees are subject to anti-corruption trainings due to the characteristic of their work performed.
* In InPost Poland, a training schedule is established every year, with anti-corruption policy training taking place in April 2023. As of the training, 96.7% of the employees registered for the training have taken and passed it, with 99.4% passing rate across the Middle Management and 96.2% among Other Employees. The percentage in the table above show percentage as of the disclosure from GRI 2-7, as of December 31st, 2023
** Although the Management Board of the InPost SA did not undergo training like the other employees, they have thoroughly familiarized themselves with the new Anti-fraud policy. The Board oversaw and adopted an Anti-Fraud policy, as it is responsible for implementing a Compliance System and managing risk associated with anti-corruption. More about the Board's responsibilities in managing the Compliance System can be found in the ‚Basis of Corporate Governance' section of the report.

	Percentages of business partners that the organization's anti-corruption policies and procedures have been communicated to	
	2023	2022
InPost Group	**26.9%**	**1.9%**
InPost Poland*	**94.7%**	**0.7%**
Temporary work agencies	69.2%	12.5%
Suppliers of products	0.0%	1.8%
Suppliers of services	95.8%	0.3%
Mondial Relay	**4.3%**	**2.9%**
Temporary work agencies	30.0%	50.0%
Suppliers of products	2.2%	2.0%
Suppliers of services	11.8%	3.9%
InPost International**		**100.0%**
Temporary work agencies		100.0%
Suppliers of products		n/a
Suppliers of services		100.0%

* In calculating for InPost Poland, all temporary work agencies and service suppliers were informed about the Supplier Standards of Conduct, which outline the expected business conduct and anti-corruption policies. The percentage represents the ratio of those informed to those that were in a business relationship with InPost as of December 31st, 2023. Starting from 2024, all new partners will be made aware of the Supplier Standards of Conduct.

** Not available data for 2023 for InPost International.

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GRI [301-1]:
MATERIALS USED BY WEIGHT OR VOLUME [t]

	InPost Group		InPost Poland		Mondial Relay		InPost International	
	2023	2022	2023	2022	2023	2022	2023	2022
Non-renewable materials used	**6,430.2**	**4,854.9**	**4,940.0**	**3,368.3**	**1,464.8**	**1,420.2**	**25.4**	**65.4**
Plastic:	**2,255.2**	**2,302.6**	**1,029.9**	**1,026.5**	**1,203.1**	**1,235.3**	**22.2**	**39.9**
Plastic pallets	631.6	396.6	420.0	252.0	211.6	130.3	0.0	14.3
Plastic stretch	507.2	759.1	288.1	443.1	212.8	291.8	6.3	24.2
Plastic bags/ poly mailers	1,031.8	1,099.0	267.1	325.6	748.8	771.4	15.9	1.1
Plastic cloth parcel bags	30.4	45.6	0.5	3.7	29.9	41.7	0.0	0.2
Punched pockets	54.2	2.3	54.2	2.1	0.0	0.1	0.0	0.1
Metal	**2,059.8**	**1,475.1**	**2,059.8**	**1,446.0**	**0.0**	**11.0**	**0.0**	**18.1**
Glass	**2.8**	**1.5**	**2.8**	**1.5**				
Other non-renewable materials	**2,112.4**	**1,075.7**	**1,847.5**	**894.3**	**261.7**	**173.9**	**3.2**	**7.4**
Labels	592.6	133.3	327.7	122.1	261.7	4.2	3.2	6.9
Other	1,519.8	942.4	1,519.8	772.2	0.0	169.7	0.0	0.5
Renewable materials used	**7,795.4**	**3,364.6**	**4,302.2**	**1,137.1**	**3,226.2**	**2,226.5**	**267.0**	**1.0**
Paper	151.2	62.2	150.1	38.8	1.1	22.9	0.0	0.4
Cardboard	4,229.4	3,059.6	949.8	1,079.5	3,012.6	1,979.9	267.0	0.3
Wood	3,330.5	237.3	3,118.0	13.8	212.5	223.5	0.0	0.0
Other renewable	84.3	5.5	84.3	5.0	0.0	0.2	0.0	0.3

Methodology:
2022: Recalculation of materials (InPost Poland: branches) as a result of revised methodology and more accurate data related with weights of materials used. In 2022 we have estimated particular weights of materials based on average figures available in the general market sources (such as publicly available product specifications). In 2023 we have performed a number of physical observations which included measurement of weight of particular categories of materials. Taking into consideration more accurate and reliable data we have restated 2022 numbers. Based on the change in methodology, recalculated estimates were made for: **Mondial Relay - Spain**: categories: plastic pallets, plastic cloth parcel bags, punched pockets, labels, other non-renewable and renewable materials; **Mondial Relay - Portugal**: all categories; **InPost International**: all categories for both markets. **2023:** additional subcategories have been identified due to internal verification: labels and punched pockets. Glass category applies only to InPost Poland due to APM production. **InPost Poland:** The increase in „renewable materials used" is due to the inclusion of the use of wooden pallets (recycled) at InPost Poland (branches). No data available for 2022. **InPost International**: data for InPost Italy. In 2023 no materials used at InPost UK due to outsourcing of services.
Effect of the recalculation: Non-renewable materials used: InPost Poland before: 571.1 t, after: 1,151.6 t (+102%), Mondial Relay before: 1,452.0 t, after: 1,420.1 t (-2%), InPost International before: 16.9 t, after: 65.3 t (+286%); Renewable material used: InPost Poland before: 1,126.9, after: 1,137.1 (+1%), Mondial Relay before: 2,243.4, after: 2,226.4 (-1%), InPost International before: 0.4, after: 1.0 (+150%).

GRI [301-2]:
RECYCLED INPUT MATERIALS USED

	InPost Group		InPost Poland		Mondial Relay		InPost Internatio-nal	
	2023	2022	2023	2022	2023	2022	2023	2022
Non-renewable (Plastic):	**5.5%**	**10.9%**	**22.0%**	**29.2%**	**7.8%**	**2.4%**	**53.1%**	**0.0%**
Plastic bags/ poly mailers	27.2%	18.9%	67.9%	54.9%	11.5%	3.9%	84.9%	0.0%
Plastic stretch	0.5%	0.0%	0.0%	0.0%	1.2%	0.0%	0.0%	0.0%
Plastic pallets	4.2%	0.0%	0.0%	0.0%	12.5%	0.0%	0.0%	n/a
Plastic cloth parcel bags	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Punched pockets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewable	**55.6%**	**0.0%**	**78.6%**	**0.0%**	**29.4%**	**0.0%**	**0.0%**	**0.0%**
Paper	0.00%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a
Wood	92.6%	-	100.0%	-	-	-	-	-
Cardboard	29.5%	0.0%	31.4%	0.0%	31.5%	0.0%	0.0%	0.0%

Methodology:
InPost Poland: Plastic bags/poly mailers - category includes poly mailers with Blue Angel Certificate. Blue Angel certificate ensures that 80% of those materials are recycled, so the amount is reported accordingly (t of Blue Angel materials *80%). Wood - category includes wooden pallets reused in branches. Cardboard: Materials with FSC Mix certificate are not included, as they consists of both recycled and non-recycled materials.
InPost International: data only for InPost Italy. In 2023 no materials used at InPost UK due to outsourcing of services.

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GRI [306-3]:
WASTE GENERATED [t]

	InPost Group		InPost Poland		Mondial Relay		InPost International*	
	2023	2022	2023	2022	2023	2022	2023	2022
Non-hazardous								
Branches and Offices - municipal waste	**1,173.4**	**1,120.6**	**1,165.1**	**1,076.0**	**8.3**	**95.8**	**0.0**	**43.4**
Mixed municipal waste (unsorted waste)	935.2	970.3	930.2	848.7	5.0	92.0	0.0	34.2
Plastic & Metal	97.1	90.7	96.3	86.2	0.8	1.0	0.0	3.5
Glass	41.9	49.6	41.4	47.3	0.5	0.4	0.0	1.9
Paper and carboard	75.2	76.9	73.2	71.6	2.0	2.4	0.0	2.9
Bio	24.0	23.1	24.0	22.2	0.0	0.0	0.0	0.9
Branches - waste from operations	**9,242.0**	**6,421.2**	**3,015.9**	**1,885.9**	**6,226.1**	**4,459.3**	**0.0**	**76.1**
Paper and cardboard	4,891.0	4,416.2	2,186.8	1,438.9	2,704.2	2,919.3	0.0	58.1
Plastic	957.7	519.7	477.2	372.8	480.5	131.9	0.0	15.0
Metal	21.2	0.0	20.4	0.0	0.8	0.0	0.0	0.0
Wood	1591.3	183.8	276.8	58.3	1,314.5	123.1	0.0	2.4
Other	1,780.8	1,301.5	54.7	15.9	1,726.1	1,285.0	0.0	0.6
APMs production waste	**1,058.6**	**809.4**	**1,053.6**	**809.4**				
Paper and cardboard	130.2	150.4	130.2	150.4				
Plastic	1.8	37.0	1.8	37.0				
Metal (aluminium,magnelis,steel, iron, stainless steal)	564.1	288.1	564.1	288.1				
Wood	266.8	286.7	266.8	286.7				
Isolation materials	0.0	0.0	0.0	0.0				
Other	6.9	10.6	6.9	10.6				
Mixed waste from concrete, rubble and similar	88.8	36.6	88.8	36.6				
Hazardous								
„TOTAL weight of hazardous waste (Waste from non-regulatory shipments and Production and warehousing of APMs)"	106.6	64.1	106.6	64.1				

Methodology: Recalculation of municipal waste (branches and offices) at InPost Poland is a result of revised methodology and more accurate data related with weights of waste generated. Waste for 2022 was originally calculated based on indicators from scientific sources, reports available online. These were typical densities of municipal waste from residents. Waste for 2022 was recalculated according to new indicators, which were worked out with the municipal company. Garbage trucks serving the facilities are equipped with scales, and based on this data and consultations, we were given averaged weights of municipal waste. Compared to the typical waste from residents, the waste at the branches is definitely lighter, e.g. through the high proportion of paper towels in mixed waste or varnished paper. Due to the continuous improvement of the waste monitoring process, internal audits are planned in 2024 at selected facilities to verify the municipal waste generated. Based on the observations made, final waste factors will be developed.

*InPost International: Due to waste estimation at InPost UK, data for 2022 has also been recalculated. Due to the lack of operational control over waste at InPost Italy, the figures for 2022 have been revised. In 2023, no waste generated at InPost UK due to outsourced services. Change of estimation ratio from revenue to volume.

Effect of the recalculation: Municipal waste: InPost Poland before: 2,087.7 t, after: 1,165.1 t (– 48%), InPost International before: 22.4 t, after: 43.4 t (+93.9%). Waste from operations: InPost International before: 155.9 t, after: 76.1 t (-51.2%).

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GRI [401-1]:
NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

BY GENDER:

	2023			2022			2021		
	female	male	all	female	male	all	female	male	all
InPost Group									
new employee hires - number	964	1,478	2,442	888	1,329	2,217	920	1,305	2,225
new employee hires - rate	32.2%	36.3%	34.6%	34.3%	37.3%	36.0%	41.9%	43.9%	43.1%
employees turnover - number	564	963	1,527	568	847	1,415	484	776	1,260
employees turnover - rate	18.8%	23.7%	21.6%	21.9%	23.7%	23.0%	22.0%	26.1%	24.4%
InPost Poland									
new employee hires - number	605	710	1,315	624	748	1,372	812	1,053	1,865
new employee hires - rate	27.0%	29.6%	28.3%	30.5%	33.4%	32.0%	43.5%	50.6%	47.2%
employees turnover - number	414	549	963	463	591	1,054	422	601	1,023
employees turnover - rate	18.5%	22.9%	20.8%	22.6%	26.4%	24.6%	22.7%	28.9%	25.9%
Mondial Relay									
new employee hires - number	309	721	1,030	230	540	770	70	207	277
new employee hires - rate	47.5%	46.2%	46.6%	48.5%	43.8%	45.1%	24.1%	24.7%	24.6%
employees turnover - number	166	426	592	87	220	307	48	151	199
employees turnover - rate	25.5%	27.3%	26.8%	18.4%	17.8%	18.0%	16.6%	18.0%	17.6%
InPost International									
new employee hires - number	50	47	97	34	41	75	38	45	83
new employee hires - rate	50.5%	40.9%	45.3%	47.2%	44.6%	45.7%	92.7%	86.5%	89.2%
employees turnover - number	20	22	42	18	36	54	14	24	38
employees turnover - rate	20.2%	19.1%	19.6%	25.0%	39.1%	32.9%	34.2%	46.2%	40.9%

Methodology:
New hires rate: Data calculated using the headcount method according to the formula: number of employees (employment contract) employed in 2023/ number of all employees (employment contract), as of 31.12.2023, 31.12.2022 and 31.12.2021 respectively.
Turnover rate: Data calculated using the headcount method according to the formula: number of employees (employment contract) who left in the year 2023/ number of all employees (employment contract), as at 31.12.2023, 31.12.2022 and 31.12.2021 respectively. Data collected in HR systems and local data files collected by responsible person.

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GRI [401-1]:
NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

BY AGE:

	2023			2022			2021		
	under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old
InPost Group									
new employee hires - number	1170	1123	149	1026	1096	95	1192	967	66
new employee hires - rate	16.6%	15.9%	2.1%	44.7%	32.6%	18.9%	56.8%	35.9%	17.6%
employees turnover - number	662	735	130	588	741	86	615	583	62
employees turnover - rate	9.4%	10.4%	1.8%	25.6%	22.1%	17.1%	29.3%	21.6%	16.6%
InPost Poland									
new employee hires - number	720	545	50	685	647	40	1027	791	47
new employee hires - rate	15.5%	11.7%	1.08%	38.8%	28.1%	18.4%	59.8%	39.0%	23.4%
employees turnover - number	454	452	57	459	541	54	523	466	34
employees turnover - rate	9.8%	9.7%	1.2%	26.0%	23.5%	24.9%	30.5%	23.0%	16.9%
Mondial Relay									
new employee hires - number	423	511	96	313	402	55	132	129	16
new employee hires - rate	19.2%	23.1%	4.4%	64.9%	42.5%	19.6%	43.0%	19.8%	9.4%
employees turnover - number	197	256	69	110	170	27	80	96	23
employees turnover - rate	8.9%	11.6%	3.1%	22.8%	18.0%	9.6%	26.1%	14.8%	13.5%
InPost International									
new employee hires - number	27	67	3	28	47	0	33	47	3
new employee hires - rate	12.6%	31.3%	1.4%	60.9%	42.3%	0.0%	103.1%	82.5%	75.0%
employees turnover - number	11	27	4	19	30	5	12	21	5
employees turnover - rate	5.1%	12.6%	1.9%	41.3%	27.0%	71.4%	37.5%	36.8%	125.0%

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[GRI 403-8]:
WORKERS COVERED BY AN OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

	2023								2022					
	InPost Group		InPost Poland*		Mondial Relay		InPost International		InPost Group		InPost Poland		Mondial Relay*	
	number	%	number	%	number	%	number	%	number	%	number	%	number	%
Employees														
Number of all who are covered by occupational health and safety (OHS) management system	4,982	70.5%	2,677	57.7%	2,209	100.0%	96	44.9%	3,891	63.1%	4,289	100%	1,411	100.0%
Number of all who are covered by OHS system that has been internally audited	2,777	39.3%	2,677	57.7%	100	4.5%	0	0.0%	2,480	40.2%	2,480	57.8%	0	0%
Number of all who are covered by OHS system that has been audited or certified by an external party	676	9.6%	580	12.5%	0	0.0%	96	44.9%	540	8.8%	541	12.6%	0	0%
Workers														
Number of all who are covered by occupational health and safety (OHS) management system	7,339	80.1%	6,291	93.5%	1,048	50.7%			5,098	77.2%	5,098	100.0%	1,232	100%
Number of all who are covered by OHS system that has been internally audited	6,376	69.6%	6,291	93.5%	85	4.1%			5,098	77.2%	5,098	100.0%	0.0%	0.0%
Number of all who are covered by OHS system that has been audited or certified by an external party	654	7.1%	654	9.7%	0	0.0%			888	13.4%	888	17.4%	0.0%	0.0%
All														
Number of all who are covered by occupational health and safety (OHS) management system	12,321	75.9%	8,968	78.9%	3,257	76.2%			8,989	70.4%	9,387	100%	2,643	100%
Number of all who are covered by OHS system that has been internally audited	9,153	56.4%	8,968	78.9%	185	4.3%			7,578	59.4%	7,578	80.7%	0.0%	0.0%
Number of all who are covered by OHS system that has been audited or certified by an external party	1,330	8.2%	1,234	10.9	0	0.0%			1,429	11.2%	1,428	15.2%	0.0%	0.0%

Methodology: For the purposes of the calculation, the number of non-employee workers as of the last day of the reporting period was used. No data available for InPost UK for both categories: employees and non-employee workers.

* The number consists of employees of InPost Sp z o.o., who are covered by the OHS management system, while employees of other polish companies are covered by local regulations in the area of OHS.

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GRI [403-9]:
WORK-RELATED INJURIES

EMPLOYEES

	2023						2022					
	Female			Male			Female			Male		
	hours worked	number	rate	hours worked	number	rate	hours worked	number	rate	hours worked	number	rate
InPost Group												
Number of recordable work-related injuries	5,440,572	79	2.9	6,956,440	180	5.2	4,966,802	62	2.5	6,569,023	156	4.7
InPost Poland												
Number of fatalities as a result of work-related injury	4,517,267	0	0	4,825,581	0	0	4,315,017	0	0	4,730,481	0	0
Number of high-consequence work-related injuries (excluding fatalities		0	0		0	0		0	0		0	0
Number of recordable work-related injuries		34	1.5		51	2.1		22	1.0		28	1.2
Mondial Relay												
Number of fatalities as a result of work-related injury	745,841	0	0	1,922,555	0	0	570,425	0	0	1,689,264	0	0
Number of high-consequence work-related injuries (excluding fatalities		0	0		4	0.4		23	8.1		73	8.6
Number of recordable work-related injuries		45	12.1		128	13.3		40	14.0		128	15.2
InPost International												
Number of fatalities as a result of work-related injury	177,464	0	0	208,304	0	0	81,360	0	0	149,278	0	0
Number of high-consequence work-related injuries (excluding fatalities		0	0		0	0		0	0		0	0
Number of recordable work-related injuries		0	0		1	1.0		0	0		0	0

Methodlogy: ratio based on 200,000 hours worked. Number of recordable work-related injuries is a total number of work-related injuries.

In some countries there is no data regarding the hours worked by employees divided by genders, therefore it is estimated proprtionally to the number of employees by gender. In the case of workers it won't be possible in some countires, as there is no data about the number of workers by gender, so only the total numbers will be provided.

Due to the different classification of accidents with serious cosequences its not possible to present data in all categories for InPost Group.

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GRI [403-9]:
WORK-RELATED INJURIES

WORKERS

	2023			2022						2022					
	all			female			male			all					
	hours worked	number	rate	hours worked	number	rate	hours worked	number	rate	hours worked		number		rate	
InPost Group*															
Number of recordable work-related injuries	6,020,078	125	4.2	2,587,885	43	3.3	3,432,193	82	4.8	7,914,937		327		8.3	
InPost Poland*															
Number of fatalities as a result of work-related injury		0	0.0		0	0		0	0			0		0.0	
Number of high-consequence work-related injuries (excluding fatalities	5,081,878	1	0.0	2,467,933	0	0	2,613,945	1	0,08	4,593,521		0		0.0	
Number of recordable work-related injuries		103	4.1		36	2.9		67	5,13			66		2.9	
										female			**male**		
Mondial Relay*										**hours worked**	**number**	**rate**	**hours worked**	**number**	**rate**
Number of recordable work-related injuries		0	0.0		0	0		0	0	108,218	67	123.8	3,156,761	194	12.3
Number of high-consequence work-related injuries (excluding fatalities	926,500	2	0.4	116,052	1	1,72	810,448	1	0,25						
Number of recordable work-related injuries		22	4.7		7	12,06		15	3,7						
InPost International*															
Number of fatalities as a result of work-related injury		0	0.0		0	0		0	0		0	0.0		0	0.0
Number of high-consequence work-related injuries (excluding fatalities	11,700	0	0.0	3,900	0	0	7,800	0	0	5,085	0	0.0	51,352	0	0.0
Number of recordable work-related injuries		0	0.0		0	0		0	0		0	0.0		0	0.0

Methodlogy: ratio based on 200,000 hours worked. Number of recordable work-related injuries is a total number of work-related injuries.
In some countries there is no data regarding the hours worked by employees divided by genders, therefore it is estimated proprtionally to the number of employees by gender. In the case of workers it won't be possible in some countires, as there is no data about the number of workers by gender, so only the total numbers will be provided.
Due to the different classification of accidents with serious cosequences its not possible to present data in all categories for InPost Group.

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[GRI 403-10]:
WORK-RELATED ILL HEALTH

	InPost Poland				Mondial Relay				InPost International *			
	Work-related ill health: Employees		Work-related ill health: Non-employees		Work-related ill health: Employees		Work-related ill health: Non-employees		Work-related ill health: Employees		Work-related ill health: Non-employees	
	female	male	female	male	female	male	female	male	female	male	female	male
Number of fatalities as a result of work-related ill health	0	0	0	0	0	0	0	0	0	0	0	0
Number of cases of recordable work-related ill health	0	0	0	0	0	0	0	0	0	0	0	0

*InPost International: No data available for InPost UK.

GRI [404-1]:
AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE

	2023	2022	2021
InPost Group			
Female	18.9		
Male	19.2		
Management team (n-1)	4.9		
Middle management	25.6		
Other employees	16.8		
InPost Poland*			
Female	23.5	20.1	12.3
Male	26.9	23.9	14.7
Management team (n-1)	n/a	n/a	n/a
Middle management	37.7	26	26.4
Other employees	21.7	20.8	10.4
Mondial Relay			
Female	5.3		
Male	6.9		
Management team (n-1)	8.8		
Middle management	11.4		
Other employees	4.5		
InPost International			
Female	2.6		
Male	1.7		
Management team (n-1)	0.8		
Middle management	0.1		
Other employees	4.0		

Methodology: In the integrated report for the financial year 2022, data was collected only for InPost Poland.
* Data for InPost Poland are calculated on the basis of employees reported in GRI 2-7 and self-employed workers from 2-8. None of Management Team (n-1) in InPost Poland was meeting definition of an 'employee' according to the definition included in indicator 2-7.
Data for Mondial Relay and InPost International are calculated according to the definition.

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GRI [404-3]:
PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

	Performance reviews						Career development reviews					
	2023		2022		2021*		2023		2022		2021*	
	female	male	female	male	female	male	female	male	female	male	female	male
InPost Group												
Management Team (n-1)	86.7%	72.7%	56.3%	55.2%			53.3%	45.5%	37.5%	34.5%		
Middle management	80.6%	83.9%	89.8%	90.1%			60.4%	82.0%	41.5%	47.6%		
Other employees	93.5%	89.1%	94.1%	89.1%			18.5%	27.1%	41.5%	30.9%		
All employees	91.5%	88.0%	92.9%	89.1%			25.2%	37.2%	41.5%	35.4%		
InPost Poland*												
Management Team (n-1)	n/a	n/a	n/a	n/a	100.0%	100.0%	n/a	n/a	n/a	n/a	0.0%	0.0%
Middle management	100.0%	100.0%	100.0%	100.0%	47.0%	40.0%	43.9%	41.7%	52.9%	67.8%	100.0%	57.0%
Other employees	99.6%	99.2%	99.6%	99.0%	16.0%	17.0%	9.5%	9.4%	46.3%	43.7%	16.0%	20.0%
All employees	99.6%	99.3%	99.8%	99.3%	19.0%	20.0%	13.5%	17.1%	47.8%	50.5%	24.5%	24.5%
Mondial Relay**												
Management Team (n-1)	88.9%	100.0%	50.0%	53.8%	61.0%	97.0%	88.9%	100.0%	12.5%	7.7%	61.0%	97.0%
Middle management	76.9%	82.6%	60.9%	70.9%	60.0%	98.0%	76.9%	82.4%	4.0%	6.5%	60.0%	98.0%
Other employees	71.4%	71.4%	70.8%	74.1%	69.6%	79.4%	63.5%	61.0%	14.0%	6.5%	69.6%	79.4%
All employees	73.4%	74.5%	67.3%	71.3%	65.6%	83.3%	68.2%	66.9%	10.8%	6.5%	65.6%	83.3%
InPost International***												
Management Team (n-1)	100.0%	100.0%	62.5%	56.3%			0.0%	0.0%	62.5%	56.3%		
Middle management	0.0%	0.0%	88.2%	91.7%			0.0%	0.0%	88.2%	91.7%		
Other employees	75.9%	85.7%	59.6%	48.4%			0.0%	0.0%	59.6%	48.4%		
All employees	69.2%	73.7%	66.7%	55.4%			0.0%	0.0%	66.7%	55.4%		

Due to the lack of data for InPost International in 2021, data for the InPost Group for 2021 has not been calculated.
Percentage of career developments reviews for all employees in Poland in 2021 have been resettled.
* Data for InPost Poland is calculated on the basis of employees reported in GRI 2-7 and self-employed workers from 2-8. None of Management Team (n-1) in InPost Poland was meeting definition of an 'employee' according to the definition included in indicator 2-7.
** In Mondial Relay in 2021 there was no differentiation between performance reviews and career development reviews.
*** InPost International: in 2023 data collected only for Italy.

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GRI [405-1]:
TABLE 1 – DIVERSITY OF EMPLOYEES – AGE AND SEX

		2023			2022			2021		
		under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old
InPost Group										
female	Management Team (n-1)	0.00%	0.4%	0.1%	0.0%	0.2%	0.0%	13.7%	20.1%	2.9%
	Middle management	3.2%	10.9%	1.3%	2.7%	6.5%	0.5%			
	Other employees	32.7%	46.5%	4.7%	13.1%	17.0%	2.0%			
	all	36.0%	57.8%	6.2%	15.8%	23.7%	2.6%			
male	Management Team (n-1)	0.0%	0.4%	0.1%	0.0%	0.4%	0.1%	21.7%	34.6%	7.2%
	Middle management	3.1%	12.9%	2.4%	4.6%	9.7%	1.4%			
	Other employees	31.8%	41.7%	7.7%	16.8%	20.8%	4.2%			
	all	34.9%	55.1%	10.1%	21.5%	30.8%	5.6%			
all	Management Team (n-1)	0.00%	0.41%	0.10%	0.0%	0.6%	0.1%	35.4%	54.6%	10.0%
	Middle management	3.1%	12.1%	1.9%	7.2%	16.2%	1.9%			
	Other employees	32.2%	43.8%	6.4%	30.0%	37.8%	6.2%			
	all	35.3%	56.2%	8.4%	37.2%	54.6%	8.2%			
InPost Poland										
female	Management Team (n-1)	0.0%	0.0%	0.0%	n/a	n/a	n/a	20.1%	25.0%	2.1%
	Middle management	1.6%	7.6%	0.3%	2.9%	6.9%	0.2%			
	Other employees	36.3%	50.5%	3.7%	16.0%	19.9%	1.8%			
	all	37.8%	58.1%	4.1%	18.9%	26.9%	1.9%			
male	Management Team (n-1)*	0.0%	0.0%	0.0%	n/a	n/a	n/a	23.4%	26.4%	3.0%
	Middle management	2.0%	9.6%	0.5%	5.5%	8.8%	0.3%			
	Other employees	37.9%	44.2%	5.9%	16.8%	18.1%	2.8%			
	all	39.8%	53.7%	6.4%	22.3%	26.9%	3.1%			
all	Management Team (n-1)*	0.0%	0.0%	0.0%	n/a	n/a	n/a	43.5%	51.4%	5.1%
	Middle management	1.8%	8.6%	0.4%	8.4%	15.7%	0.5%			
	Other employees	37.1%	47.2%	4.9%	32.8%	38.0%	4.6%			
	all	38.9%	55.9%	5.3%	41.2%	53.7%	5.1%			

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GRI [405-1]:
TABLE 1 – DIVERSITY OF EMPLOYEES – AGE AND SEX

		2023			2022			2021		
		under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old
Mondial Relay										
female	Management Team (n-1)	0.0%	1.1%	0.3%	0.0%	0.4%	0.1%	7.2%	15.0%	3.6%
	Middle management	8.1%	19.4%	5.1%	2.1%	5.3%	1.4%			
	Other employees	22.6%	34.7%	8.8%	6.1%	9.6%	2.8%			
	all	30.7%	55.1%	14.1%	8.2%	15.3%	4.3%			
male	Management Team (n-1)	0.1%	0.4%	0.2%	0.1%	0.4%	0.2%	20.0%	42.7%	11.5%
	Middle management	4.4%	16.5%	5.3%	2.7%	12.2%	4.0%			
	Other employees	23.8%	38.4%	10.9%	17.2%	27.4%	7.9%			
	all	28.3%	55.3%	16.4%	20.0%	40.1%	12.1%			
all	Management Team (n-1)	0.0%	0.6%	0.2%	0.1%	0.8%	0.4%	27.2%	57.7%	15.1%
	Middle management	5.5%	17.3%	5.2%	4.8%	17.6%	5.4%			
	Other employees	23.4%	37.3%	10.3%	23.3%	37.0%	10.7%			
	all	29.0%	55.3%	15.7%	28.2%	55.4%	16.4%			
InPost International										
female	Management Team (n-1)	0.0%	4.0%	2.0%	0.0%	4.9%	0.0%	16.1%	24.7%	3.2%
	Middle management	9.1%	32.3%	0.0%	2.4%	6.7%	1.2%			
	Other employees	18.2%	33.3%	1.0%	11.0%	17.1%	0.6%			
	all	27.3%	69.7%	3.0%	13.4%	28.7%	1.8%			
male	Management Team (n-1)	0.0%	9.6%	0.0%	0.6%	9.1%	0.0%	18.3%	36.6%	1.1%
	Middle management	7.8%	33.0%	1.7%	0.6%	6.1%	0.6%			
	Other employees	12.2%	33.9%	0.9%	13.4%	23.8%	1.8%			
	all	20.0%	77.4%	2.6%	14.6%	39.0%	2.5%			
all	Management Team (n-1)	0.0%	7.0%	0.9%	0.6%	14.0%	0.0%	34.4%	61.3%	4.3%
	Middle management	8.4%	32.7%	0.9%	3.0%	12.8%	1.8%			
	Other employees	15.0%	33.6%	0.9%	24.4%	40.9%	2.4%			
	all	23.4%	73.8%	2.8%	28.0%	67.7%	4.3%			

Methodology: Data includes employees (employment contract) as of 31.12.2023, 31.12.2022 and 31.12.2021 respectively.

All entities included in the calculations. Data collected in HR systems: Poland – Optima, France – ADP, Belgium and Netherlands – Securex, Spain, Portugal, Italy and UK – HiBOB.

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GRI [405-1]:
TABLE 1 – DIVERSITY OF EMPLOYEES – AGE AND SEX

		2023			2022		
		under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old
InPost Group							
Management Board	female	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	male	0.0%	33.3%	66.7%	0.0%	66.7%	33.3%
	all	0.0%	33.3%	66.7%	0.0%	66.7%	33.3%
Supervisory Board	female	0.0%	25.0%	12.5%	0.0%	14.3%	14.3%
	male	0.0%	0.0%	62.5%	0.0%	14.3%	57.1%
	all	0.0%	25.0%	75.0%	0.0%	28.6%	71.4%

GRI [405-2]:
RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN

		InPost Group			InPost Poland			Mondial Relay			InPost International*		
		2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Management Team (n-1)	Ratio of the basic salary of women to men	102.0%			n/a	n/a	102.8%	129.7%			72.9%		
	Ratio of the remuneration of women to men	67.0%			n/a	n/a	90.3%	84.8%			48.2%		
Middle Management	Ratio of the basic salary of women to men	80.2%			98.7%	101.9%	76.4%	62.7%			97.4%		
	Ratio of the remuneration of women to men	91.1%			93.5%	95.8%	65.3%	84.6%			122.6%		
Other employees	Ratio of the basic salary of women to men	78.6%			90.8%	85.8%	83.7%	45.1%			100.3%		
	Ratio of the remuneration of women to men	92.6%			86.1%	81.1%	76.5%	107.5%			126.1%		

Methodology: InPost International – data for remuneration in all categories only for InPost Italy. Management Team (n-1): Mondial Relay – data only France and Spain due to none of Management Team (n-1) was meeting definition of an 'employee' according to the definition included in indicator 2-7 in the other markets. Middle Management: Mondial Relay – no data available for remuneration in Belgium and Netherlands; Other employees: no data available for remuneration in Belgium.

GRI [305-1, 305-2, 305-3]
2023 EMISSION SOURCES, DATA SOURCES, ASSUMPTIONS, EMISSION FACTORS

	InPost Poland	Mondial Relay		InPost International
	PL	FR, BE, NL	ES, PT	UK, IT
Scope 1	Emission sources: fuels used in stationary and mobile combustion, refrigerants (HFCs) Data sources: fuels used in mobile combustion - invoices Fuels used in stationary combustions - invoices with attachments, estimation HFCs - reports from services	Emission sources: fuels used in mobile combustion Data sources: fuels used in mobile combustion - invoices, for NL consumption estimated from costs, for PT supplier's regi-ster		
	Emission factors: fuels, HFCs - DEFRA 2023, biofuel content based on European Environmental Agency - Fuel quality monitoring in the EU in 2020, one HFC's (R449A) not available in DEFRA - GWP from producer's website			
Scope 2	Emission sources: electricity consumption in APMs, branches, offices, electric cars (from public chargers), heat consumption in offices Data sources: electricity consumption in APMs - meter readings for majority of APM's, estimation for the rest Electricity and heat consumption in branches, offices - invoices with attachments for majority of consumption, estimation for the rest Electricity consumption in electric cars (from public chargers) - reports from suppliers Electricity from renewable energy sources - Guaranties of Origin, supplier statements	Emission sources: electricity consumption in APMs, branches, offices, electric cars (FR) Data sources: for FR, UK electricity consumption in APMs - meter readings for part of APMs, estimation for the rest, for ES, IT based on average daily consumption by APM from 2023 for FR Electricity consumption in branches, offices - invoices with attachments or the majority of consumption, estimation for the rest, or the UK (office) estimated based on revenue ratio to PL Electricity consumption by electric cars - invoices		
	Emission factors: electricity AIB 2022 market-based - residual mix, location-based supply mix, for FR - ADEME 2023 for location- and market-based, heat, electicity from biomass combustion DEFRA 2023			
Cat. 1 Purchased goods and servi-ces	Emission sources: packaging materials, other goods and services as OPEX. Data sources packaging materials - data from internal sources, OPEX costs; ES - packaging based on internal sources, rest estimated on revenue ratio to FR			
	Emission factors: packaging materials - DEFRA 2023, other goods and services as OPEX - ADEME V23.2, Quantis 2016			
Cat. 2 Capital goods	Emission sources: APM modules, other capital goods as CAPEX Data sources: APM modules - data from internal sources and carbon footprint of product was calculated based on ISO 14067 norm, CAPEX costs Emission factors: APM modules - Ecoinvent, DEFRA 2022, other capital goods as CAPEX - Quantis 2016			
Cat. 3 Fuel- and energy related activities (not included in scope 1 or scope 2)	Emission sources, data sources: as for scope 1 and 2, T&D losses - World Bank Emission factors: DEFRA 2023			

contents

GRI [305-1, 305-2, 305-3]
2023 EMISSION SOURCES, DATA SOURCES, ASSUMPTIONS, EMISSION FACTORS

	InPost Poland	Mondial Relay		InPost International
	PL	FR, BE, NL	ES, PT	UK, IT
Cat. 4 Upstream transportation and distribution	Emission sources: last mile, middle mile, APM transport Data sources: transport data from internal systems, fuel consumption estimated on HBEFA data Emission factors: DEFRA 2023, biofuel content based on European Environmental Agency - Fuel quality monitoring in the EU in 2020 WTT factors included	Emission sources: last mile, middle mile Data sources: middle mile - data from internal systems; last mile estimated on number of stops and average distance between PUDOs/APMs Emission factors: internal Mondial Relay emission factor based on ADEME, DEFRA 2023 WTT factors included	Emission sources: last mile, middle mile Data sources: transport data from internal systems, fuel consumption estimated on HBEFA data Emission factors: DEFRA 2023, biofuel content based on European Environmental Agency - Fuel quality monitoring in the EU in 2020 WTT factors included	Emission sources: last mile, middle mile Data sources: IT - transport data from internal systems, fuel consumption estimated on HBEFA data; UK - emission data provided by suppliers (Menzies, Royal Mail), estimation for other suppliers based on parcel volume Emission factors: DEFRA 2023, biofuel content based on European Environmental Agency - Fuel quality monitoring in the EU in 2020 WTT factors included
Cat. 5 Waste generated in operations	Emission sources: waste management Data sources: data from internal systems, estimation Emission factors: DEFRA 2023			Not applicable
Cat. 6 Business travel	Emission sources: business travels Data sources: for flight data from travel agency, for other transport modes estimation based on ratio from 2021 (precise analysis was done) Emission factors: supplier emission, DEFRA 2023 included WTT factors	Emission sources: business travels Data sources: for flight and train data from travel agency, for cars reports from rental agencies Emission factors: supplier emission included WTT factors	Emission sources: business travels Data sources: for flight and train data from travel agency; for cars: May -December 2023 internal systems for business trip settelment, January-April 2023 data estimation based on rest of the year activity Emission factors: DEFRA 2023 included WTT factors	Emission sources: business travels Data sources: IT - for flight data from travel agency, UK - estimated on number of employees ratio to PL Emission factors: DEFRA 2022 included WTT factors
Cat. 7 Employee commuting	Emission sources: employee commuting Data sources: estimation based on number of employees, 30 km daily, according to 2008 ENTD study: 74% by car 13% by public transport 10% on foot or by bicycle 3% by two wheels Emission factors: DEFRA 2023	Emission sources: employee commuting Data sources: 2008 ENTD study, internal sources Emission factors: ADEME V23.2	Emission sources: employee commuting Data sources: estimation based on number of employees, 30 km daily, according to 2008 ENTD study: 74% by car 13% by public transport 10% on foot or by bicycle 3% by two wheels Emission factors: DEFRA 2023	Emission sources: employee commuting Data sources: estimation based on number of employees, 30 km daily, according to 2008 ENTD study: 74% by car 13% by public transport 10% on foot or by bicycle 3% by two wheels Emission factors: DEFRA 2023

GRI [305-1, 305-2, 305-3]
2023 EMISSION SOURCES, DATA SOURCES, ASSUPMTIONS, EMISSION FACTORS

	InPost Poland	Mondial Relay		InPost International
	PL	FR, BE, NL	ES, PT	UK, IT
Cat. 9 Downstream transport and distribution	Emission sources: transport connected with sending and receiving parcels by customers Data sources: estimation based on questionnaire survey conducted in Poland (calculation for Poland and all other markets except UK), UK - estimation based on questionnaire survey conducted in the UK Emission factors: DEFRA 2023 WTT factors included			
Cat. 12 End-of-life of sold products	Emission sources: sold packaging materials Data sources: data from internal systems Emission factors: DEFRA 2023	Not applicable		
Cat. 14 Franchises	Emission sources: electricity consumption in partner branches Data sources: invoices with attachments for majority of consumption, estimation for the rest	Not applicable	Emission sources: electricity consumption in partner branches Data sources: estimation based on average electricity consumption per square metre in controled facilities in Spain	Emission sources: electricity consumpton in partner branches (IT) and offices (UK) Data sources: IT - estimation based on average electricity consumption per square metre in France, UK - estimated on revenue ratio to PL
	Emission factors: electricity AIB 2022 market-based - residual mix WTT factors included			
Cat. 15 Investments	Not applicable			Emission sources: 30% shares in Menzies - we report 30% of Menzies emissions generated in the period in which InPost held shares less Menzies emissions reported in cat. 4. Data sources: Menzies data: carbon footprint reported in 2022 Emission factors: Menzies's emission
Cat. 8 Upstream leased assets Cat. 10 Processing of sold products Cat. 11 Use of sold prodsucts Cat. 13 Downstream leased assets	Not applicable			

PERCENTAGE OF EMISSIONS CALCULATED USING DATA OBTAINED FROM SUPPLIERS OR OTHER VALUE CHAIN PARTNERS

Scope 3 Category	InPost Poland	Mondial Relay	InPost International
Category 1	0%	0%	0%
Category 2	14%	15%	17%
Category 3	0%	0%	0%
Category 4	55%	64%	100%
Category 5	0%	0%	Not applicable
Category 6	55%	84%	29%
Category 7	0%	0%	0%
Category 9	0%	0%	0%
Category 12	0%	Not applicable	
Category 14	18%	0%	0%
Category 15	Not aplicable		100%

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RESTATEMENTS OF GRI [2-4]
FOR 2021 AND 2022. RESTATED EMISSION SOURCES, DATA SOURCES, ASSUMPTIONS OR EMISSION FACTORS. EFFECT OF THE RESTATEMENTS

	InPost Poland	Mondial Relay		InPost International
	PL	FR, BE, NL	ES, PT	UK, IT
Scope 1	Stationary and mobile combustion - emissions from diesel and gasoline consumption: Recalculation is a result of unification of calculation for the years 2021-2023 and applying new methodology which considers standard biocomponent share in fuels in European Union based on report issued by European Environmental Agency - Fuel quality monitoring in the EU in 2020 (diesel B7/B10 and gasoline E5/E10). Applying this methodology allowed us to separate biogenic emissions reported as „Outside of scope".			
	Stationary combustion - heat sources: due to more precise classification of heat sources in 2023 (such as LNG, LPG, natural gas and heating oil) the appropriate recalculation has been made and due to this change the emissions were recalculated.			
Scope 1 effect of the restatement	2021 before: 8,774 t CO2e after: 8,321 t CO2e % change: -5% 2022 before: 5,199 t CO2e after: 5,113 t CO2e % change: -2%	2021 before: 1,409 t CO2e after: 1,247 t CO2e % change: -11% 2022 before: 1,166 t CO2e after: 1,092 t CO2e % change: -6%		2021 before: 41 t CO2e after: 37 t CO2e % change: -11% 2022 before: 301 t CO2e after: 254 t CO2e % change: -16%
Scope 2	Purchased electricity - emission from energy consumption in Parcel Lockers: In 2023 in Parcel Lockers there has been implemented a new functionality of tracking actual energy consumption in most of the machines in network in Poland, France and UK. The new data is much more accurate, what allows to do more precise estimation for 2022 and 2021, while previously it was entirely estimated based on electricity costs.			
	Purchased electricity - emission factors: For 2023 emission factor for electricity were unified - for market- based and location-based energy consumption source of emission factor is European Residual Mixes, 2022 prepared by Association of Issuing Bodies. To maintain data uniformity for 2021 and 2022, was used previous years reports from the same institution.			
	Purchased Electricity - Energy Consumption in Buildings (2021): in 2023, revisions were made to the boundaries of operational control. Consequently, seven facilities, which were previously reported under Scope 2, are now classified under Scope 3, Category 14. District Heat: Similar to the adjustments in Scope 1, inconsistencies in the assignment of heat sources were addressed in 2023. Following these modifications, emissions calculations were revised and updated.	Purchased electricity - energy consumption in Parcel Lockers in PT, NL: Recalculation is a result of applying new methodology of estimation electricity consumption in APMs. Previously emission were estimated based on revenue ratio but up until 2023, there were actually no Automated Parcel Machines (APM) operational in these countries.		Purchased electricity - energy consumption in buildings IT: In 2023 the boundaries of operational control were revised. As result emissions from branch operation in Italy are considered as out of control and moved to Scope 3, Category 14.
Scope 2 market-based effect of the restatement		2022 10% 2022 -6%		2021 -25% 2022 -27%

RESTATEMENTS OF GRI [2-4]
FOR 2021 AND 2022. RESTATED EMISSION SOURCES, DATA SOURCES, ASSUMPTIONS OR EMISSION FACTORS.
EFFECT OF THE RESTATEMENTS

	InPost Poland	Mondial Relay		InPost International
	PL	FR, BE, NL	ES, PT	UK, IT
Scope 2 market-based effect of the restatement	2021 before: 24,999 t CO2e after: 19,043 t CO2e % change: -24% 2022 before: 28,804 t CO2e after: 28,173 t CO2e % change: -2%	2021 before: 422 t CO2e after: 465 t CO2e % change: 10% 2022 before: 768 t CO2e after: 720 t CO2e % change: -13%		2021 before: 463 t CO2e after: 349 t CO2e % change: -45% 2022 before: 1,187 t CO2e after: 870 t CO2e % change: -44%
Scope 2 location-based effect of the restatement	2021 before: 25,157 t CO2e after: 18,025 t CO2e % change: -28% 2022 before: 29,921 t CO2e after: 27,709 t CO2e % change: -7%	2021 before: 422 t CO2e after: 405 t CO2e % change: -4% 2022 before: 768 t CO2e after: 672 t CO2e % change: -6%		2021 before: 463 t CO2e after: 257 t CO2e % change: -45% 2022 before: 1,189 t CO2e after: 659 t CO2e % change: -44%
Cat. 1 Purchased goods and services	2022 emissions were recalculated as a result of changes in weight of packagings materials which are described in GRI [2-4] table. Data sources: data from internal systems Emission factors: DEFRA 2022			
Cat. 1 effect of the restatement	2021 no change 2022 before: 35,633 t CO2e after: 36,343 t CO2e % change: 2%	2021 no change 2022 before: 11,854 t CO2e after: 12,488 t CO2e % change: 5%		2021 no change 2022 before: 1,330 t CO2e after: 1,431 t CO2e % change: 8%
Cat. 2 Capital goods	APM production: The recalculation of GHG emission from APM production is the result of finalising the project of carbon footprint product calculation according ISO 14067 norm, which provided datailed emission factors for all produces Parcel Lockers modules. In addition improved methodology allocation of emission on markets based on weight transported APM, which allow to reflect more accurate split emissions between countries. Emission factors: the same as for 2023			

RESTATEMENTS OF GRI [305-1, 305-2, 305-3]
FOR 2021 AND 2022. RESTATED EMISSION SOURCES, DATA SOURCES, ASSUMPTIONS OR EMISSION FACTORS.
EFFECT OF THE RESTATEMENTS

	InPost Poland	Mondial Relay		InPost International
	PL	FR, BE, NL	ES, PT	UK, IT
Cat. 2 effect of the restatement	2021 before: 162,287 t CO2e after: 102,654 t CO2e % change: -37% 2022 before: 70,165 t CO2e after: 78,111 t CO2e % change: 11%	2021 before: 7,830 t CO2e after: 4,262 t CO2e % change: -46% 2022 before: 23,279 t CO2e after: 4,475 t CO2e % change: -81%		2021 before: 52,910 t CO2e after: 26,132 t CO2e % change: -51% 2022 before: 20,798 t CO2e after: 19,305 t CO2e % change: -7 %
Cat. 3 Fuel- and energy-related activities (not included in scope 1 or scope 2)	WTT energy was recalculated to reflect all the activities reported in Scope 1 and 2: biofuels consideration, new estimation of energy consumption in Parcel Lockers, heating sources review and updated allocation of emissions from operation in partner branches. FR, BE, NL: supplementing missing calculation for WTT energy consumption Emission factors: update of emission factors according used for Scope 1 and 2 calculation, DEFRA 2021, 2022			
Cat. 3 effect of the restatement	2021 before: 6,988 t CO2e after: 6,348 t CO2e % change: -9% 2022 before: 9,967 t CO2e after: 10,143 t CO2e % change: 2%	2021 before: 196 t CO2e after: 323 t CO2e % change: 65% 2022 before: 253 t CO2e after: 429 t CO2e % change: 70%		2021 before: 60 t CO2e after: 51 t CO2e % change: -15% 2022 before: 176 t CO2e after: 364 t CO2e % change: 107 %
Cat. 4 Upstream transportation and distribution	Last mile: The system used for tracking couriers' activity have some limitation, which caused in specific situations double counting of the driven kilometres. After the implementation of new system of transport data collecting, there was available the data with better quality, and that enables us to improve the accuracy of the estimation. Data sources: estimation based on the data from 2023 Emission factors: DEFRA 2021, 2022 WTT factors included	NL: Supplementing the missing calculation for WTT emissions Data sources: based on TTW data Emission factors: DEFRA 2021, 2022		UK: Change in amount of emission due to emission factor unification (the same approach as in Scope 2). Data sources: internal systems and estimations Emission factors: electricity AIB 2022 market-based - residual mix
Cat. 4 effect of the restatement	2021 before: 166,923 t CO2e after: 138,984 t CO2e % change: -17% 2022 before: 194,138 t CO2e after: 143,601 t CO2e % change: -26%	2021 no changes 2022 before: 75,034 t CO2e after: 75,059 t CO2e % change: ~0%		2021 before: 1,796 t CO2e after: 1,768 t CO2e % change: -2% 2022 no changes

RESTATEMENTS OF GRI [305-1, 305-2, 305-3]
FOR 2021 AND 2022. RESTATED EMISSION SOURCES, DATA SOURCES, ASSUMPTIONSS OR EMISSION FACTORS.
EFFECT OF THE RESTATEMENTS

	InPost Poland	Mondial Relay		InPost International
	PL	FR, BE, NL	ES, PT	UK, IT
Cat. 5 Waste generated in operations	Recalculation of municipal waste in 2022 (branches and offices) which is a result of revised methodology and more accurate data related with weights of waste generated. Details are described in GRI [2-4] table.	ES: Correction of emission factors Data sources: internal systems Emission factors: DEFRA 2022		UK: Emissions are estimated based on emissions in Poland. The recalculation results from the recalculation of emissions in Poland IT: After the revision of the organizational boundaries, it was identified that in Italy we do not have facilities over which we have operational control, and thus emissions in this category in 2021-2022 were unjustly estimated. Data sources: UK: estimation on revenue ratio to PL Emission factors: DEFRA 2022
Cat. 5 effect of the restatement	2021 no changes 2022 before: 510 t CO2e after: 269 t CO2e % change: -47%	2021 no changes 2022 before: 237 t CO2e after: 115 t CO2e % change: -52%		2021 before: 29 t CO2e after: 28 t CO2e % change: -3% 2022 before: 30 t CO2e after: 10 t CO2e % change: -67%
Cat. 6 Business travel	no changes	Relocation of WTT emissions for business travel previously reported in Category 3 Data sources: travel agencies reports, estimations Emission factors: DEFRA 2021, 2022		no changes
Cat. 6 effect of the restatement	no changes	2021 before: 50 t CO2e after: 99 t CO2e % change: 98% 2022 before: 114 t CO2e after: 128 t CO2e % change: 12%		no changes
Cat. 9 Downstream transport and distribution	Emission sources: After research was carried out in Poland and UK in 2023/2024 on the methods of dropping off and picking up parcels from APM/PUDO, emissions for this category were estimated and it was considered significant. These emissions were estimated for the years 2021 - 2022. Data source: surveys proceed in Poland and UK in 2023, internal systems Emission factors: DEFRA 2021, 2022			
Cat. 9 effect of the restatement	2021 before: 0 t CO2e after: 17,015t CO2e % change: category not reported before 2022 before: 0 t CO2e after: 20,257 t CO2e % change: category not reported before	2021 before: 0 t CO2e after: 11,711 t CO2e % change: category not reported before 2022 before: 0 t CO2e after: 14,246 t CO2e % change: category not reported before		2021 before: 0 t CO2e after: 2,219 t CO2e % change: category not reported before 2022 before: 0 t CO2e after: 5,233 t CO2e % change: category not reported before
Cat. 12 End-of-life of sold products	2022 emissions were recalculated as a result of changes in weight of packagings materials which are described in GRI [2-4] table. Data sources: data from internal systems Emission factors: DEFRA 2022	no changes		no changes

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RESTATEMENTS OF GRI [305-1, 305-2, 305-3] FOR 2021 AND 2022. RESTATED EMISSION SOURCES, DATA SOURCES, ASSUMPTIONS OR EMISSION FACTORS. EFFECT OF THE RESTATEMENTS

	InPost Poland	Mondial Relay		InPost International
	PL	FR, BE, NL	ES, PT	UK, IT
Cat. 12 effect of the restatement	no changes 2022 before: 21 t CO2e after: 21 t CO2e % change: ~0%	no changes		no changes
Cat. 14 Franchises	In 2023, there were revisions made to the scope of operational control over branches, leading to changes in how emissions from its operations (such as energy consumption or heating) were allocated between Scope 1 and 2, and Scope 3 Category 14. Data source: invoices, estimation Emission factors: DEFRA 2021, 2022 (in accordance with emission factors used for Scope 1 and Scope 2 calculation)			
Cat. 14 effect of the restatement	2021 before: 0 t CO2e after: 379 t CO2e % change: category not reported before 2022 before: 1,697 t CO2e after: 2,635 t CO2e % change: 55%	no changes		2021 before: 0 t CO2e after: 12 t CO2e % change: category not reported before 2022 before: 16 t CO2e after: 183 t CO2e % change: 1042%

RESTATEMENTS OF GRI [305-4] FOR 2021 AND 2022.

	InPost Group	
	2022	2021
Scope 1, 2, 3 - market-based emissions per revenue [t CO2e/m PLN]	before: 71	before: 118
	after: 68	after: 97
	% change: -5%	% change: -17%

RESTATEMENTS OF GRI [302-1] FOR 2021 AND 2022.

	InPost Poland	Mondial Relay	InPost International
Recalculations and changes are made based on the sources and assumptions made for the disclosure GRI 305-1,2,3.			
Fuels (non-renewable sources)	2021 before: 159,106 GJ after: 135,807 GJ % change: -15% 2022 before: 82,709 GJ after: 78,529 GJ % change: -5%	2021 before: 19,921 GJ after: 19,040 GJ % change: -4% 2022 before:16,246 GJ after: 15,067 GJ % change: -7%	2021 before: 803 GJ after: 713 GJ % change: -11% 2022 before: 4,810 GJ after: 3,589 GJ % change: -25%
Fuels renewable sources)	2021 before: 0 GJ after: 1,281 GJ % change: not reported before 2022 before: 0 GJ after: 1,706 GJ % change: not reported before	2021 before: 0 GJ after: 582 GJ % change: not reported before 2022 before: 0 GJ after: 573 GJ % change: not reported before	2021 before: 0 GJ after: ~0 GJ % change: not reported before 2022 before: 0 GJ after: 43 GJ % change: not reported before
Purchased electricity and heating (non-renewable sources)	2021 before: 122,006 GJ after: 91,852 GJ % change: -25% 2022 before: 161,145 GJ after: 128,657 GJ % change:-20%	2021 before: 21,175 GJ after: 21,156 GJ % change: ~0% 2022 before: 31,105 GJ after: 29,311 GJ % change: -6%	2021 before: 7,844 GJ after: 4,868 GJ % change: -38% 2022 before: 21,678 GJ after: 13,310 GJ % change: -39%
Purchased electricity (renewable sources)	no changes	no changes	no changes

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GRI [418-1]:
SUBSTANTIATED COMPLAINTS CONCERNING BREACHES OF CUSTOMER PRIVACY AND LOSSES OF CUSTOMER DATA

	InPost Group			InPost Poland			Mondial Relay			InPost International		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Substantiated complaints received concerning breaches of customer privacy	**38**	**41**	**45**	**34**	**37**	**45**	**0**	**4**	**0**	**3**	**0**	**n/a**
Complaints received from outside parties and substantiated by the organisation	33	39	40	30	35	40	0	4	0	3	0	n/a
of low severity	30	29		27	29		0	0		3	0	n/a
of medium severity	0	9		0	6		0	3		0	0	n/a
of high severity	3	1		3	0		0	1		0	0	n/a
Complaints from regulatory bodies	5	2	5	4	2	5	0	0	0	0	0	n/a
of low severity	1	1		1	1		0	0		0	0	n/a
of medium severity	0	0		0	0		0	0		0	0	n/a
of high severity	4	1		3	1		0	0		0	0	n/a
Total identified leaks, thefts, or losses of customer data	**4**	**41**	**3**	**1**	**37**	**2**	**0**	**4**	**1**	**3**	**0**	**n/a**
of low severity	3	33		0	30		0	3		3	0	n/a
of medium severity	0	7		0	6		0	1		0	0	n/a
of high severity	1	1		1	1		0	0		0	0	n/a

Methodology: All complaints for InPost UK in 2021 are included in InPost Poland.

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TCFD

TCFD CONTENT INDEX
THE TABLE BELOW PROVIDES PAGE REFERENCES OF TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) INFORMATION INCLUDED IN THIS REPORT.

Area	Disclosure	Page
Governance Disclose the organisation's governance around climate-related risks and opportunities.	Description of the board's oversight of climate-related risks and opportunities.	61, 71, 77-79, 102-106
	Description of management's role in assessing and managing climate-related risks and opportunities.	102-106
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	Climate-related risks and opportunities identified over the short, medium, and long term.	113-115
	Impact of climate-related risks and opportunities on the businesses, strategy, and financial planning.	113-115
	Resilience of the strategy to different climate-related scenarios, including a 2°C or lower scenario.	113, 161-163
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks.	Processes for identifying and assessing climate-related risks.	102-106, 113
	Processes for managing climate-related risks.	106, 114
	Integration of climate-related risks into overall risk management.	102-106
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Metrics used to assess climate-related risks and opportunities in line with the strategy and risk management process.	164, 166, 176
	Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and related risks.	164
	Targets used to manage climate-related risks and opportunities and performance against targets.	162

TCFD - RISKS
TCFD EXAMPLES OF CLIMATE-RELATED RISKS AND POTENTIAL FINANCIAL IMPACTS WHICH WE INCLUDE IN OUR IDENTIFICATION AND ANALYSIS PROCESS

Type	Climate-Related Risks	Potential Financial Impacts
Transition Risks	**Policy and Legal**	
	– Increased pricing of GHG emissions – Enhanced emissions-reporting obligations – Mandates on and regulation of existing products and services – Exposure to litigation	– Increased operating costs (e.g. higher compliance costs, increased insurance premiums) – Write-offs, asset impairment, and early retirement of existing assets due to policy changes – Increased costs and/or reduced demand for products and services resulting from fines and judgments
	Technology	
	– Substitution of existing products and services with lower emissions options – Unsuccessful investment in new technologies – Costs to transition to lower emissions technology	– Write-offs and early retirement of existing assets – Reduced demand for products and services – Research and development (R&D) expenditures in new and alternative technologies – Capital investments in technology development – Costs to adopt/deploy new practices and processes
	Market	
	– Changing customer behaviour – Uncertainty in market signals – Increased cost of raw materials	– Reduced demand for goods and services due to shift in consumer preferences – Increased production costs due to changing input prices (e.g., energy, water) and output requirements (e.g. waste treatment) – Abrupt and unexpected shifts in energy costs – Change in revenue mix and sources, resulting in decreased revenues – Re-pricing of assets (e.g. fossil fuel reserves, land valuations, securities valuations)
	Reputation	
	– Shifts in consumer preferences – Stigmatisation sector – Increased stakeholder concern or negative stakeholder feedback	– Reduced revenue from decreased demand for goods/services – Reduced revenue from decreased production capacity (e.g. delayed planning approvals, supply chain interruptions) – Reduced revenue from negative impacts on workforce management and planning (e.g. employee attraction and retention) – Reduction in capital availability
Physical Risks	**Acute** – Increased severity of extreme weather events such as cyclones and floods **Chronic** – Changes in precipitation patterns and extreme variability in weather patterns – Rising mean temperatures – Rising sea levels	– Reduced revenue from decreased production capacity (e.g. transport difficulties, supply chain interruptions) – Reduced revenue and higher costs from negative impacts on workforce (e.g., health, safety, absenteeism) – Write-offs and early retirement of existing assets (e.g., damage to property and assets in "high-risk" locations) – Increased operating costs (e.g. inadequate water supply for hydroelectric plants or to cool nuclear and fossil fuel plants) – Increased capital costs (e.g. damage to facilities) – Reduced revenues from lower sales/output – Increased insurance premiums and potential for reduced availability of insurance on assets in "high-risk" locations

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TCFD - OPPORTUNITIES
TCFD EXAMPLES OF CLIMATE-RELATED OPPORTUNITIES AND POTENTIAL FINANCIAL IMPACTS WHICH WE INCLUDE IN OUR IDENTIFICATION AND ANALYSIS PROCESS

Type	Climate-Related Opportunities	Potential Financial Impacts
Resource Efficiency	– Use of more efficient modes of transport – Use of more efficient production and distribution processes – Use of recycling – Move to more efficient buildings – Reduced water usage and consumption	– Reduced operating costs (e.g., through efficiency gains and cost reductions) – Increased production capacity, resulting in increased revenues – Increased value of fixed assets (e.g., highly rated energy-efficient buildings) – Benefits to workforce management and planning (e.g., improved health and safety, employee satisfaction) resulting in lower costs
Energy Source	– Use of lower-emission sources of energy – Use of supportive policy incentives – Use of new technologies – Participation in carbon market – Shift toward decentralised energy generation	– Reduced operational costs (e.g., through use of lowest cost abatement) – Reduced exposure to future fossil fuel price increases – Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon – Returns on investment in low-emission technology – Increased capital availability (e.g., as more investors favour lower-emissions producers) – Reputational benefits resulting in increased demand for goods/services
Products and Services	– Development and/or expansion of low emission goods and services – Development of climate adaptation and insurance risk solutions – Development of new products or services through R&D and innovation – Ability to diversify business activities – Shift in consumer preferences	– Increased revenue through demand for lower emissions products and services – Increased revenue through new solutions to adaptation needs (e.g., insurance risk transfer products and services) – Better competitive position to reflect shifting consumer preferences, resulting in increased revenues
Markets	– Access to new markets – Use of public-sector incentives – Access to new assets and locations needing insurance coverage	– Increased revenues through access to new and emerging markets (e.g., partnerships with governments, development banks) – Increased diversification of financial assets (e.g. green bonds and infrastructure)
Resilience	– Participation in renewable energy programs and adoption of energy efficiency measures – Resource substitutes/diversification	– Increased market valuation through resilience planning (e.g. infrastructure, land, buildings) – Increased reliability of supply chain and ability to operate under various conditions – Increased revenue through new products and services related to ensuring resiliency

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TNFD CONTENT INDEX

Area	Disclosure	Page
Governance Disclose the organisation's governance of nature-related dependencies, impacts, risks and opportunities.	Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.	61, 71, 77-79, 102-106
	Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	102-106
	Describe the organisation's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	Area for further analysis in 2024
Strategy Disclose the effects of nature-related dependencies, impacts, risks and opportunities on the organisation's business model, strategy and financial planning where such information is material.	Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term.	102-106, 113-115, 161, 181, 182
	Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.	Area for further analysis in 2024
	Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.	Area for further analysis in 2024
	Disclose the locations of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	Area for further analysis in 2024
Risk management Describe the process used by the organisation to identify, assess, prioritise and monitor nature-related dependencies, impacts, risk and opportunities.	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations.	102-106, 161, 181, 182
	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).	102-106, 161, 181, 182
	Describe the organisation's processes for monitoring nature-related dependencies, impacts, risks and opportunities.	102-106, 161, 181, 182
	Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation's overall risk management processes.	102-106, 161, 181, 182
Metrics and targets Disclose the metrics and targets used to assess and manage material nature-related dependencies, impacts, risks and opportunities.	Disclose the metrics used by the organisation to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	Water consumption - 182. Area for further analysis in 2024
	Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.	Area for further analysis in 2024
	Describe the targets and goals used by the organisation to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.	Area for further analysis in 2024

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TRANSPORT DATA

TRANSPORT - GHG INTENSITY

	InPost Group	InPost Poland	Mondial Relay	InPost International
Transport performance - middle mile [tonne-kilometre]	1,114,101,747	597,972,518	420,527,778	95,601,451
Total TTW emission from middle mile [t CO2e]	101,328	54,374	37,311	9,643
Total WTW emission from middle mile [t CO2e]	125,902	67,845	46,062	11,994
Total TTW emission from middle mile per tonne-kilometere [kg CO2e/tkm]	0.091	0.091	0.089	0.101
Total WTW emission from middle mile per tonne-kilometere [kg CO2e/tkm]	0.113	0.114	0.110	0.126

The tonne-kilometres is measurement expressed as a product of distance and average weight of cargo. The data sources for distances are internal transport data management system or data provided by suppliers (UK). In Poland the average weight is based on number and weight of carriers per transport. The Polish data is also basis for average load factor (articulated trucks – 33%, rigid trucks -42% and vans - 100%) for estimation of average weight of cargo in Mondial Relay markets (FR, BE, NL, SP and PT) and UK. In Italy, the average weight is calculated based on data from transport management systems, and load factor is 70% in 2023.

PERCENTAGE OF DRIVEN DISTANCE BY VEHICLE ENERGY SOURCE

	First&Last Mile				Middle Mile			
	InPost Group	InPost Poland	Mondial Relay	InPost International	InPost Group	InPost Poland	Mondial Relay	InPost International
Diesel	95%	94%	100%	100%	98%	98%	97%	100%
Electricity (BEVs)	5%	6%	0%	0%	0%	0%	0%	0%
LNG	0%	0%	0%	0%	2%	2%	3%	0%
Suma końcowa	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

The share is based on number of kilometres driven during 2023.
The data source for distances and fuel types are internal transport data management systems.

ABBREVIATION LIST

APM	Automated Parcel Machine
CFC Directive	Controlled Foreign Company Directive
CPI	Consumer Price Index
CSDDD	Corporate Sustainability Due Diligence Directive
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
CTF	Counter-Terrorism Financing Policy
C2D	Client to Door
DAC 6	Directive - Council Directive
D+1	Next Day Delivery
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
ERM	Enterprise Risk Management
ESRS	European Sustainability Reporting Standards
EV	Electric Vehicles
FTE	Full-time equivalent
GDP	Gross Domestic Product
GHG	Greenhouse Gas Protocol
GRI	Global Reporting Initiative
IFRS	International Financial Reporting Standards
ILO	International Labour Organisation
IPO	Initial Public Offering
IVR	Interactive Voice Response
KPI	Key Performance Indicators
LTIP	Long Term Incentive Plan

MIP	Multi-Indication Pricing
NET – ZERO	An emission reduction of up to 90% of total GHG emissions and possible neutralisation by various types of treatments
NFRD	Non-Financial Reporting Directive
NGO	Non-Governmental Organisation
NPS	Net Promoter Score
OCI	Other Comprehensive Income
OECD	Organisation for Economic Co-operation and Development
OOH	Out of Home Delivery
PUDO	Pick Up Drop Off points
REC	Renewable Energy Certificates
RES	Renewable Energy Sources
rPET	Recycled Polyethylene Terephthalate
R&D	Research & Development
SBTi	Science Based Targets initiative
Scope 1, 2, 3	Categories of emissions according to GHG Protocol Methodology
SDGs	Sustainable Development Goals
SMEs	Small Medium Enterprises
STIP	Short Term Incentive Plan
TCFD	Taskforce on Climate-Related Financial Disclosures
TNFD	Taskforce on Nature-Related Financial Disclosures
to-door	Delivery to the address
UX	User Experience
VCM	Value Creation Model
WACC	Weighted Average Cost of Capital

InPost