



Eurocash Group Sustainable Development Report for 2022



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President of the Management Board of the Eurocash Group

Dear Ladies and Gentlemen,

We present you with the “Eurocash Group Sustainability Report for 2022.”

Being one of the largest Polish companies and a market leader in many segments, we feel tremendous responsibility resting upon us. We are keenly aware that our Group exerts a real impact not only on the industry in which it operates, but also on the national economy, the social environment, and the natural environment.

GRI 2-22



For 28 years in business, Eurocash has been demonstrating with its approach that business success can go hand in hand with sustainable development and concern for the well-being of Employees, Customers and Consumers, as well as local communities, for whom a neighbourhood shop often constitutes the centre of social life. The same belief guided us in 2022. With inflationary pressures, deteriorating consumer sentiment and critical changes in the social and political environment, we managed to do two things: on the one hand, we generated record financial results and announced a new business strategy for 2023-2025; on the other hand we undertook a number of extensive social and environmental responsibility measures, which are described in the following pages of this report.

The key action we took last year was our involvement in helping those fleeing the armed conflict in Ukraine. I am hugely impressed by how much heart and solidarity was shown by the Employees of the Eurocash Group, the Owners and teams of partner and franchise shops, our Partners and Consumers. Gestures of solidarity came from every side and allowed us to offer aid to refugees on an exceptional scale. We can count how many food parcels we have donated, what amounts have gone to those in need and how many of our colleagues' families have been able to repatriate to Poland. However, figures will hardly express the care, warmth and sense of security that we have been able to give to every person who has received aid thanks to the support of our Employees and Partners. For all this, I offer my sincere thanks!

In 2022, we completed a milestone in setting the direction for the development of the ESG area in the Eurocash Group. We adopted an ambitious decarbonisation strategy, whereby we have committed to reduce CO₂ emissions by almost 50 per cent by 2030. We want new Group facilities to be zero-emission, older facilities to cover a significant part of their energy needs from renewable sources, and the passenger car fleet to be at least 80 per cent green by 2025. Importantly, we have been one of the first Polish companies to include these goals in the global initiative Science Based Targets (SBTi). We have also appointed an expert ESG team. Its task will be to ensure that the ideas of sustainable development are visible in all aspects of the Group's operations. I am personally responsible for the work of this team.

We have been consistently implementing the Eurocash Group's Sustainable Development Strategy 2020+. We have accomplished the goals we set a few years ago, such as reducing CO₂ emissions compared to the previous year or ensuring safety at the workplace.

We are currently making an effort to update it with a view to addressing all the important changes that have taken place in the Group's environment, as well as to responding in a fully informed way to the impact our activities have on sustainable development. We are keen to ensure that it is in sync with the business strategy for 2023-2025 – “We Grow Together” – announced last year. It is dedicated to our most important stakeholders: Employees, Businesses and Consumers who buy every day at the Group's co-operating shops, as well as environmental issues. We want to be a top employer and create the best possible working conditions

for every person who decides to build Eurocash Group with us. We want to develop entrepreneurship in Poland and support owners of local shops in running their businesses at every stage of development. Last but not least, we want to provide safe, high-quality food to consumers across Poland, while preventing food waste and taking care of the natural environment.

For us, the development of the ESG area is more than a response to the needs of investors and stakeholders. I want to emphasise that our ambitions in this area are much greater: we desire to become a leader of sustainable change in the wholesale and retail industry.

I invite you to read the Report!



Sincerely yours

Paweł Surówka
President of the Eurocash
Group Management Board

Eurocash Group Sustainable Development Strategy

The Eurocash Group shapes its impact on the economic, social and natural environment in a responsible manner. Its ESG (Environmental, Social Impact, Governance) activities are guided by the Sustainable Development Strategy 2020+. Its four pillars respond to the needs and expectations of the Group's key stakeholders: employees, business partners, consumers and the less obvious one – our planet. The implementation of the strategy is overseen by the CEO of the Eurocash Group.



Four pillars of the strategy



Entrepreneurship development

Entrepreneurial development is embedded in the DNA of the Eurocash business model. The Group supports entrepreneurs and local shop owners by offering a wide range of products, providing a variety of business solutions as well as development and education opportunities.



Quality without compromise for everyone and food waste prevention

The Eurocash Group offers only safe products thanks to a quality-verified supply chain. In logistics processes and in wholesale and retail, the Group reduces food waste by using appropriate internal procedures, sharing knowledge and cooperating with social partners.



We use less

The Eurocash Group strives to reduce the use of energy and packaging raw materials and is consistent in reducing the amount of waste produced. One of the strategic projects for the Group is the decarbonisation of its operations.



Employee safety, health and engagement

The Eurocash Group guarantees safe jobs. Employees are appreciated for their entrepreneurship, commitment and reliability. The Group stands against discrimination in any form and at the same time promotes team diversity.

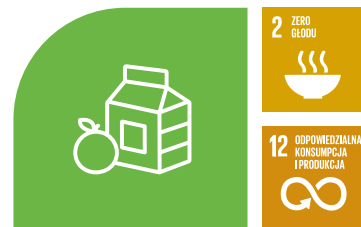


Entrepreneurship development

Pillar ambition: Building responsible entrepreneurship to ensure the sustainable development of society and the economy of the whole country.

Key topics:

- Providing entrepreneurs with the purchasing scale, retail concepts and tools to expand their businesses
- Creating conditions to develop innovative solutions for small and medium-sized entrepreneurs
- Supporting succession and young entrepreneurs
- Strengthening the role of entrepreneurs by promoting their activities to society



Quality without compromise for everyone and food waste prevention

Pillar ambition: To provide safe, high quality food to every customer and the widest possible group of consumers nationwide and to reduce food waste.

Key topics:

- Ensuring the safety of products, their repeatable quality and affordability
- Building a responsible supply chain
- Ensuring the continuity of the supply chain
- Tackling food waste



We use less

Pillar ambition: Reduction of CO₂ emissions in all three scopes.

Key topics:

- Reduction of CO₂ emissions in Scopes 1 and 2 by 42% by 2030 (relative to the reference year 2020)
- Commitment of key suppliers to set their own decarbonisation targets by 2027



Employee safety health and engagement

Pillar ambition: Creating the best working conditions for everyone.

Key topics:

- Providing safety in the workplace
- Strengthening employee engagement and development

The Eurocash Group is in constant dialogue with key stakeholders and listens to their needs. At the same time, it observes changes in the social, economic as well as regulatory environment (at the Polish and European level). In response to these factors, the Group has undertaken to update its sustainable development strategy.

Degree of strategy implementation

 Targets have not been met

 Partially met

 Targets met

Project strategic	KPIs strategic	Result 2021	Result 2022	Implementation status for 2022	
Pillar I: Entrepreneurship development					
Everyday business activity	WS I.1 Share of the small format channel across the Polish FMCG¹ market	Food	37.6%	36.3%	<div></div>
		Drug	7.3%	6.9%	
		Tobacco	87.2%	86.4%	
		Food & Drug	32.7%	31.6%	
		Total FMCG	40.5%	39.3%	
	WS I.2 Total value of income in the economy created through the activity of the Eurocash Group (direct, indirect and induced impact)	PLN 840 million²	Data were gathered	<div></div>	
	WS I.3 Total added value in the economy (GDP) created by the activity of the Eurocash Group (direct, indirect and induced impact)	4.1 billion³	Data have not been gathered	<div></div>	
Skills Academy	WS I.4 Impact of the Eurocash Group on the development of entrepreneurship of customers	41.2%⁴	41.2%	<div></div>	
	WS I.5 Number of customers (shop owners) using the platform eurocash.pl⁵	13,700	16,700	<div></div>	
	WS I.6 Number of entrepreneurs and employees who participated in the initiatives of the Academy of Skills⁶	36,139 persons	25,057 persons	<div></div>	
Pillar II: Quality without compromise for everyone and preventing food waste					
Everyday business activity	WS II.1 Percentage of customer complaints about fresh products	0.034%	0.036%	<div></div>	
Responsible Buyer, Responsible Seller	WS II.2 Percentage of suppliers with confirmed conformity with their own statements on social and environmental issues	18.64%⁷	20.10%	<div></div>	
No waste!	WS II.3 Percentage of food wasted (ratio of food wasted to food sold)	0.39%	0.38%	<div></div>	

¹ Eurocash for NielsenIQ MarketTrack, Small Format channel value shares for food, chemical/cosmetics and cigarette categories in the Total Poland market, periods: FY 2021 and 2022.

² Data were collected in a 3-year cycle. The value quoted is for 2020 and 2021.

³ Data were collected in a 3-year cycle. The value quoted is for 2020 and 2021.

⁴ Data were collected in a 3-year cycle. The value quoted is for 2021 and 2022.

⁵ The indicator changed from % to number, updated value for 2021 – The methodology for counting customers (unique customer by TIN) was changed.

⁶ As of 2022, the number of participants who participated in the Academy of Skills initiatives since its launch is no longer shown.

⁷ Correction of the indicator – in 2021, the % of new providers (not all) with confirmed compliance with self-declarations is shown.

		<div> <div></div> <div>Targets have not been met</div> </div> <div> <div></div> <div>Partially met</div> </div> <div> <div></div> <div>Targets met</div> </div>			
Project strategic	KPIs strategic		Result 2021	Result 2022	Implementation status for 2022
Pillar III: We use less					
Green infrastructure	WS III.1 Energy consumption per m ² (w kWh/m ²) by building category	Shops	339	291	<div></div>
		Offices	274	196	<div></div>
		Distribution centres	93	111	<div></div>
		Handling centres	51	53	<div></div>
		Wholesalers/warehouses	54	52	<div></div>
		Total	811	703	<div></div>
		Passenger cars and delivery vans ≤ 3.5 t			
Green fleet	WS III.2 Average CO ₂ per km driven and type of fuel used)	Petrol	125.92	123.15	<div></div>
		Diesel	252.61	313.44	<div></div>
		Gas	112.18	63.98	<div></div>
		CNG	127.67	52.22	<div></div>
		Total	618.38	552.79	<div></div>
		Trucks > 3.5 t			
		Diesel	588.35	568.18	<div></div>
Decarbonization	WS III.3 Percentage of CO ₂ emissions reduction compared to the reference year 2020		1.56%	1.86%	<div></div>
Pillar IV: Employee safety, health and engagement					
Safety is our shared interest	WS IV.1 Work-related injury rate (number of injuries / number of hours worked x 1000)		14	10.9	<div></div>
Engagement	WS IV.2 Employee engagement rate		42%	47%	<div></div>

About Eurocash Group



PLN **30.86** billion
of revenue



39.3%
share of the independent market in the entire Polish market⁸



Over **19** k
employees



Over **91** k
customers buying from the Group

⁸ Eurocash's own study for NielsenIQ MarketTrack: value share of the Small Format channel for grocery, cleaning products/cosmetics and cigarette categories in the Total Poland market, in the period: FY 2022.



Who is Eurocash Group

Eurocash Group is the largest Polish company engaged in the wholesale distribution of food and other fast-moving consumer goods (FMCG). The Group reaches over

57,000 retail outlets throughout Poland. It works with more than 91,000 customers, supporting them in distribution, marketing, implementation of new technologies and education. The Group's mission, for almost 30 years of its presence on the market, is to strengthen and promote Polish entrepreneurship and independent trade. The Eurocash Group is also the organiser of well-known franchise, agency and partner networks, such as: ABC, Groszek, Lewiatan, Euro Sklep, Gama, Duży Ben. Based on franchise and own outlets, the company is developing Delikatesy Centrum, which is the largest chain of supermarkets in Poland.



GRI 2-1



Eurocash Group in 2022:



PLN **30,86** billion
of revenue



39.3%
share of the independent market in
the entire Polish market⁹



18
distribution centres



178
wholesale Cash & Carry stores



Over **91 k**
customers buying from the Group



Over **57 k**
retail outlets serviced, including
approx. 16 k franchise and partner
shops



Over **25 k**
participants of the Eurocash Academy
of Skills

Eurocash Group comprises 46 companies. The parent company is Eurocash SA, which is responsible for most of the Group's sales. The company is headquartered in Komorniki in the Wielkopolska province. **The full list of companies and their location in the Group's structure is available [here](#).** ➔

⁹ Eurocash own study based on NielsenIQ MarketTrack: value share of the Small Format channel for food, cosmetics and cigarette categories in the Total Poland market, period: FY 2022.

Eurocash Group structure

Luis Amaral
(through Politra B.V. s.a.r.l.)

44.04%

EUROCASH SA
Business units in Eurocash SA

➔
See the detailed structure:
**Eurocash Group consolidated
financial report for 2022**



Wholesale

- 75% Eurocash Serwis sp. z o.o.
- 100% Cerville Investments sp. z o.o.
- 100% AMBRA sp. z o.o.
- 100% Polska Dystrybucja Alkoholi sp. z o.o.
- 50% Partnerski Serwis Detaliczny SA
- 100% Eurocash Sieci Partnerskie sp. z o.o.
- 66.6% Lewiatan Holding SA
- 100% Lewiatan Podkarpacie sp. z o.o.
- 100% Lewiatan Północ sp. z o.o.
- 100% Lewiatan Kujawy sp. z o.o.
- 100% Lewiatan Wielkopolska sp. z o.o.
- 100% Lewiatan Opole sp. z o.o.
- 100% Lewiatan Orbita sp. z o.o.
- 100% Lewiatan Zachód sp. z o.o.
- 100% Lewiatan Podlasie sp. z o.o.
- 100% Lewiatan Śląsk sp. z o.o.

Retail

- 100% Eurocash Franczyza sp. z o.o.
- 51% Inmedio sp. z o.o.
- 50% Firma Rogala sp. z o.o.
- 100% FHC-2 sp. z o.o.
- 100% Madas sp. z o.o.
- 100% Delikatesy Centrum sp. z o.o.
- 100% Podlaskie Delikatesy Centrum sp. z o.o.
- 100% Partner sp. z o.o.
- 50% Arhelan sp. z o.o.
- 50% Stormer sp. z o.o.

Projects

- 100% Kontigo sp. z o.o.
- 100% Duży Ben sp. z o.o.
- 100% abc na kołach sp. z o.o.
- 100% Innowacyjna Platforma Handlu sp. z o.o.
- 100% Frisco SA

Other

- 100% Detal Finanse sp. z o.o.
- 100% Akademia Umiejętności Eurocash sp. z o.o.

Franchise and partner chains organised by the wholesale segment:

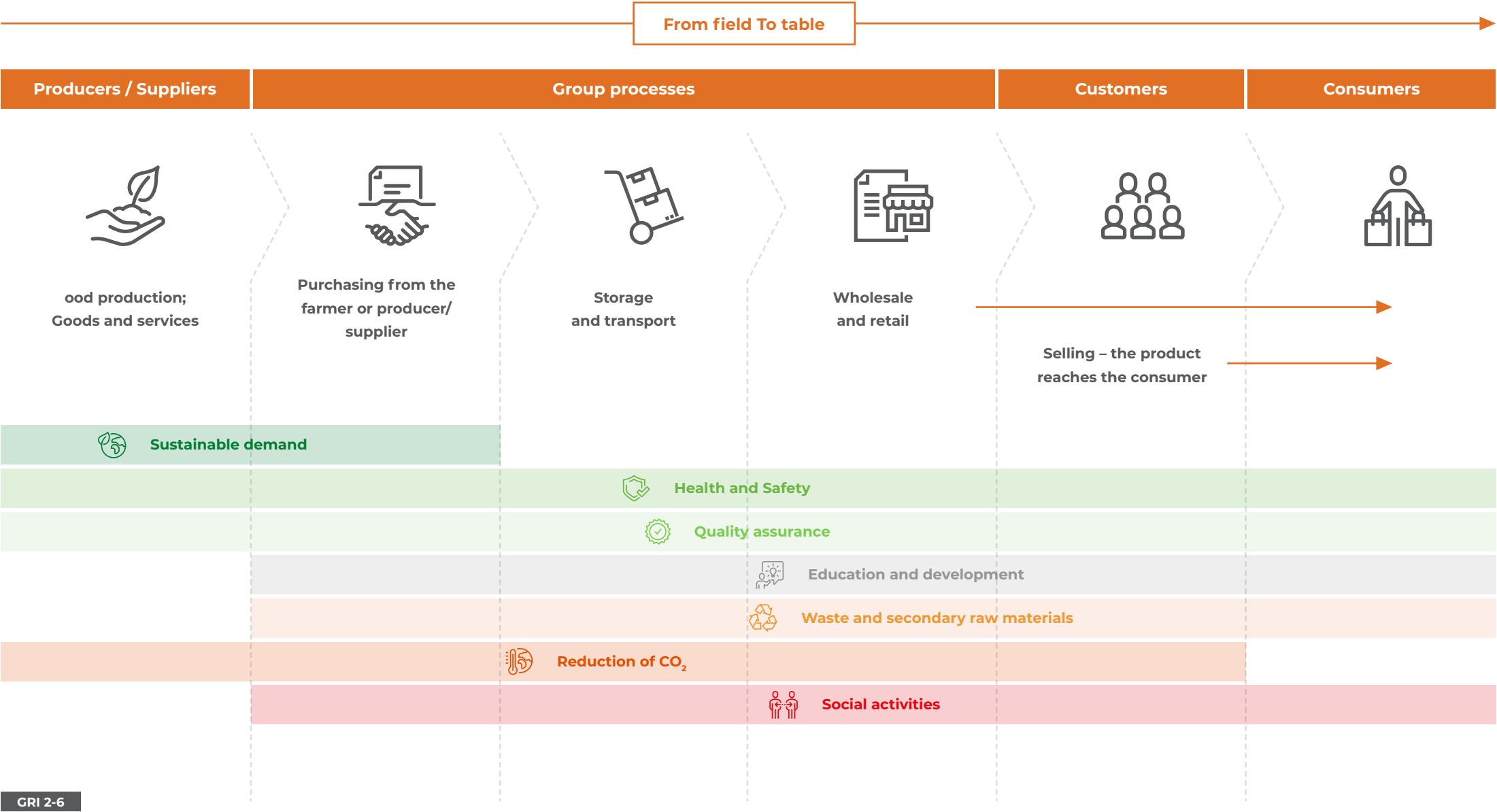


Business profile

Through a number of distribution formats, Eurocash Group focuses its business on the wholesale distribution of goods to customers in the independent food market, in particular to retail shops (small supermarkets and grocery shops), convenience shops, petrol stations and restaurant, hotel and café chains.

GRI 2-1

Value Chain



Eurocash conducts its business in a responsible manner. It creates an offer to supply each customer, and consequently each consumer, with safe and high quality products. Quality tests of private label products and inspections and visits to suppliers by technologists are carried out on a regular basis. The Group also ensures that food waste is tackled across the value chain.

The Group takes a special approach to its offerings for adults. The Group's procedures are fully aligned with, among other things, the EU directive restricting the grey market for cigarettes. The Group has implemented solutions to monitor and track the movement of tobacco products from the moment they leave the manufacturer's location to the first retail outlet. Alcohol offered by the Group is sold only to entrepreneurs holding the required licences for its sale.



GRI 2-28

The Group is also a responsible employer for over 16,000 contracted employees. Eurocash's organisational culture provides each employee with respect, clear rules for cooperation and promotion, extensive opportunities for professional development, as well as support in difficult life moments.

Eurocash Group business model:



Wholesale

- Eurocash Cash & Carry
- Eurocash Dystrybucja
- Eurocash Gastronomia
- Eurocash Serwis
- Ambra
- Faktoria Win



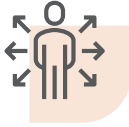
Technological tools

- Eurocash.pl
- Innovative Trading Platform



e-commerce

- Frisco



Franchise and partner brands

- Delikatesy Centrum
- ABC
- Groszek
- Lewiatan
- Euro Sklep
- Gama
- Duży Ben
- abc na kołach
- Kontigo
- Koliber
- Inmedio
- Arhelan

The Group shares its expertise, experience and best practices with the market. The Group's companies belong to a number of associations and organisations. Eurocash plays an important role in, among others, the Polish Chamber of Commerce, the Polish Franchisee Organisation and the organisation of the Employers of Poland. Throughout 2022, representatives of various departments also participated in numerous trade conferences and congresses, including the #Retail-Summit2022, the #retailtrends Congress and European Circular Retail Congress, the #RetailChallenge conference and the 7th Polish Capital Congress.

**27**

handling centres

**1 858 793 641** kg

weight of goods delivered by the Central Logistics

**2 589 833**

customer orders handled by the Central Logistics



Wholesale

**18**

distribution centres

**178**

Cash & Carry wholesale



Eurocash Cash & Carry →

A network of 178 wholesalers throughout Poland, focused on serving small and medium-sized grocery shops. Their offer includes over 5,000 products, tailored to the needs of customers. The optimum size of the wholesale stores and a precisely selected range enable efficient shopping. The wholesaler locations in every region of Poland facilitate cooperation with Eurocash Cash & Carry customers, who can come to pick up fresh goods on a daily basis. The wholesalers are the backbone of ABC's partner shops – the largest chain of “neighbourhood” shops, with more than 7,300 outlets. The staff at the halls provide entrepreneurs with professional help, advice and support in running their businesses.



Eurocash Dystrybucja →

Eurocash Dystrybucja offers all the necessary items an entrepreneur needs to successfully compete in the market. The offer of over 11,000 products is used by the Group's franchise and partner chains, as well as tens of thousands of unaffiliated shops. Thanks to the euro-cash.pl platform, Eurocash Dystrybucja customers can take advantage of attractive promotions and individually tailored offers. Cooperation with Eurocash Dystrybucja is also an opportunity to develop business under strong, recognisable brands of franchise and partner networks: Groszek, Euro Sklep, Lewiatan and Gama.



Eurocash Gastronomia →

Leader in the distribution of a wide range of products for professional catering. Comprehensive service for the HoReCa market, i.e. hotels, restaurants and catering. Specialises in serving chain customers, petrol station chains and individual customers.



Eurocash Serwis →

Poland's largest distributor of cigarettes and other tobacco products and a leading distributor of convenience products, such as confectionery, pharmaceuticals, beverages, alcohol and fine chemicals.



Ambra →

The wholesaler is a licensed distributor of key chemical and cosmetic manufacturers and conglomerates operating on the Polish market. It cooperates with over 100 manufacturers. Ambra owns the Koliber chain of chemists.



Faktoria Win →

A unique wine section, available throughout Poland in more than 5,500 local chain and independent shops, as well as at petrol stations. Each outlet with a shelf bearing the Faktoria Win logo features wines divided into the following categories: Gift, Relaxation, With Friends..



Technological tools



eurocash.pl →

The largest B2B FMCG e-commerce platform in Poland, which allows independent entrepreneurs to save time and manage their shops in a more efficient manner. The services of eurocash.pl were used by 16,700 customers in 2022. **More about the platform in Chapter 5. Entrepreneurship development.** →



Innovative Trading Platform →

A company whose aim is to provide entrepreneurs with innovative shop management tools. It enables them to improve sales, increase the competitiveness of their business and get to know customers better. **More about the platform in Chapter 5. Entrepreneurship development.** →



e-commerce

frisco.pl

Frisco.pl →

Frisco is one of the largest and longest operating online supermarkets on the Polish market. Frisco.pl provides access to convenient shopping with home delivery.



425,896

registered users



PLN **384** million

realised turnover



1,274,072

of realised orders

Thanks to its dynamic development, the range of Frisco.pl's services already covers nearly 25% of Poles in the largest cities in Poland: Warsaw, Wrocław, Poznań, Krakow (including the Silesian agglomeration), the Tricity and Bydgoszcz.



Franchise and partner brands

Eurocash Group franchise and partner systems are developed under the following brands: Delikatesy Centrum, Lewiatan, Groszek, Euro Sklep, ABC and Gama. In 2022, a new business unit – Eurocash Sieci Partnerskie – was established, bringing together the Groszek, Euro Sklep and ABC chains.



More than **10** k
franchisees



Over **91** k
customers buying from the Group



Over **16** k
franchise and partner shops



Over **44** k
grocery shops



Nearly **6** k
specialised shops

Delikatesy Centrum**www.delikatesy.pl****more than 1,000 franchise shops and almost 400 own shops**

Delikatesy Centrum shop are located across Poland.
A chain of own shops also operates under the brand.

ABC – Eurocash Sieci Partnerskie**www.sklepyabc.pl****over 7 300 shops****Groszek – Eurocash Sieci Partnerskie****www.groszek.com.pl****over 2,000 shops**

Self-service grocery shops of varying sizes.

Lewiatan**www.lewiatan.pl****3,100 shops**

Nationwide chain of grocery shops.

Euro Sklep – Eurocash Sieci Partnerskie**www.eurosklep.eu****over 400 shops**

Format popular in southern Poland.

Gama**www.sklepygama.pl****over 500 shops**

Nationwide chain developed under the Partnership Retail Service (PSD) project.

Arhelan**www.arhelan.pl****over 100 retail shops**

The Arhelan brand is strongly recognisable in the Podlaskie province, with the head office and warehouse located in Bielsko Podlaskie.

Duży Ben**www.duzyben.pl****over 300 shops**

A chain of modern alcohol shops operating according to the one-stop-shop principle (everything in one place).

abc na kołach**www.abcnakolach.pl****65 mobile shops**

A network of convenient, grocery mobile shops that regularly visit customers in the smallest towns, where there are usually no stationary shops.

Kontigo**www.kontigo.com.pl****19 stationary shops,
online shopping platform**

Chain of stationary beauty shops and online shopping platform.

Koliber**www.drogeriekoliber.pl****more than 160 chemists**

Partner chain of Koliber chemists with a wide range of chemical and cosmetic products.

Inmedio**www.lagardere-tr.pl/pl/inmedio****over 400 shops**

A chain of shops in shopping centres and office buildings offering a wide range of national and international press sold according to a modern concept developed in cooperation between Eurocash and Lagardère Travel Retail.

Eurocash Group stakeholders

Eurocash's stakeholders are identified both at the level of the entire Group and in individual business units. In order to identify key groups, both the strength of the Eurocash Group's influence on stakeholders and their impact on the Group are studied. The result of the activities is a stakeholder map.

Who are the Eurocash Group stakeholders?

Customers

Consumers

Employees

Suppliers and subcontractors of products and services

Shareholders

Other stakeholders:

- Local communities and non-governmental organisations
- Natural environment
- Facility owners
- Other business partners
- Competitors
- Other Eurocash companies
- Financial institutions

- Education sector: universities and trade schools
- Industry and consumer organisations
- Certification organisations
- Media
- Media and advertising agencies
- Research organisations
- Public administration
- Environmental institutions

Dialogue with stakeholders takes place through various, wide-ranging channels of communication. In addition to communication at Group level, each department or business unit develops its own, most effective way of building relationships, exchanging opinions and information. Dialogue with stakeholders is taken into account at both operational and strategic levels. In the former case, stakeholder feedback makes it possible to develop new solutions that best meet the needs of our customers. Examples include changes to packaging or the Razem taniej procurement platform for entrepreneurs. At the strategic level, consultations and dialogue sessions with stakeholders were conducted when updating the business strategy.



**Konrad
Lipski**

Head of Corporate Banking at HSBC financial institution in Poland

In today's reality, where the requirements for sustainability and non-financial information reporting are increasing, we value partners who understand the fact that we need to act now. This Eurocash Group is just this type of partner whose progress in implementing the decarbonisation strategy we will monitor. I see the Group as a company aware of the upcoming challenges, which wants to prepare for them in the best possible way. I appreciate all invitations to exchange of opinions and open dialogue, as this also allows us to build sustainable portfolios.

How does Eurocash Group communicate with its stakeholders?



Stakeholders	Employees	Suppliers	Investors	Entrepreneurs	Non-governmental organizations
Forms of contact	<ul style="list-style-type: none"> Intranet Workplace Newsletters Live chat Employee Opinion Surveys AUE learning platform Hotline Notice boards Business unit channels (radio, TV screens, newsletters) 	<ul style="list-style-type: none"> Ongoing communication Quarterly dispatch of results of the Equal in Business ranking Annual supplier conference Website 	<ul style="list-style-type: none"> Annual, half-yearly and quarterly reports Current reports Ongoing communication Conferences Presentations Website 	<ul style="list-style-type: none"> Ongoing communication NPS measurement system Newsletters Congress of Polish Trade Entrepreneurs Social and information campaigns Website Eurocash.pl platform AUE learning platform Entrepreneurship development survey among Group customers 	<ul style="list-style-type: none"> Ongoing communication Cooperation in projects
Entities responsible	<ul style="list-style-type: none"> HR Department Health and Safety Department Risk Management and Sustainability Department Eurocash Academy of Skills 	<ul style="list-style-type: none"> Central Purchasing Department Non-Commercial Procurement Department Quality Department Individual companies Business units 	<ul style="list-style-type: none"> Investor Relations Department 	<ul style="list-style-type: none"> Individual companies Eurocash Academy of Skills Communications Department 	<ul style="list-style-type: none"> Eurocash Group Foundation Employee Volunteering Coordinator Quality Department Communications Department Individual companies Business units

Key events in 2022



January

Change of the CEO of Eurocash Group – 1 January 2022



February

Start of aid following the outbreak of war in Ukraine. Aid continues in 2023



April

Publication of the Social Responsibility Report and Annual Report for 2021



August-September

Establishment of a new business unit, Eurocash Partner Network



August

Announcement of the new Eurocash Group Strategy 2023-2025



September

Commencement of cooperation with Comp Innovation Centre, resulting in the creation of a new, dedicated EuroPlatform for Eurocash Group customer



Late September

Historic financial result – Eurocash Group with record sales and EBITDA result (in 3Q for 9 months)

Awards in 2022

Eurocash Group received a number of awards and distinctions in 2022:

- Award for PSH Lewiatan in the 2021 **Retailer of the Year** competition in the Supermarkets category.
- Award for Frisco.pl in the **Retailer of the Year 2021** competition in the E-markets category and the main award.
- Distributor of the Year 2022 Award for the Eurocash Group at the **Retail Trends 2022** gala.
- Best E-shop 2022 award for Frisco.pl at the **Retail Trends 2022** gala.



- **Golden Receipt** – Polish Merchants' Award for Eurocash Group for dynamic development of the franchise network and wholesale operations within the Group.
- **MP Power Awards** statuette for the Summer Expedition project.
- **SAP Innovation Award 2022** for blazing new trails in the transformation of the financial area with the use of innovative digital tools.
- **BLIX Awards** statuette for the Eurocash Group for a particularly consumer-friendly approach, fair presentation of offers and clear sales policy towards consumers. Pro-ecological activities, the “Full respect, no waste!” campaign and support for local communities were also recognised. BLIX statuettes were also awarded to:
 - Delikatesy Centrum - distinction in the category “Polish Product” in the “Supermarkets” group,
 - Groszek – distinction in the “Polish Product” category in the “Convenience” group,
 - Lewiatan – award in the “Supermarkets” category.
- Third place on the **"List of 2000"** in the category “Trade/Commercial Networks” published by Rzeczpospolita.
- Recognition of Biggest Progress for the Delikatesy Centrum chain in **the Retail Champion** competition.



Responsible management

Management structure

The Management Board of Eurocash Group is composed exclusively of persons with relevant competences, skills and experience. Members of the Management Board and the President of the Management Board are appointed by a resolution of the Supervisory Board for an independent three-year term of office. The body's responsibilities include, in particular, leadership and acting in the interest of the company, commitment to setting and achieving strategic goals and ensuring the company's efficiency and safety. The rules of operation of the Management Board and the criteria for the nomination of new members are laid down in the Rules of Procedure of the Management Board. At the end of 2022, the Management Board consisted of eight members. The President of the Board was not a member of the organisation's senior management or executive management.

In 2022, the Eurocash Group continued to implement the prerequisites contained in the guidelines: Best Practices for WSE-Listed Companies 2021. The Group's Management Board oversees the implementation of changes, which include diversity.

GRI 2-9

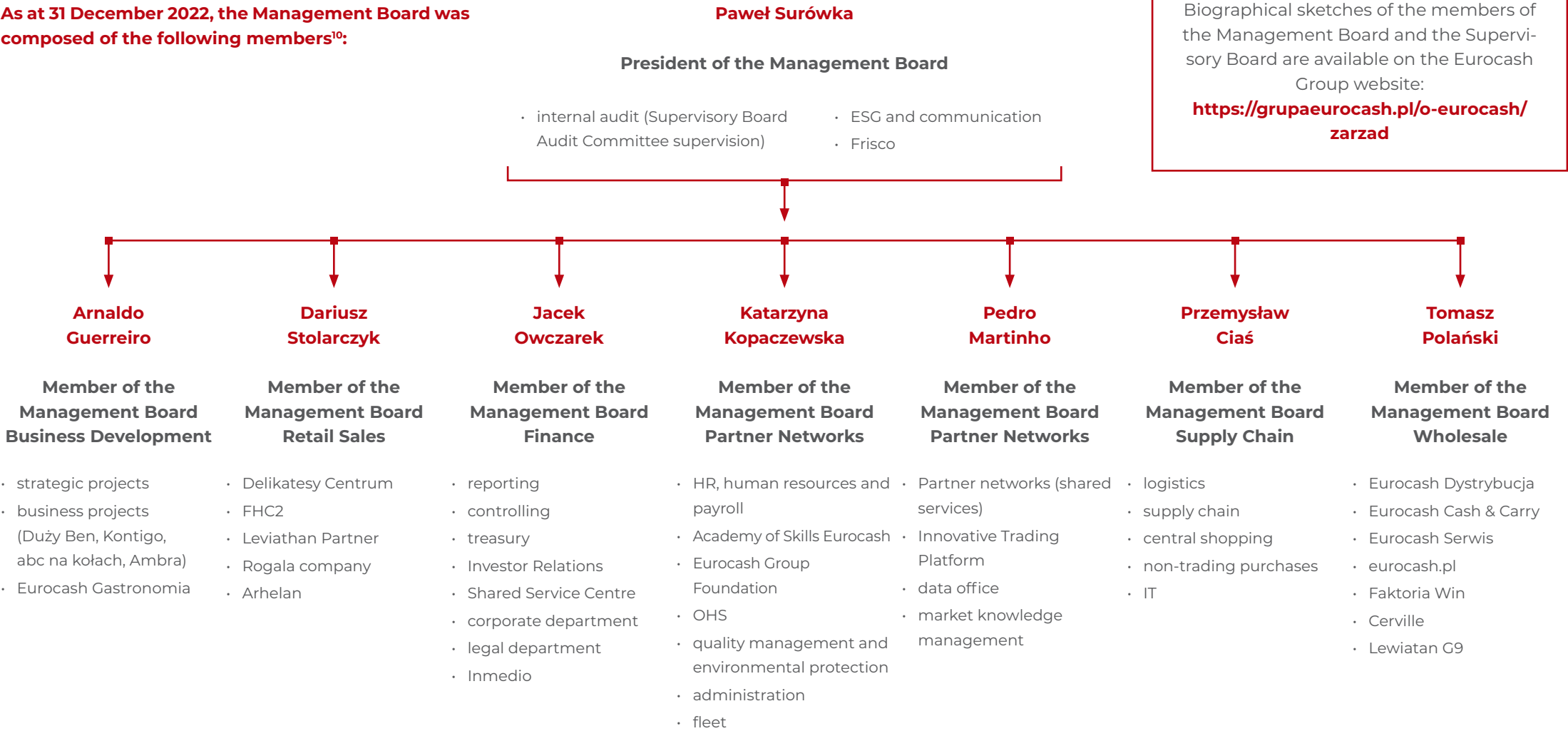
GRI 2-10

GRI 2-11



Composition of the Management Board and areas of responsibility

As at 31 December 2022, the Management Board was composed of the following members¹⁰:



GRI 2-9

¹⁰ President of the Management Board, Paweł Surówka took up his position on 1 January 2022, replacing Luis Amaral, who sat on the Eurocash Group Supervisory Board. Board members Tomasz Polański and Dariusz Stolarczyk have been on the Board since 1 February 2022. Noel Colletta and Rui Amaral left the Management Board in 2022. There are no representatives of under-represented social groups, i.e. groups of employees who are a minority in the context of the organisation (these may or may not be social minorities), on the Board.

The activities of the Eurocash Group are overseen by the Supervisory Board, which has five members appointed by the General Meeting for an independent three-year term. The Chairperson of the body is appointed by a resolution of the Board. The Supervisory Board works in a culture of debate, analysing the company's situation and results and reviewing the work of the Management Board, inter alia, with regard to the achievement of the established strategic objectives. Each member of the Board, in accordance with the Rules of Procedure of the Supervisory Board and the rules of suitability for members of management bodies, meets, among other things, the following requirements:



has high qualifications and experience



has impeccable character



is able to devote sufficient time to perform their functions properly



is guided primarily by the interests of the Company

GRI 2-9

GRI 2-10

GRI 2-11

At the end of 2022, the Supervisory Board was composed of five persons. Three of them met the criteria for independence. As at 31 December 2022, the Chairman of the Board was not a member of the organisation's senior management or executive management.

As at 31 December 2022, the Supervisory Board was composed of the following persons¹¹:

- **Luis Amaral**, Chairman of the Supervisory Board
- **Przemysław Budkowski**, independent member of the Supervisory Board
- **dr Hans Joachim Körber**, independent Member of the Supervisory Board
- **Jorge Mora**, independent Member of the Supervisory Board
- **Francisco José Valente Hipólito dos Santos**, Member of the Supervisory Board

The Supervisory Board has three committees: the Audit Committee, the Remuneration Committee and the Nominations Committee. Each committee consists of three members elected by the Supervisory Board, from among whom the Supervisory Board elects the chairperson of each committee. One of the tasks of the committees is, among other things, to oversee the management of the Group's impact on the economy, the environment and people.



Audit Committee – members have industry knowledge and skills, at least one is a financial specialist, and at least one meets the independence criteria

- Jorge Mora – Chairman of the Audit Committee
- Francisco José Valente Hipólito dos Santos – Member of the Audit Committee
- Hans Joachim Körber, PhD – Member



Nominations Committee – at least one member meets the independence criteria

- Hans Joachim Körber, PhD – Chairman of the Nominations Committee
- Luis Manuel Conceicao Pais do Amaral – Member of the Nominations Committee
- Jorge Mora – Member of the Nominations Committee



Remuneration Committee – at least one of the members meets the independence criteria

- Przemysław Budkowski – Chairman of the Remuneration Committee
- Francisco José Valente Hipólito dos Santos – Member of the Remuneration Committee
- Jorge Mora – Member of the Committee

¹¹ As of 30 June 2022, Luis Amaral assumed the position of Chairman of the Supervisory Board of Eurocash Group, resigning from his current position on the Management Board. He replaced Renato Arie, who has completed his term of office. There are no representatives of under-represented social groups on the Supervisory Board, i.e. groups of employees who are a minority in the context of the organisation (these may or may not be social minorities).

The Eurocash Group's remuneration policy for members of the Management Board and Supervisory Board of Eurocash SA was updated in June 2022. The policy sets out the principles for remuneration of members of the top management bodies. The remuneration of senior management is based on the Mercer methodology and includes a base salary and an annual bonus linked to the realisation of annual targets. The base salary is determined based on Mercer's class, market practices and the business objectives of the position. The Group has not implemented a start-up bonus system or recruitment-related incentive allowances. There is also no clawback. Severance payments and retirement benefits are paid in accordance with the law. In 2022, work was undertaken to include sustainable development issues in the setting of management's business objectives. From 2023 onwards, the achievement of ESG objectives is one of the elements of the performance management process and affects the annual bonus.



Read the Eurocash Group corporate documents:
<https://www.grupaeurocash.pl/en/investor/corporate-governance>

GRI 2-19

GRI 2-23

GRI 2-24



Eurocash Group management approach

Group ethics and values

Ethical and responsible business conduct is one of the guiding principles behind Eurocash Group's operations. The Eurocash Group is bound by ethical principles that have been adopted for the sake of transparency in work and business. The Code defines standards of conduct and key values for all Group entities. Every new employee must familiarise themselves with the ethical principles during a mandatory e-learning course. Those without permanent access to a computer receive a paper version of the code. All managers are responsible for overseeing compliance with ethical standards in their daily work. Members of the Eurocash Group Management Board are involved in the promotion of ethical principles.

Eurocash Group Values:**RESPONSIBILITY**

Each Eurocash Group employee has precisely set goals and is responsible for achieving them. Through effective use of available resources they strive to achieve the challenges set by the Group. Thus, they all contribute to the Group's development and increase of its profits.

**RELIABILITY**

The Group believes that it is the master of its own destiny and that the challenges it faces are opportunities to prove itself and to introduce new solutions and improvements. The 360-degree philosophy assumes that employees are evaluated by their supervisor as well as by subordinates, internal customers and those in parallel positions.

**TEAMWORK**

In such a complex and dynamically growing organisation as Eurocash Group, achieving results is possible thanks to effective cooperation, ability to adapt to changes and motivation of all employees. Dynamic action, creativity and numerous.

GRI 3-3**TRANSPARENCY**

The Eurocash Group is guided by high ethical standards towards its employees, customers and suppliers. Each of them should act in compliance with the law and principles of integrity, and show respect to all with whom they cooperate. The Group complies with all principles of corporate governance of listed companies, and information on the company's operations and performance is fully disclosed.

**PROFIT SHARING**

When the Eurocash Group achieves the goals it has set for itself, individual employees also share in the profit. Each employee is evaluated according to the tasks they perform. Those who achieve the best results are rewarded more highly than others. Courage in decision-making, flexibility, focus on increasing efficiency and meeting ambitious challenges are highly valued.

**CUSTOMER ORIENTATION**

The Group believes that it is only by meeting customer expectations that it can grow and generate more profit.

For Eurocash Group, the priority is and will continue to be to meet customers' needs and implement solutions to make their offer more competitive. This enables the Group's customers to strengthen their market position and increase business profitability.

**JOB SATISFACTION**

The Eurocash Group is committed to being an attractive employer. It achieves this by fairly rewarding performance. It is also very important that employees derive satisfaction and joy from the challenges they face. The working environment at the Eurocash Group is informal and offers the opportunity to develop and gain experience in a passionate and energetic environment.

**ENTREPRENEURSHIP**

Entrepreneurship is inherent to the Eurocash Group. The Group is convinced that there is an entrepreneurial flair in every employee, which, if well used, makes it possible to achieve ambitious goals. The Group actively analyses the environment in which it operates and identifies development opportunities for its customers and the company as a whole. The measures taken are innovative and sometimes consciously risky, as the Group believes it can be a leader in its sector.

The Group's values are supported and complemented by the policies implemented. Key documents related to responsible business conduct also include:

-  The procedure for receiving and processing notifications of violations within the Eurocash Group
-  Harassment Policy in the Eurocash Group
-  Anti-Corruption Policy in the Eurocash Group
-  Conflict of Interest Management Procedure in the Eurocash Group

In 2022, Eurocash Group also started work on the implementation of the Employee Diversity Support Policy and the Human Rights Policy.

GRI 2-23 GRI 2-24 GRI 3-3

The Group's objective is to meet the highest standards of business transparency and openness. The Group realises this objective through a comprehensive anti-corruption, conflict of interest management and gift system based on risk assessment. The implemented policies and procedures define how the organisation should carry out due diligence processes and apply the principle of prudence. The Eurocash Group does not have a separate policy related to respecting and promoting human rights. Human rights issues are addressed through applicable procedures and ethical principles.

The following standards of conduct and commitments have been adopted within the framework of the documents indicated, in line with the Group's Sustainable Development Strategy 2020+ and the "Growing Together" Strategy for 2023-2025:

- Prohibition of accepting and giving corrupt material and non-material benefits by Group employees.
- Defining a path for reporting incidents of potential corruption with the implementation of anti-corruption policies.
- Commitment to identify conflicts of interest or potential conflicts of interest and set out rules for monitoring conflicts of interest that arise.
- Compliance with the Group's internal laws, standards and regulations.



The commitments listed are based on the UN Sustainable Development Goals, the WSE Anti-Corruption Standards 2018, the Public Offering Act, the Whistleblower Directive, as well as internal policies and best practices. These have been approved at Group Board level. Responsibility for the implementation of the commitments is in line with the division of competences within the Management Board and the responsibilities of the Group's individual organisational units.

Information on the documents adopted in Eurocash Group, describing the responsible management process, is communicated to the employees, customers and business partners of the Group in the form of a link to the database of Eurocash Group sustainability reports. The content of the Anti-Corruption Policy is also publicly available on the website. Other procedures are internal documents.

Procedure for reporting and processing notifications of irregularities

The organisational culture of Eurocash Group is based on values, honesty, openness and trust. Any Group employee whose behaviour is not compliant with the law, procedures and ethical standards should report it immediately. This applies in particular to situations involving fraud, corruption, conflict of interest, discrimination, harassment, violation of employee rights, consumer rights and money laundering.

The Group ensures that each report is analysed in an objective manner. The Compliance Manager, who operates within an independent unit of the Risk Management and Sustainability Department, is responsible for the process of handling reports. All whistleblowers are guaranteed absolute confidentiality of data and the possibility to remain anonymous. Notifications of irregularities and ethical concerns are accepted through the whistleblowing channel. Employees and workers in the Group can use the Helpline via:



a dedicated e-mail address



an anonymous reporting form on the intranet site



by telephone at a dedicated number

by traditional post, with the note “Hot-line”

It is also possible to make an appointment with the Compliance Manager. There are also posters and leaflets available in shops and distribution centres informing customers and consumers about the whistleblowing channels. Webinars and training sessions are additionally organised for employees.

The analysis and status of all substantiated reports is presented to Group Management on a continuous basis. In 2022, the Group received 106 notifications of potential irregularities. All have been verified and 56 notifications were confirmed. The Group made recommendations to the human resources departments, which were responsible for deciding whether to implement remedial programmes or, as a last resort, to terminate the employment relationship. In 2022, not a single case of discrimination was recorded in the Eurocash Group.

The abuse reporting system is complemented by the Risk Management and Sustainability Department's own actions to detect irregularities and abuses. Department staff carry out field inspections in shops and halls and verify accounting systems as well as anomalies in critical business processes. Anomalies identified are reported to the Management Board a monthly basis.

In addition, meetings are held with the Management Board to describe in more detail the key risks and anomalies identified.

The Eurocash Group identifies the impact of its activities and minimises the negative consequences. In terms of the environment, the Group has implemented a comprehensive decarbonisation strategy. The Group also complies with all legal regulations when engaging with suppliers and franchisees. The organisation does not accept violations of labour rights, employment of minors or non-compliance with tax laws. In 2023, it plans to implement a Code of Good Practice addressed to suppliers and franchisees.

The Group has not implemented a formal mechanism for reporting information about its negative impact on external stakeholders, but as an organisation it is open to all information about such situations. Stakeholders have the opportunity to communicate by email. Signals of such incidents are, depending on their scale and extent, forwarded to the competent units and management. The validity of any report is investigated and, once confirmed, an action plan is developed to minimise the negative impact of the organisation. External stakeholders have no influence on the procedure for handling reported cases. The Group does not formally monitor the effectiveness of its remediation processes and does not keep a record of stakeholder feedback in this regard.

GRI 2-16 GRI 2-25 GRI 2-26 GRI 406-1

Anti-mobbing policy

In 2016, the Eurocash Group implemented an internal Harassment Policy, which sets out the principles for preventing harassment in the organisation. It specifies in detail the manner in which employees may file harassment complaints and the procedure for their investigation. Knowledge and application of the Policy is mandatory for all employees, who are trained on the implementation of its commitments through materials on the intranet and other internal communication activities.

Anti-corruption policy

Corruption and bribery is not tolerated in the Eurocash Group. The Group's anti-corruption policy has been developed in compliance with the law, compliance management system standards, the whistleblower protection system for companies listed on the Warsaw Stock Exchange and the ISO 37001:2016 Anti-corruption Management Systems and ISO 37002:2021 Whistleblower Management Systems standards.

The Group's assessment of corruption risks identified increased corruption risks in the area of procurement, including in particular non-commercial procurement. In response, the Group has implemented enhanced standards and rules for tendering and vetting bidders being potential suppliers, as well as mechanisms to prevent conflicts of interest and control mechanisms in the supplier selection process.



All of the Group's business units undergo a corruption risk assessment periodically every two years. The next risk assessment process for the units is scheduled for 2023. The following significant corruption risks have been identified in the Group:

- conflict of interest risk,
- risk of obtaining a personal benefit (material, non-pecuniary) as a result of supplier selection,
- lack of tendering for commercial/non-commercial supplies resulting in inflated costs for service delivery,
- risk of biased one-person decision making in supplier selection,
- lack of second-hand control,

- lack of automation in the process of selecting non-commercial suppliers,
- risk of informal meetings/discussions with the potential supplier.

In 2022, not a single case of corruption was reported in the Eurocash Group. As part of the compliance training and webinars conducted during the year, the responsibilities, requirements and expectations for Group employees in the area of anti-corruption are communicated each time. Internal regulations applicable to the organisation are also discussed. Information about the trainings and webinars is communicated to all employees, including members of the Management Board. Training courses dedicated exclusively to anti-corruption are held periodically every two years. The next training meetings are scheduled for 2023.



Read the Anti-Corruption Policy online at:
https://global-uploads.webflow.com/64a2cd-da92c11b4ee578fe23/64a2cdda92c-11b4ee5790ea7_polityka-antykorupcyj-na-grupy-eurocash.pdf

GRI 2-23

GRI 2-24

GRI 3-3

GRI 205-1

GRI 205-2

GRI 205-3

Conflict of interest management procedure

In order to prevent conflicts of interest, Eurocash has implemented internal regulations to identify conflicts of interest and build awareness among employees. The regulations apply to all Group companies and individuals providing work for the Eurocash Group.

A member of the Group's Management Board or Supervisory Board is obliged to notify the Management Board or Supervisory Board, respectively, of a conflict of interest or the possibility of its occurrence. In such a case, they should refrain from voting on the issue in question. If a member of the Management Board or Supervisory Board considers that a decision of one of the two highest bodies, respectively, is contrary to the interests of the company, it is the member's duty to request that an entry be made in the minutes of the meeting.

Any employee who finds themselves in a situation of conflict of interest (or believes that they may be in such a situation) is obliged to immediately notify their immediate superior or the Risk Management and Sustainability department. In addition, Eurocash Group employees with access to business email have completed conflict of interest surveys. On their basis, the risk of conflicts of interest was assessed and a map of conflicts was prepared. Conflicts identified at medium and high levels are monitored on a quarterly basis. Every new employee or employee promoted to at least a manager position is required to

submit a conflict of interest declaration. Each conflict is assessed and categorised according to risk level.

Based on the risk analysis carried out, the areas most exposed to conflicts of interest are the non-commercial purchasing, commercial purchasing, marketing and IT departments. As a result, the Group plans to tighten the conflict of interest management process in these departments in 2023.

In 2022, the Group managed identified conflicts of interest relating to membership of the Management Boards or Supervisory Boards of other organisations and the existence of controlling shareholders in the Group.

Legal Compliance

In 2022, the Eurocash Group was a party to five civil lawsuits, four of which were founded in earlier years. These related to claims by suppliers relating to so-called shelf fees asserted under the law on unfair competition. Three of them ended in a final judgment obliging the Eurocash Group to pay costs of over PLN 3.5 million. The total estimated value of the remaining pending proceedings is approximately PLN 2 million.

The President of the Office of Competition and Consumer Protection (UOKiK) issued a decision on 30 November 2021, stating that Eurocash S.A. committed the practice of unfair exploitation of contractual advantage

by charging suppliers of agricultural food products for services which are not performed for them or which are performed but about which the suppliers are not informed, including their costs and results. It thus imposed a fine of more than PLN 76 million on the company. Eurocash S.A. does not agree with the position of the President of the UOKiK and has appealed the decision to the Court of Appeal on 30 December 2021. In 2022, the company cooperated with the Office on an ongoing basis, providing timely responses to a number of other queries addressed by the President of the UOKiK to the company as part of its investigations and FMCG market research.

GRI 2-15 GRI 2-27 GRI 206-1

Supply chain management

**1,697**

commercial suppliers

**10,831**

non-commercial suppliers

Products from 1,697¹² Eurocash Group's commercial suppliers are delivered to customers throughout Poland. In its supply chain, the Group ensures efficient logistics and a wide distribution network. Most suppliers are domestic companies, including regional producers, for whom cooperation with the Group often determines the business success of their operations.

Each new supplier of the Eurocash Group declares implementation of social and environmental criteria when completing the "Questionnaire for self-assessment of suppliers and service providers", and then the declaration is verified during the quality audit. In 2022, 100% (139) of new commercial suppliers had pre-audits carried out. Each supplier was verified in terms of both social and environmental criteria, but only 62 suppliers had the fulfilment of these criteria confirmed.

GRI 308-1

GRI 414-1

Risk management

The Eurocash Group has implemented a risk management system based on the developed mechanisms and tools relating to the main business processes taking place in the Group and external factors affecting the Group.

The risk management system is based on: identifying, measuring and assessing risks, monitoring their level, reporting to governance bodies and assigning responsibility within the Group. The identification of risks takes place on a continuous basis and at all levels of the organisational structure. On the basis of risk analysis and assessment, mechanisms are developed to minimise the consequences of adverse events and financial losses. As part of the Group's risk management process, regular meetings are held with the Management Board to discuss the most important issues in the area of risk management. The solutions implemented are subject to a unified system of assessments, to which appropriate actions are assigned to address the risks identified, depending on the level of assessment obtained. Continuous risk monitoring addresses both internal and external factors, including those relating to social, labour, environmental, human rights and corruption issues. Factors affecting the Group's operations such as the war in Ukraine, the impact of pandemics, the impact of wage pressures, financial costs and others are therefore also analysed.

¹² Data from SAP Wholesale



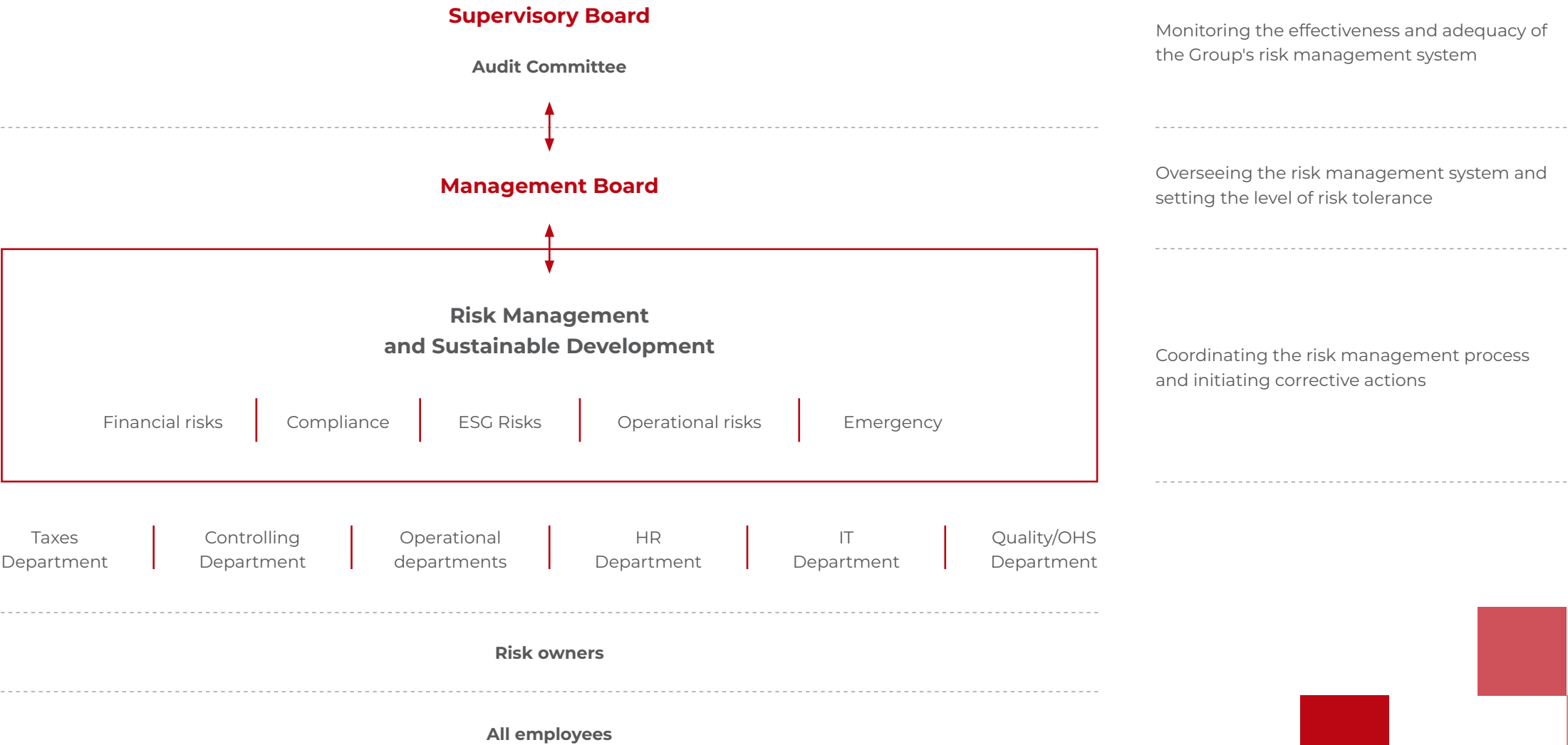
**Grzegorz
Czekalski**

Director for Risk Management and Sustainable Development

ESG risks and related opportunities are beginning to form an integral part of the Eurocash Group's all-risk management system. As we work on updating our sustainability strategy, we are beginning to re-define our approach to them, setting new criteria and scenarios. We have started by identifying key climate risks, and in the next steps we will look at other environmental, social and corporate governance risks.



Structure of the risk management system in Eurocash Group



Risk management system



COMPLIANCE AND ETHICS

Risk example:

- The risk of harassment and discrimination
- Risk of conflict of interests
- Corruption risk
- Risk of money laundering and terrorist financing
- Fraud risk
- Risk of working with unreliable and dishonest business parties

Risk monitoring and mitigation measures:

- Implementation of the harassment and discrimination policy
- Implementation of the conflict of interest management process
- Implementation of the anti-corruption policy
- Implementation of procedures against money laundering and terrorist financing
- Implementation of the whistleblowing procedure
- Implementation of the supplier verification procedure
- Implementation of the compliance education and awareness programme



LEGAL RISKS

Risk example:

- Risk of breach of consumer rights
- Risk of breach of competition laws
- Risk of breach of payment congestion laws
- Risk of breach of personal data protection provisions
- Risk of breach of regulated advertising and intellectual property legislation
- Risk of breaches of business secrecy and confidential data
- Risk of breaches of price marking legislation
- Risk of breach of provisions of the Commercial Companies Code and of public companies
- Risk of violation of provisions of the Alcoholism Prevention Act
- Risk of changes in regulations concerning a circular economy

Risk monitoring and mitigation measures:

- Policies and procedures for monitoring compliance with consumer rights and competition (anti-trust) laws and pricing regulations
- Training and legal awareness raising for employees especially on antitrust law and price marking (Omnibus Directive)
- Implementation of an effective compliance system to monitor key risks on an ongoing basis, monitor changes in the law, implement changes to internal regulations in line with changing legislation
- Implementation of a system of periodic KRIs (key risk indicators) on selected risk areas to identify and monitor breaches of implemented policies and processes
- Continuous monitoring and verification of the validity of alcohol licenses, including with customers to whom such goods are sold for resale, and of the rules for promoting or advertising alcohol products
- Active monitoring of changing external regulations by an established project group to assess and develop solutions to counteract the negative effects of changes



EMPLOYEE RIGHTS

Risk example:

- Risk of violation of labour laws
- Turnover risk
- Risk of losing key employees
- Risk of accidents at work
- Risk of occupational diseases

Risk monitoring and mitigation measures:

- Procedures and instructions governing the workplace, including work regulations, employee remuneration and bonus regulations
- Personnel policies, benefits system, training, commitment survey
- Implemented talent identification and management process; implementation of dedicated solutions to retain key employees
- Implementation of internal health and safety procedures and instructions
- Systematic checks on compliance with health and safety procedures and instructions



TAXES

Risk example:

- Risks associated with the correct settlement of taxes
- Risks associated with the correct implementation of reporting obligations under tax legislation
- Risks related to the application of market prices within the group

Risk monitoring and mitigation measures:

- Further implementation of procedures and instructions to reduce risks
- Introduction of monitoring tools and staff training



FOOD QUALITY AND SAFETY

Risk example:

- HACCP food safety programme in place
- BRC GS S&D, ISO 22000 certifications and audits in their scope carried out by entities

Risk monitoring and mitigation measures:

- Risk of marketing food which does not meet food safety and/or quality standards
- Risk of product adulteration or contamination
- HACCP food safety programme in place
- BRC GS S&D, ISO 22000 certifications and audits in their scope carried out by entities external to Eurocash Group
- General Terms of Product Delivery regulating cooperation with suppliers with respect to food quality and transportation



NATURAL ENVIRONMENT

Risk example:

- Risk of environmental pollution
- Risk of uncontrolled energy consumption in buildings and transport fleet
- Risk of generating a significant amount of waste, including hazardous waste
- Risk of lack of or improper segregation of waste, including secondary raw materials
- **Climate risks** →

Risk monitoring and mitigation measures:

- Energy efficiency audits
- Regular inspection and servicing of equipment, devices
- Continuous optimisation of logistics loss management
- Cooperation with NGOs involved in food donation
- Implementation of segregation and management principles for secondary raw materials



Sustainability management

In 2022, the Group established an ESG Team, under the responsibility of the Director of Risk Management and Sustainability reporting directly to the President of the Management Board. ESG-related activities are carried out with the support of, among others, the departments in charge of climate and environmental protection, HR, health and safety and quality management and compliance, treasury and legal aspects and communications. Those responsible for the individual areas, i.e. environmental, social and governance, meet periodically at least once a month and report to the Group Management Board. In 2022, the Management Board held several such meetings and received reports in the form of presentations. The Supervisory Board receives the results of the ESG reports at least twice a year. Key decisions in this regard are made by the Management Board, supported by external stakeholders where necessary.

The Group's Management Board approves the direction, scope of activities, opines and oversees the integration of sustainability activities with the organisation's business objectives. The Management Board also participates in the development of the non-financial report by approving, among other things, the report's structure, assumptions and scope of disclosures. The Supervisory Board supervises the activities of the Management Board, meets regularly with the members of the Management Board and monitors activities related to sustainable development. The Group's Management Board regularly extends its ESG expertise in meetings with experts and those responsible for sustainability within the organisation

GRI 2-13 GRI 2-12 GRI 2-17

Scheme for managing ESG issues



The Group continuously monitors and reviews its impact on environmental, social and governance issues. or the purpose of the work on this report and as part of the ongoing ESG strategy update process, a materiality analysis was once again carried out, resulting in the identification of the Group's 12 key sustainability impacts.

➔
Read more about significance analysis on page 104 in **Chapter 10. About the report**

Impact of the Eurocash Group on sustainable development elements

	What is the impact?	Impact management in the Group
Environmental impact		
Emissions and air pollution	The Group has both positive and negative impacts on climate and air quality issues. On the one hand, the scale of the business, logistics and distribution contribute to the negative impact; on the other hand, initiatives to reduce emissions, making strategic commitments and numerous initiatives in logistics to optimise routes have a positive impact.	<p>The Eurocash Group has been conducting numerous activities and analyses in the area of logistics to reduce pollution and fuel use. Since 2021, it has also been analysing emissions in detail in three scopes and making strategic commitments to reduce them. ➔</p> <p>The Group has also conducted a climate risk analysis in 2022.</p>
Energy consumption	The scale of the Group's business covering the entire value chain, including franchise and partnerships networks, has a significant impact on energy consumption. As with emissions, the Group's actions here have a negative and a positive dimension.	Accurate measurement of energy consumption and comprehensive data collection allows for the optimal management of energy in the Group. Initiatives are consistently being taken to reduce energy consumption at Group facilities and to increase the share of renewable energy. ➔
Reducing the consumption of raw materials	The Group's impact in this area relates to the consumption of fuel, packaging and office raw materials, as well as water.	<p>The Group pays particular attention to the issue of fuel consumption, consistently optimising it.</p> <p>With regard to packaging, the Group has started working on eco-design procedures for its private labels; in the area of bulk packaging, it is introducing reusable solutions. ➔</p> <p>Water-saving systems are implemented at every Group site.</p>
Waste and circular economy	Waste is generated both in the Group's own operations and in its value chain by franchise, partner and supplier networks.	The Group manages the issue of waste in accordance with established policies and procedures. Circular economy solutions are not yet implemented in the Group's own operations; however, partner networks and franchisees are participating with business partners in initiatives to recycle packaging, particularly bottles.

GRI 3-2 GRI 3-3



What is the impact

Managing impact in the Group

Not wasting food

This is an area where the Group has a negative impact through its value chain and food waste in shops and, to a lesser extent, in the logistics network. However, a significant positive impact is the Group's role in educating its various stakeholder groups on how not to waste food and in working with OPP¹³.

The issue of not wasting food is covered in procedures and guidelines for employees and the Group's business partners. ➔

Social impact

Entrepreneurship

The Group's impact on entrepreneurship is significant and positive.

Strengthening the role of shopkeepers also indirectly affects economic growth.

Entrepreneurship is an issue close to the Eurocash Group. The Group undertakes dedicated initiatives to strengthen the knowledge of retail shop owners cooperating with it.

Social activities for local communities

Numerous initiatives in Eurocash's regions of operation carried out by both its employees and business partners have a positive impact on the local community, and in the past year also on its Ukrainian neighbours.

Social activities are carried out in the Group through the Eurocash Foundation, employee volunteer activities, as well as regular campaigns in partnership with various stakeholders. ➔

Working conditions and employee development

As one of the largest employers in Poland, Eurocash has a great impact on its employees and workers in the Group.

Employees are one of the most important stakeholder groups for the Group. Internal policies and procedures govern employee, training and safety issues. Regular employee opinion surveys help improve working conditions. ➔

Product quality and safety

The sale of safe, good-quality food products not only to retail shops but also to others (including the HoReCa industry) results in a significant positive impact on consumers and their health.

The Group has stringent procedures, policies and systems in place to control product quality and safety.

Human rights

Respect for human rights applies to every stage of business in the Group's value chain.

The Eurocash Group addresses human rights in its employment policies and procedures and in its supplier management processes.

GRI 3-2

GRI 3-3

¹³ Public Benefit Organisation.

What is the impact?

Impact management in the Group

Impact of corporate and management governance

Ethics
in business

Due to its complex business model and scale of operations, the Group has a huge impact on promoting ethical business behaviour.

The Eurocash Group has implemented the Principles of Ethics. Regular training is provided in this area. A Helpline has also been implemented to enable anonymous reporting.

Anti-Corruption

The Group's impact stems from the complexity of its business model, which can result in an increased likelihood of corruption. However, ensuring compliance with regulations and scrupulous adherence to procedures minimises the risk of it occurring.

The implemented procedures and policies, the Helpline for employees and continuous awareness-raising on anti-corruption within the organisation allow this topic, as well as potential irregularities arising, to be managed.

Eurocash Group has not carried out an economic and social impact study in 2022. The results of the study conducted in 2019 are presented below. Due to the development of the Eurocash Group between 2019 and 2022, the Group assumes that the impact is greater than in the data presented.

The Group has not implemented a formalised process for evaluating the performance of its management of ESG issues; however, the actions of the Board of Management are subject, on a regulatory basis, to evaluation by the Supervisory Board, and these evaluations are not independent in nature. The Supervisory Board meets at least quarterly. In 2022, there were no changes to the composition of the management bodies in connection with the assessment of ESG management performance.

Entrepreneurship development



Over

25 k

participants of various educational forms within the Academy of Skills.



Almost

68 k

completed e-learning courses as part of the Academy of Skills



Eurocash Group's commitment to entrepreneurship development



modern technologies, e.g. eurocash.pl, Innovative Trading Platform, Euro-Platform, POS



business support, e.g. private labels, Razem Taniej shopping platform



marketing support – e.g. promotional brochures, consumer activations



financial support – inter alia, factoring and payment platforms



education – e.g. Eurocash Academy of Skills



negotiating fair offers from suppliers – e.g. Equal in Business

GRI 3-3



The role of the Eurocash Group in the development of entrepreneurship

More than 91 thousand entrepreneurs cooperate with Eurocash Group: not only local shop owners, but also other small and medium-sized enterprises The Eurocash Group supplies around 57 thousand retail outlets. Nearly 1/3 of them (approx. 16,000 shops) are associated with one of the Group's chains.

The scale of the Eurocash Group is support for customers to compete in the market and be an attractive shopping destination for consumers. The Group's "Growing Together" strategy for 2023-2025 envisages further consistent support of entrepreneurship through consolidation of wholesale units, development of the Technology Platform for retail shops in Poland and increased competitiveness of franchise and partner networks.

Strategic pillars:



Omnichannel wholesaler



Technology Platform



Organiser of Franchise and Partner Networks



Omnichannel

The Group integrates the wholesale businesses: Eurocash Cash & Carry and Eurocash Dystrybucja. The new wholesale organisation means tens of thousands of products at attractive prices within one eurocash.pl platform and access for entrepreneurs to the broadest offer of FMCG, fresh products and excise goods.

Entrepreneurs will be given the opportunity to use the wholesale offer multichannel, via the platform or mobile application or by visiting one of the local wholesalers. All purchases, regardless of how they are made, will be aggregated, which will translate into greater discounts and additional offers, among other things.



Technology platform

The Eurocash Group is strengthening the competitiveness of independent trade based on modern technologies. As a result, each shop will be able to offer its customers digital solutions tailored to the specifics of individual outlets.

Eurocash is developing Europlatform, a modern and professional system for implementing the franchise chain's commercial offer. The platform integrates with the most popular cash registers and POS systems on the market without the need for their costly replacement. The platform consists of a number of functionalities and mechanisms allowing franchise chains to

improve the management of shop promotional policy, intuitive implementation of chain multi-service promotions, as well as effective monitoring of the effectiveness of these activities with the aid of advanced reporting analytics. An entrepreneur using Europlatform has access to attractive promotions in one place. The can decide on their own which promotion to implement in the shop, and the efficient process of their implementation and communication saves time.



Good practice

In 2022, the Eurocash Group signed a co-operation agreement with Comp Centrum Innowacji for the creation of EuroPlatform, a state-of-the-art system for the management of daily shop processes and pricing and promotion policies, as well as for monitoring the shop's current performance.



Organiser of Franchise and Partner Networks

The Group is investing in the development of co-operating brands and increasing their competitiveness, especially vis-à-vis discount shops. The goal of Eurocash is to expand its franchise and partnership networks by up to several hundred shops a year and strengthen the entrepreneurial spirit of their owners.



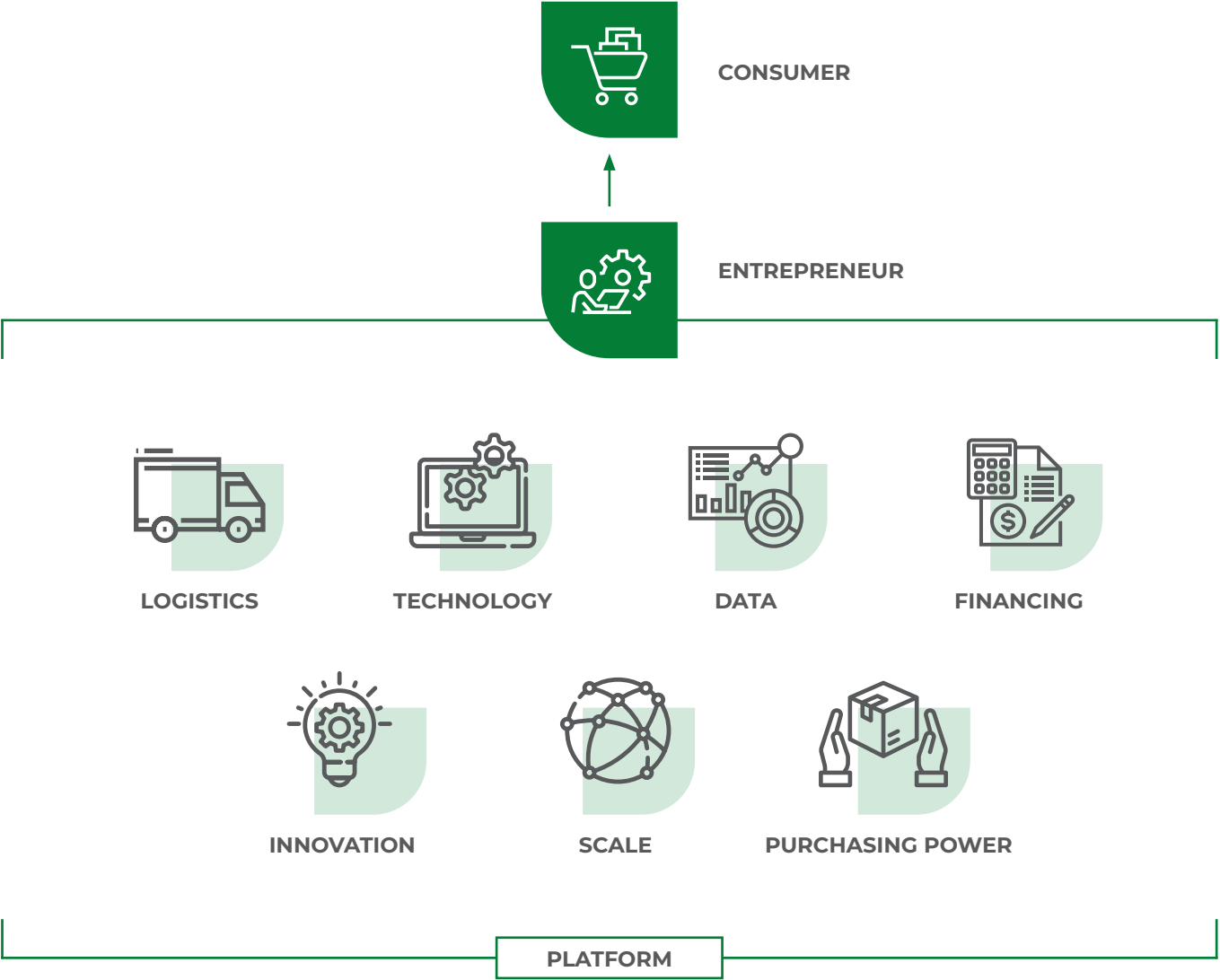
Good practice

In 2022, the Groszek, Euro Sklep and ABC chains were affiliated to the **Eurocash Partner Networks** business unit. Thanks to this merger, the Group's partners have gained even more strength and potential for growth. The concentration of businesses will make it possible to leverage the strengths of each network, improve the efficiency of operations and optimise purchasing processes. In the future, it will also provide the opportunity to develop innovative solutions and better opportunities to analyse market data necessary for purchasing decisions.



Good practice

Representatives from all franchise and partner networks were invited to work on the "Growing Together" Strategy. A total of 35 network representatives: ABC, Delikatesy Centrum, Lewiatan, Groszek, Gama and Euro Sklep, took part in meetings with the Management Board and workshop sessions, and their voice was taken into account in the final assumptions of the "Growing Together" Strategy.



What are the benefits of a larger purchasing scale offered by Eurocash Group according to its cooperating entrepreneurs?¹⁴



68%

think that it allows them to offer good prices to consumers



74%

claim that they gain additional tools and solutions to develop their business



66%

believe that they receive knowledge, tools and solution proposals that allow them to generate savings

¹⁴ NPS survey, December 2022.

Support for the development of entrepreneurs

Eurocash provides customers with access to different distribution formats, a choice of retail concepts, shopping scale and tools for development and education. The Group has been supporting innovation and business development of local entrepreneurs for almost 30 years, as well as providing them with education and knowledge in areas such as sustainability.

Elements of the entrepreneurial development process:



choice of form of cooperation: networks franchise, partner and agency networks



access to necessary tools



education and skills development

GRI 3-3



Eurocash Group supports the development of local shop owners through a **wide range of retail solutions and concepts**. The offer allows any entrepreneur wishing to start cooperation with the Group to choose the right model within a franchise, partner or agency network. In addition, Eurocash provides customers with development opportunities through the Eurocash Academy of Skills programme and **marketing support**, from attractive promotional tools to long-term loyalty programmes. Every new entrepreneur can count on help from the very moment of making the decision to start cooperating with the Group and full support throughout its duration.



Read more about the Eurocash Group networks on page 18 in **Chapter 3. About Eurocash Group**.

Entrepreneurship support tools offered by the Eurocash Group:

eurocash.pl



eurocash.pl Market



IPH



Academy of Skills



Equal in Business ranking



Eurocash Group blog – current advice for local shop owners



Fresh project

System POS

Chain loyalty programmes

Marketing support for all the private labels of the brand

Private labels

Shopping platform Razem Taniej (Cheaper Together)

Payment platform franchisees



Eurocash Group offers a range of digital solutions connecting customers with consumers through, among others, the Innovative Trading Platform. IPH is a set of tools to improve sales, increase business competitiveness and get to know customers better. Entrepreneurs have the possibility to analyse data, view a database of technological innovations and access an information service.

Thanks to IPH, entrepreneurs have access to, among other things:

- **EuroPlatform** – a modern system for implementing the network's commercial offer. EuroPlatform allows the implementation of attractive promotions and the generation of price lists and posters.
- **A mobile and loyalty application** that allows the use of a loyalty card, dedicated promotions, newspapers, as well as chat with the selected shop. In the app, a given shop can publish not only the chain's special offers, but also its own, e.g. for regional products or fresh produce. IPH provides the visual preparation of the application, its implementation and IT support during the working phase, as well as hotline support after its launch.



Eurocash Group customers can also use the eurocash.pl platform, which allows local shops across Poland to order products quickly and conveniently, in the PC version and in the form of a mobile application. In this way, they not only purchase products available in these business units, but also benefit from a range of functionalities to support business operations.

Additionally, on the eurocash.pl Market platform, they supplement the offer of their shop with, among others, healthy food, industrial, regional or imported products, and thus compete more effectively on the local market.

The eurocash.pl and eurocash.pl Market platforms are available to the customers of Eurocash Dystrybucja, Eurocash Cash & Carry, Eurocash Serwis and Eurocash Gastronomia.



Fair offering conditions

It is estimated that around 95% of small format shop sales are branded products. Eurocash Group promotes equal treatment of all sales channels among producers. The Group encourages them to partner with small format shops, emphasising that they account for almost half of the retail market. A tool that strengthens the competitiveness of local retailers is the Equal in Business Ranking, conducted quarterly by Eurocash Group analysts. The ranking examines how cooperation between producers of the most important FMCG categories and local shops compares with centrally managed retail chains. The criteria taken into account are: the price offered, the volume of distribution to shops and the share of dedicated products (i.e. those manufactured specifically for selected chains) in producers' sales. In the latest 6th edition of the ranking, the offer of more than 160 suppliers of 35 popular product categories was assessed.



For more information on the Equal in Business Ranking, go to:

<https://www.grupaeurocash.pl/en/esg/equality-in-business-ranking-2022>



Eurocash Group supplements its wide range of brand-ed products with private labels. These are often produced by manufacturers of so-called branded products, but are tailored to the customers of small-format shops and are usually more favourably priced. Having private labels in the portfolio helps win customer loyalty and builds the competitive advantage of independent Polish entrepreneurs. The Group ensures that the offer in this segment complies with the highest quality and safety standards.

Eurocash Group also assists customers through its **payment platform**. Entrepreneurs can use it to pay for many purchases collectively, as the system works like an online shop. Franchisees who have problems with payment of their receivables are offered factoring by the Group with the security of a mortgage; unpaid invoices are purchased by a factor, thanks to which they receive an additional payment period. In 2022, 74 franchisees took advantage of this solution, mainly in the Delikatesy Centrum chain.

Through dialogue with representatives of the chain during the preparation of the Growing Together Strategy, the Razem Taniej platform was developed as a response to the greatest needs of customers in the day-to-day running of their shops. The platform is a package of cost-attractive offers negotiated by the Group for the purchase of equipment and operation of the shops. The platform will launch in 2023 and will include, among other things, a life insurance package for customers, their employees and their families. In 2022, when this insurance was operating separately, around 3,500 people used it.



Good practice

Customer advisors operating in the Eurocash Group supervise the implementation of changes in shops related to, for example, remodelling or rebranding of the chain. The Group's experience shows that such changes are beneficial to customers and contribute to an increase in sales dynamics and the number of transactions.

The remodelling process with the support of the Eurocash Group is led by the ABC chain. By the end of 2022, nearly 1,400 locations across Poland had a new look. Changes in the shops included a refreshed signboard, a special place for the communication of current promotions, as well as the modification of the shop window and the replacement of lighting with energy-efficient lighting.

The ReFresh project, a modernised and enlarged concept of the Delikatesy Centrum chain's universal supermarket, is also an example of successful remodelling. Last year, the first shops were transformed to reinforce the mission of daily shopping on a relatively small sales area (around 400 m²), combining it with selected convenience and stock up functions. In the new shop design, the space and assortment of fresh categories has been expanded, in particular the area of hot dishes, prepared daily in the shop, and products ready to be baked at home.



Eurocash Academy of Skills

Poland's largest comprehensive education and training programme supporting Polish independent retailers associated in franchise and partner networks is the **Eurocash Academy of Skills** project, which has been implemented since 2010. By the end of 2022, more than 170,000 people had participated in various forms of Academy initiatives¹⁵.

The aim of the Academy is to raise the competencies of the participants and, as a result, increase the competitiveness and profitability of their businesses. The programme allows its participants to deepen their knowledge, share experiences and motivate themselves and their team to operate more effectively. The quality of the Eurocash Academy of Skills offer is confirmed by the ISO 9001:2015 certificate.



Over the dozen years of running the Academy, the Group has developed a comprehensive and multidimensional programme based on four pillars:



Educational platform



Workshops



Conferences



Postgraduate studies



55%

trainees have confirmed that they use the knowledge they have gained in their daily work



50%

participants use the knowledge from training to develop their business



¹⁵ Data from the beginning of the project, not including school students.

Academy of Skills in 2022:**Over 25 k**

participants of various educational projects

**Nearly 26 k**

platform users (pillar I)

**Nearly 6 k**

participants of in-shop workshops with a trainer among franchisees and their employees (Pillar II)

**Nearly 68 k**

completed e-learning courses

**80 participants**

teaching course for practical training instructors

**78 webinars,**

attended by almost 10.5 k participants (incl. "What to do with electricity if your contract expires at the end of the year?", "Building personal effectiveness in life and business" and "Shop losses on dry goods")

**Nearly 5 k**

online conference participants (pillar III)

- An e-conference for Delikatesy Centrum under the slogan "Success is Us!" in May 2022. Speakers included top experts in the fields of business building, team management and defining the role and tasks of a leader.
- 6th Congress of Polish Trade Entrepreneurs under the slogan "Challenges of a changing market. We win with knowledge!" in September 2022, gathering owners and employees of local shops cooperating with Eurocash Group.

**33 graduates**

of the 5th edition of postgraduate studies "Business management in Retail" organised in collaboration with the Warsaw School of Economics

**280 schools**

cooperating with the Academy

**Nearly 13 000 students**

and more than 1.2 thousand teachers participating in the programme promoting the salesperson profession to students of trade schools

- 4 editions of the Virtual Vocational Skills Festival
- webinar for schools as part of the National Career Week

**11 e-learning courses**

in Ukrainian about work in the grocery shop with a focus on fresh product stands

**4 manuals**

translated into Ukrainian

WS 1.6

WW 3

WW 4

WW 5

An important element of the Eurocash Academy of Skills activities are programmes that help get young people interested in working in the trade. In 2022, the Academy organised four editions of the **Virtual Vocational Skills Festival**, with over 14,000 participants from 280 schools in Poland. The topics of each edition of the festival are based on the curricula for the trade and logistics professions, and the issues raised extend and complement knowledge with practical aspects. Professional practitioners also provide an insight into the realities of working in selected positions and possible career paths. In addition, in 2022 the Academy organised online lectures in secondary schools as part of the National Career Week. These were attended by 70 people. Since 2018, activities for schools have been conducted under the Honorary Patronage of the Centre for Education Development.



Good practice

The Eurocash Academy of Skills received a **distinction in the Employer of Tomorrow competition** organised by the Polish Agency for Entrepreneurship Development. The award was given for a project to promote the professions of salesperson and warehouseperson-logistician in trade schools and technician-merchant and technician-logistician in technical secondary schools.



Good practice

The Eurocash Academy of Skills is one of two institutions in Poland to **certify retail shop employees in the area of salesperson competencies**. Certification licence was granted to the Academy by the Ministry of Entrepreneurship and Technology. The certification process lasts three hours, takes place online and consists of two stages: a knowledge test and a practical exam. Those who successfully pass the exam receive a certificate with the level designation of the Polish Qualification Framework. This is a valued, credible document accepted throughout the European Union, opening up career opportunities also outside the country. The certification is available to everyone, not only the employees of the shops associated with the Eurocash Group. Salesperson

certification practice supports the development of people who make up the independent trade market. The project is implemented in cooperation with representatives of franchise and partner networks of the Eurocash Group and partners of the Academy of Skills– Żywiec Group and Spomlek company.

In 2022, the Eurocash Academy of Sills issued **260 certificates** and 290 people participated in the validation process during 40 training days. In addition, in November 2022, the Academy applied to the Integrated Qualifications System to include a new qualification – Shop Manager. Once approved, the Academy will become the only institution in Poland to certify this qualification.

The culmination of another year of the Eurocash Academy of Skills was the **6th Congress of Polish Trade Entrepreneurs** in 2022, organised under the slogan “Challenges of a changing market. We win with knowledge!”. The event was attended by more than 3,600 people, with presentations by 20 speakers on topics including law and finance, business management and personal development. Since 2016, more than 26,000 people have attended congresses organised by the Academy.



More information about the Academy of Skills can be found at:
<https://www.akademiaeurocash.com.pl/>

Quality without compromise for everyone and food waste prevention



530

conducted supplier audits



420,261

tested batches of fresh products



Product quality and safety

Eurocash Group provides customers and consumers with tested and safe, high-quality products. What is put on the shelves of local shops ends up on the tables of millions of Poles, so supervision of safety and quality is crucial for the Group's operations. It covers the entire supply chain, from supplier qualification to direct deliveries to customers. The Group also makes an effort to ensure that as little food as possible is wasted throughout its value chain.



Quality without compromise for everyone and preventing food waste is one of the pillars of the Eurocash Group's Sustainable Development Strategy is one of the pillars of the Eurocash Group's Sustainable Development Strategy.

The Food Safety Policy in force in Eurocash Group defines the overriding objective of ensuring comprehensive delivery of safe food products to customers and meeting their ever-increasing demands.

GRI 3-3



Joanna Szubielska

OHS and Quality Management Specialist

For both our customers and consumers, maintaining a constant level of repeated product quality is very important. It is one of the key criteria for us when selecting a supplier. Failure to predict this quality poses a business risk, including meeting the expectations of our customers and ultimately the buyer.

That is why in Eurocash Group we verify suppliers even before starting cooperation and supervise food distribution throughout our supply chain.

Selected principles of the Food Safety Policy:



The safety of the food offered and the standard of service are the basis for the Group's long-term development.



The Group strives to maintain the quality of service at a level that customers consider unattainable for any of its competitors.



The most important quality criterion is safe food and customer satisfaction.



Safety in the handling of food products is a priority for everyone in the company.

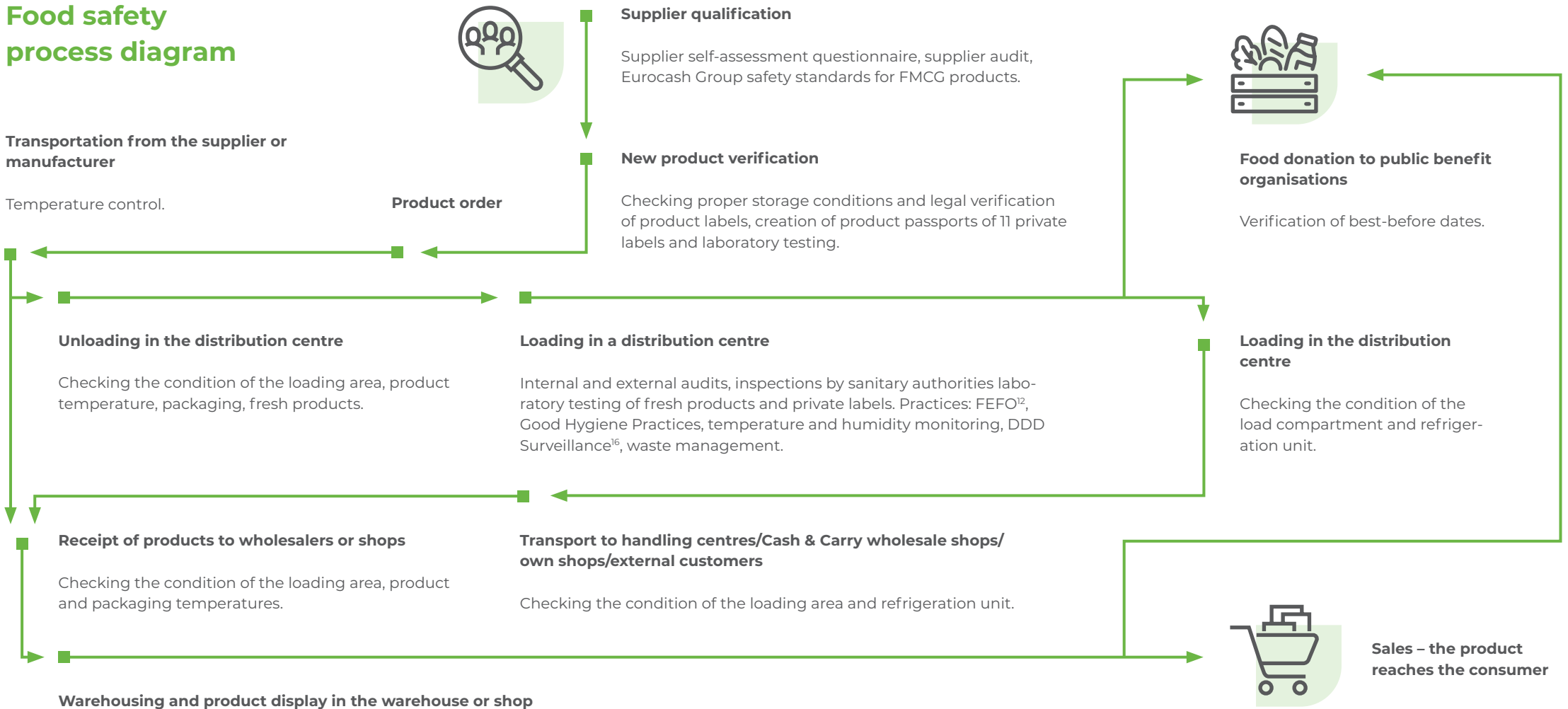


The priority is to eliminate the sources of all non-compliances.



All the Eurocash Group's commitments, activities and services must be recognised as a model of quality.

Food safety process diagram



GRI 3-3

¹⁶ Product passport – a detailed specification that identifies the private label product and its manufacturer and includes, inter alia, information on the composition of the product, its microbiological, physicochemical and sensory parameters, and the type of packaging and labelling.

¹⁷ The FEFO (first expired, first out) principle – this means that if the best-before date of product A is shorter than that of product B, product A should leave the storage area first and it does not matter which one was purchased first.

¹⁸ DDD Surveillance – surveillance relating to disinfection, disinfestation and deratisation.

The food safety policy forms the basis of the Group's quality systems in place. In addition to the mandatory HACCP, these are:



ISO 22000 – ISO 22000 – a food safety standard implemented at Eurocash S.A. It covers receiving, storage, transport, hygiene and non-compliance monitoring processes. The system is subject to annual certification, starting from its implementation in the company in 2010¹⁹.



BRC GS S&D – the global safety standard for food storage and distribution at Eurocash Gastronomía (ECG). System certified on an annual basis (ECG Błonie, Sosnowiec and Plewiska warehouses).



MSC/ASC Supply Chain – standards governing the distribution of fish and seafood from sustainable fisheries (MSC) and responsible farming (ASC). Compliance with the standard is confirmed by an annual certification audit (ECG Błonie, Sosnowiec and Plewiska warehouses).



GRI 3-3

In addition to annual certification, implemented food safety systems are also subject to regular internal audits. Audits are carried out periodically by Eurocash Group auditors and in cooperation with the BCD Business Development Centre. Wholesale shops are audited at least once a year, while distribution centres and shops are audited quarterly. In the Eurocash Gastronomía units, additional supervision is carried out in the form of monthly audits of the warehouse, loading and transport.

Results of internal audits in 2022:

Eurocash Group:



275

ISO 22000 internal audits



94.55%

safety indicator
in distribution centres



80.88%

safety indicator
in warehouses

Delikatesy Centrum:



1,136

internal HACCP audits in shops



75.14%

safety indicator in shops

Eurocash Gastronomía:



449

internal audits



99.72%

safety indicator in the warehouse



99.67%

safety indicator during loading and transport

¹⁹ The certificate is issued for three years, with 1/3 of Eurocash Group locations audited each year.

High quality of products

The Eurocash Group cooperates only with approved, regularly assessed suppliers. The precondition for the start of cooperation is that the supplier obtains a positive result of the preliminary audit. Subsequent audits are conducted as part of periodic supplier qualification. Quality audits are designed to assess processes that are important for maintaining food safety. The basis for the audits is the “**Eurocash Group Food Safety and Quality Standard**”, developed in 2020. Depending on the supplier profile, the following are checked, among others:

- acceptance of raw materials and packaging,
- storage of raw materials, packaging and finished products,
- production and release of the finished product,
- traceability,
- non-compliance management,
- maintenance of company cleanliness.



- Environmental and social criteria are also integral to the verification of any supplier. The percentage of active suppliers with confirmed compliance with their own declarations in these areas was 20.10% in 2022. In 2022, the Eurocash Group carried out **530 supplier** audits, including 111 private label audits.



Good practice

In 2019, Frisco.pl signed the international agreement **European Chicken Commitment**. This is a document containing a list of basic welfare requirements, the implementation of which by farmers will significantly contribute to improving the lives of broilers, i.e. chickens raised for meat. By signing the ECC, the company has undertaken to requiring its suppliers to meet certain conditions for 100% of the meat they supply (fresh, frozen and processed) by 2026. In 2022, the first stage of the commitment was completed: a survey of Frisco.co.uk suppliers.



More about environmental audits and social audits of suppliers can be found on page 32 in **Chapter 4. Responsible management.**

GRI 3-3

WW 11

Suppliers of fresh products are subject to additional supervision. Designated quality controllers and technologists carry out regular inspections of suppliers. They supervise the preparation of fresh products in the categories of meat, fish, fruit and vegetables directly at the producer. A total of 247 verifications were carried out in 2022


All deliveries of fresh products are checked by a team of specialised quality controllers who are certified as appraisers. The inspection involves the verification of the compliance of the products with the parameters set out in the specifications developed by the Group's technologists..

Quality supervision and training

	2022	2021
Supplier audits	530	537
including audits of private label suppliers	111	98
Supplier quality audits	192	202
Local inspections by technologists	55	120
Product tests	1885 (private labels) 292 (fresh products)	2290 (private labels) 191 (fresh products)
Training (directly by the Quality Department)	1407	699 ²⁰

WS II.1

In 2022, the following were evaluated:



363,547 batches
of products in the fruit, vegetables and meat and fish categories



117,460 packages
of the egg category



3278 packages
of the cold cuts category



2025 packages
of the dairy category

In addition, fresh products are also covered by laboratory tests for microbiological and physicochemical factors. A total of 292 tests were carried out, of which 232 concerned meat.

The Group's activities bring tangible results. In 2022, the number of customer complaints about fresh products was only **0.036%**, against a permissible maximum of **0.5%**.

²⁰ Updated data for 2021– volume for Delikatesy Centrum sp. z o.o. included.

Private labels

As part of its wholesale business, Eurocash Group also offers 102 private labels, which are an ideal complement to producer brands in selected categories. This allows the company to offer consumers a rich and unique range of products, tailored to the diverse needs of its customers.

The Group ensures the safety, high quality and good composition of its private label products. The physical, chemical, microbiological and sensory quality of the articles is regularly verified by external, independent and accredited laboratories.



Anna Gorzelańczyk

Director of the Private Label Department

To effectively support our customers' businesses, we need to be close to the market, trends and consumers. Carefully observing, understanding and then consciously designing good products and strong brands is the aim of our work. We collect data and inspiration, analyse the market, talk to entrepreneurs, identify business opportunities and then work on how to turn ideas into concrete solutions. We are a team of experienced specialists who create a competitive range of Eurocash products and brands that make consumers more likely to visit their favourite shops. The Private Label Department is formed by market researchers, commodity experts, negotiators, packaging designers and marketing specialists, because this area of business requires a very broad knowledge and competence.

Quality of private labels in 2022²¹:



1885

laboratory tests (in 2021 – 2290)



111

supplier audits (in 2021 – 120)



181

sensory evaluations (in 2021 – 250)



38

usability tests (w 2021 – 14)



751

passports and labels verified
(in 2021 - 879)



672

items inspected in the commercial
facilities of the Eurocash Group
(in 2021 – 189)



28

household chemical products of the
HELP and SILIA brands certified by
TÜV Nord (in 2021 - 33)

- TULA -
TROS KliWi Z NATURY

New to the own-brand portfolio in 2022 was the TULA brand. This is a brand of dog and cat food that uniquely combines a distinctive brand idea (built on an equal relationship between human and animal), a quality product, an attractive price for the consumer and a satisfactory profitability for business partners (shop owners). The brand's range includes 17 product: dry and wet foods, as well as snacks – harder and dried beef.



²¹ A decrease in tests in 2022 compared to 2021 is due to fewer new product launches.

Selected Eurocash Group private labels:



Over 400 Eurocash Group private label products – **“Strong shelf”**. These brands are consciously designed, taking into account the key needs of shop owners and consumers. They represent important market categories, from dairy, sweets and beverages to household chemicals or pet food. They are a viable and desirable alternative to producer brands, offering consumers not only an attractive price, but often also higher quality or better package design.



Kanka – a modern brand developed in cooperation with shop owners, consumers and Polish suppliers. It stands out with attractive packaging and ongoing marketing support in the form of eye-catching activations for shopkeepers and consumers. The brand's portfolio consists of 36 high-quality and delicious products, including cottage cheese, butter, cream, milk, hard cheese, yoghurt and kefir. Kanka won the title of winner of the nationwide Good Brand 2022 – Quality, Trust, Reputation Programme. This programme promotes the most innovative, developmental and recognisable brands available on the Polish market.



More than 550 products marked with the **“Lewiatan”** logo, which hold the position of sales leader in their category. In addition to foodstuffs such as meats, concentrates and processed cereals, the shelves are also stocked with home furnishings, hygiene and industrial products.



Biolove products available in Kontigo, the beauty shops with exceptional service, are a guarantee of healthy and beautiful skin. The brand focuses on natural ingredients and offers its customers unique bath salts, massage candles, body and face butters and mousses. The range includes also other products that may come in handy: spray lotions, hand creams and handy deodorants.



Gama private label consists of high-quality products from Polish manufacturers. In addition to a wide selection of products, it also provides attractive and aesthetically pleasing packaging, making it an excellent alternative to branded products, offering similar products but at a lower, more attractive price. Gama's offer includes juices, concentrates, pasta and rice, drinks and many other foodstuffs.



The **Groszek** private label, available exclusively in the chain's shops, is distinguished by the favourable price of the products while maintaining their high quality. Thanks to its simple composition and modern packaging, the item signed with the Groszek logo are attractive competition for their counterparts in the respective categories. The constantly developing offer currently includes several dozen products from categories such as rice, pasta, chocolate, jams, honey, juices, biscuits, nuts, dog and cat food or tinned vegetables..



The private label with the **Euro Sklep** chain logo guarantees high quality at a good price. The products have been created for consumers who take all these elements into account in their everyday purchasing decisions: simple composition, low price and visually attractive product packaging. In the shops of this chain, they will find items from categories such as rice, pasta, sweets and snacks, jams, honey, juices, pet food or tinned vegetables. The entire product range is consistent, clear and stands out from other brands.

Supervision over non-compliances

In 2022, there were 65 cases of product safety non-compliance, resulting in a recall procedure being triggered. Most of the cases involved exceeding the permissible level of certain substances in the product and pathogen contamination, as well as bulging or damage of packaging and inappropriate organoleptic characteristics of the product. The procedure was triggered for 5 own-brand products and the remainder concerned products of other brands.

In the area of product information and labelling, 92 cases of non-compliance were identified in 2022. 20 of these resulted in a penalty imposed by external authorities. The penalties mainly concerned the failure to display or ambiguously indicate prices and the unit price, as well as the failure to meet the quality requirements specified on the packaging. 12 cases (4 of which related to private label products) followed inspections during the reported year and the remaining 8 resulted from inspections carried out in 2021 (4 of which related to private labels).

The remaining 72 cases recorded for product information and labelling mainly related to incorrect weight, labelling and traceability. 22 non-compliances gave rise to a recall procedure, while 50 gave rise to complaints about private label products. Accepted complaints are the result of additional internal product inspections

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of private label products against product passports. Inspections were carried out in wholesalers and distribution centres.

In 2022, there was not a single case of non-compliance in the Eurocash Group relating to marketing communications.

Total number of cases of non-compliance with regulations and voluntary codes on information and labelling of products and services by type of impact:

	2022
Number of non-compliances with regulations resulting in a penalty or a fine	20
Number of non-compliances with regulations resulting in a warning	0
Number of non-compliances with voluntary codes	72
Total number of non-compliances	92



Food waste prevention

Eurocash Group sees the prevention of food waste as one of its main responsibilities arising from the nature of its business. According to data, Poles waste as much as 5 million tonnes of food every year²². In order to reverse this trend, joint action is needed from both consumers, who are responsible for 60% of food waste, and responsible businesses along the value chain.

Throughout the Group's supply chain, fresh produce is the most likely to go to waste, which is why in 2022 Eurocash's wholesalers, together with PHU Dytrych sp. z o.o., conducted tests on extending the shelf life of fruit, vegetables and flowers. Five wholesalers were equipped with a **photocatalytic air purifier**, which reduces ethylene (responsible for ripening fruit and vegetables) to carbon monoxide and water. The process of photocatalysis also simultaneously leads to the destruction of bacteria, fungi and moulds. Tests have shown that the indicated products retain their freshness and firmness significantly longer, even by several days. More wholesalers are planned to implement this solution in 2023.

Food wasted and saved

	2022		2021	
	Relative to weight [%]	Relative to value [%]	Relative to weight [%]	Relative to value [%]
Waste rate ²³	0,38	0,40	0,39	0,47
Food saved rate ²⁴	5,60	8,41	4,15	3,79
Ratio of food donated to food sold	0,02	0,04	0,02	0,02



GRI 3-3

WS II.3

²² Source: https://grupaeurocash.pl/assets/media/grupa-eurocash-szanuje-nie-marnuje-podrecznik-final_1.pdf

²³ Food wasted ratio – the ratio of the weight of food wasted to the weight of food sold expressed in %.

²⁴ Food saved ratio - the ratio of the weight of food donated to charities to the sum of the weight of food wasted and food donated (potentially expected to be wasted) expressed in %.



Good practice

At Eurocash Gastronomica, a three-tier sale of short-life products to external customers has been introduced. The level of the discount depends on the expiry date of the product. Employees can also benefit from the sale, including for slow-moving products. The condition for an employee to benefit from the sale is to have a separate SAP number.





In 2022, Eurocash Group conducted, for the second time, the campaign **“Full respect, no waste!”** to educate customers – grocery shop entrepreneurs – about counteracting food waste in trade, as well as to spread awareness among consumers. Networks cooperating with the Group were involved in the project: Groszek, Lewiatan, Euro Sklep, Gama, ABC, Delikatesy Centrum, as well as abc na kołach and Frisco. The Group provided a series of podcasts on the legal aspects of preventing food waste and videos with recipes for zero waste dishes. In turn, users of the Eurocash Skills Academy were able to take part in webinars with experts. The campaign was implemented in cooperation with the Caritas Polska Foundation and the Federation of Polish Food Banks.



WW 1

WW 2

Examples of topics covered in the webinars and podcast series:

Everything you need to know about entering into an agreement with a public benefit organisation.



How to correctly charge for wasted food?



How to prepare for a Voivodeship Environmental Protection Inspector inspection in the area of food waste prevention?



Good practice

As part of the **“Full respect, no waste!”** for businesses and consumers, the Group prepared a guide entitled **“How to store food at home?”**. It tells us:

- How to properly arrange food in the fridge?
- How to store fruit and vegetables properly?
- How to store food in containers?
- How to manage surplus food at home?
- <https://grupaeurocash.pl/o-eurocash/odpowie-dzialny-biznes/jak-przechowywac-zywnosc-w-domu>





Video “zero waste” recipes –
<https://www.grupaeurocash.pl/en/esg/szanujemy-nie-marnujemy>



The “Full respect, no waste!” campaign
was awarded in the 3rd edition of the
trade programme “BLIX AWARDS –
Consumer Choice.”

The campaign also included a competition for the Group's employees, who were encouraged to share their ideas
on the topic of “What can you do to avoid wasting food on black and red letter days alike?”

Marnowanie żywności to duży problem ekonomiczny i społeczny.

Co robić, by nie marnować żywności na co dzień i od święta?

w sklepie

Planuję zakupy, mam ze sobą listę
Karolina

Nabiał, wędliny kupuję na bieżąco
Anna

Na zakupy nie chodzę będąc głodną
Marta

Kupuję produkty przecenione/zagrożone zmarnowaniem
Małgorzata

Pomysłami dzielę się pracownicy Grupy Eurocash.
“w ramach konkursu Grupy Eurocash – „Szanujemy, nie marnujemy”.

Marnowanie żywności to duży problem ekonomiczny i społeczny.

Co robić, by nie marnować żywności na co dzień i od święta?

pomoc potrzebującym

Dzielę się przetworami z sąsiadami
Zofia

Oddaję nadmiar jedzenia do jadłodzielni
Joanna

Pomysłami dzielę się pracownicy Grupy Eurocash.
“w ramach konkursu Grupy Eurocash – „Szanujemy, nie marnujemy”.

Marnowanie żywności to duży problem ekonomiczny i społeczny.

Co robić, by nie marnować żywności na co dzień i od święta?

w pracy

Robię domowe dżemy – to świetny pomysł na świąteczny prezent w pracy
Maria

Wymieniam się pomysłami na kreatywną kuchnię z resztek
Marzena

Dzielę się jedzeniem z koleżankami i kolegami
Kamila

Pomysłami dzielę się pracownicy Grupy Eurocash.
“w ramach konkursu Grupy Eurocash – „Szanujemy, nie marnujemy”.

Marnowanie żywności to duży problem ekonomiczny i społeczny.

Co robić, by nie marnować żywności na co dzień i od święta?

w domu

Dbam o właściwe przechowywanie jedzenia
Beata

Z tego, co mam w lodówce robię kolorowe zupy
Monika

Zamrażam, suszę, robię przetwory i kiszonki
Kinga

Z kawałków sera, wędlin, resztek warzyw robię zapiekankę
Marzena

Ze zwiędłych owoców i warzyw robię koktajle
Krzysztof






Nadmiam zupę wekuję, jem je wtedy, kiedy nie mam czasu gotować
Anna

Pomysłami dzielę się pracownicy Grupy Eurocash.
“w ramach konkursu Grupy Eurocash – „Szanujemy, nie marnujemy”.

Partnership for non-waste

Eurocash Group cooperates with 78 non-governmental organisations in the donation of food to people in need. In 2022, the Group donated a total of more than 365 Mg of food through them.

Food went to:

	Polish Committee for Social Assistance
	23 Caritas Polska centres
	14 St. Brother Albert Aid Society centres
	4 Food Banks
	37 other organisations (including “Życie” Humanitarian Action, Teen Challenge, “Babcia i Dziadek” Foundation, Panacea Aid Centre Society)

Food donated by Eurocash Group in 2022

Organisation	Weight [kg]	Value [PLN]
Polish Committee for Social Assistance	130,539.93	2,694,994.92
Caritas Polska	91,087.83	678,358.95
Other entities	47,602.01	415,283.09
“Życie” Humanitarian Action	31,587.91	286,675.37
St. Brother Albert Aid Society	27,431.67	196,046.81
Teen Challenge	23,711.21	176,492.66
Poland's Noah's Arc Society	13,186.85	89,628.02
Total amount	365,147.41	4,537,479.83



Including Eurocash S.A. 225,015.09 kg (PLN 1,786,188.21), Delikatesy Centrum sp. z o.o. 9,592.39 kg (PLN 56,296.70), Frisco S.A. 130,539.93 kg (PLN 2,694,994.92).

The food does not come from food collections or Aid to Ukraine activities.

We use less



161,924.15 tCO₂e

eEmissions in scope 1 and 2



5,539,224.2 tCO₂e

emissions in Scope 3



Not less than **42%**

CO₂ reduction by 2030 in Scopes 1 and 2 as part of our decarbonisation strategy



About **50%**

packaging materials recovered from sold private label products and their packaging



We reduce our environmental impact

With a view to minimising its negative environmental impact, the Eurocash Group adheres to the objectives of the implemented Environmental Policy. It ensures compliance with the applicable environmental regulations and standards, as well as taking into account local environmental aspects. Measures in line with care for nature are also part of the Group's Sustainable Development Strategy.



GRI 3-3

Environmental Policy objectives:

- Compliance with all legal requirements and regulations in the area of environmental protection and impact that apply to the activities of the organisation.
- Systematic work to raise environmental awareness among employees and partners, with particular emphasis on waste segregation and recycling.
- Prevention of environmental pollution, including reduction of waste and nuisance emissions.
- Rational use of natural resources, including air, water, energy and fuels.
- Improvement of logistics technologies and processes so that, on the one hand, they are environmentally friendly and, on the other hand, meet the needs and expectations of current and future contractors as well as other stakeholders.
- Failure prevention.
- Initiating and promoting environmental activities among suppliers and customers.
-

• Green infrastructure

Since 2017, the Eurocash Group has been transforming its offices in an eco-friendly way. In 2022, another office, in Lublin, received the prestigious Green Office certificate awarded by the Foundation for Environmental Education. Other Eurocash Group facilities in Warsaw, Komorniki and Błonie were awarded re-certification. The standard of certification is underpinned by the idea of bringing ecology into business on a daily basis, i.e. closing every working day with the least possible use of natural resources and with the least possible impact on the environment.



Reducing the negative impact of logistic processes

The Eurocash Group is consistently reducing the environmental impact of its logistics operations. By modernising the fleet, optimising the way goods are transported and loaded, and changing the way goods are picked, it is possible to reduce the number of kilometres travelled and fuel consumption and associated emissions to the atmosphere.

Summary of logistics activities in 2022:



The “Hybrid” project – the key objective of the newly launched project is to provide customers with a full range of goods, both staple products, as well as and fresh products (fruit, vegetables and meat and cold cuts), in a single transport. With the implementation of the “Hybrid” project, Eurocash Logistyką reduced the number of kilometres travelled by approximately 830,000.



Reduced internal transports between warehouses – part of the range was delivered directly to handling warehouses. These activities saved more than 432,000 kilometres, i.e. more than 11,000 more than in 2021.



Centralisation of deliveries – goods were delivered to three distribution centres instead of wholesalers. The Group estimates that this has reduced the number of kilometres travelled by suppliers by approximately half a million a year, which translates into approximately 166,000 litres of fuel.



Cooperation with the logistics company FM Logistic helped to reduce the so-called “empty mileage” in the transport sector. The reduction in kilometres travelled by approximately 37,500 contributed to a reduction in the amount of fuel burnt.



The optimisation of delivery schedules – adjustment of the number of deliveries to wholesalers depending on the volume of orders. As a result, the number of kilometres has been reduced by 270,000 per year, which translates into approximately 90,000 litres of fuel.



Order picking on tablets – introducing tablets into the merchandise preparation process for wholesalers has reduced the use of paper for printing pick lists to zero and reduced the use of paper by 900 reams per year for the 3 distribution centres.



Good practice

In 2020, Kompania Piwowarska and the Eurocash Group developed a joint plan to reorganise truck transport between the companies. Under the **Single Source** project, products are appropriately categorised in terms of where they are brewed by Eurocash Group Supply Chain Planners. This, in effect, allows them to be delivered to Eurocash warehouses directly from one of the three bottling locations, thereby reducing the number of kilometres travelled and double handling. In addition, the **Drop size** project has made it possible to deliver beer with lightweight trailers that hold an additional two pallets of goods.

Strategic climate management

The Eurocash Group has included ambitious decarbonisation targets in its “Growing Together” strategy for 2023-2025. The Group has prepared them as a response to the growing awareness of its business and its impact on the climate. The commitments made are consistent with the expectations of our stakeholders and customers in the area of decarbonisation of our business.



GRI 3-3

TCFD

As part of its decarbonisation strategy, the Eurocash Group has undertaken to reduce CO₂ emissions by no less than **42%** by 2030 in Scopes 1 and 2 according to the GHG Protocol and to engage its key suppliers to set their own decarbonisation targets by 2027. A core element of Eurocash's decarbonisation strategy is to reduce CO₂ emissions by diversifying its electricity supply sources, improving energy efficiency in its operational buildings and setting an energy standard for new locations.



**Sebastian
Zientara**


Climate and Environmental Manager


Business is very important, it is through it that we can grow and deliver value to our customers. However, business is not everything... In an organisation as complex as the Eurocash Capital Group, environmental protection and our impact on the climate in our day-to-day operations poses a huge challenge. We have taken the initiative to understand what our impact is and have attempted to manage it with the aim of reducing emissions. We have a very long and winding road ahead of us, but the most important thing is that we know where we are and where we are heading...

In 2022, Eurocash Group was one of the first companies in Poland to join the global **Science Based Targets Initiative** (SBTi). Its aim is to support companies in reducing greenhouse gas emissions in line with the latest climate science. This means that the company is required to create a plan to reduce emissions in line with the recommendations of scientists. Targets are considered science based if they are in line with what the latest climate science considers necessary to achieve the Paris Agreement's goals of limiting global warming to below 2°C and aiming to keep it at 1.5°C. The Eurocash Group was among a small number of the first dozen or so Polish organisations to verify their decarbonisation targets in SBTi.



In order to pursue an effective strategy, Eurocash Group conducted an analysis of climate risks and opportunities, based on two hypothetical climate scenarios:

 **below 2°C**, which assumes that most of the Paris Agreement assumptions will be achieved, consequently preventing the most extreme effects of climate change from occurring in the long term,

 **4°C**, which assumes that the effects of climate change will already materialise around 2030-2040.

Both scenarios were assessed in the short term (up to 2025), medium term (up to 2030) and long term (up to 2050).













TCFD



Risks were categorised in line with TCFD recommendations, adopting a distinction between physical and transformational risks and identifying their impact on the business: market, regulatory, reputational or technological.

Climate risks were assessed against a list of 30 environmental risks and threats that affect Eurocash Group's business, finances or reputation. For each risk, the probability of occurrence (on a scale of 1 to 5), materiality and possible consequences (on a scale of 1 to 5) were determined.



















As a result of the analysis, 5 risks with financial impact were classified as the most significant for Eurocash Group. Most of the risks with a high probability of occurrence by 2025 and 2030 overlap.

Risk	Management methodology	Impact	Short horizon		Medium horizon 2°C scenario		Average horizon 4°C scenario	
			Impact	Probability	Impact	Probability	Impact	Probability
<p>Risk of material loss or disruption of logistical processes due to sudden weather events. Extreme weather phenomena, such as intense storms or floods, occurring in countries from which the Eurocash Group imports products.</p>	<ul style="list-style-type: none"> Regular monitoring of weather phenomena occurring in regions that are key from the perspective of the value chain. Business Continuity Plan in case of sudden weather phenomena. Conducting operations in warehouses that meet standards in accordance with Polish law. Cooperation with suppliers located in Poland, so that the most acute physical risks are not yet significant 	Financial						
								
<p>Risk of increased consumer pressure both on the availability of information on the origin of individual products, and the associated environmental impact. Thus, the risk of increased costs of obtaining product data and reputational risk in the event of non-communication by the Group or publication of damaging and unconfirmed information by third parties.</p>	<ul style="list-style-type: none"> Analysis of market trends, including changes in the area of consumer preferences. Gathering information on the origin of individual products. Analysing the possibility of introducing products with a lower or neutral environmental impact. Implementing a decarbonisation strategy and the relevance of reduction targets in line with SBTi. Plan to involve key Eurocash suppliers in the process of building a decarbonisation policy and reducing Scope 3 CO₂ emissions. 	Reputational / Financial						
								

TCFD

Legend
Impact / Likelihood

 Low  Moderate  High  Very high

Risk	Management methodology	Impact	Short horizon		Medium horizon 2°C scenario		Average horizon 4°C scenario	
			Impact	Probability	Impact	Probability	Impact	Probability
The risk of an increase in energy consumption and prices in the distribution and sale process. Rising temperatures, a consequence of climate change, can create increased demand for energy used in operational facilities. The risk may materialise even in the short term.	<ul style="list-style-type: none"> Implementation of investments in the area of energy efficiency improvements. Construction of own renewable energy generation sources. Use of low-carbon energy solutions (e.g. cPPAs). 	Financial						
The risk of prolonged drought may affect the limited availability of agricultural products. Decrease in yields from agricultural production in regions important for the supply chain will translate into the availability of products and their price. The risk materialises with varying intensity in many regions around the world, including Europe.	<ul style="list-style-type: none"> Cooperation with different suppliers and the diversity of regions from which products are sourced. Plan to engage suppliers in sustainable development activities, including climate change adaptation activities. 	Financial						
The risk of increased cost of capital and the risk of higher borrowing costs if Eurocash S.A.'s ESG rating is insufficiently assessed by financial entities.	<ul style="list-style-type: none"> Activities related to the implementation of the decarbonisation strategy. Preparation of a long-term CO₂ reduction plan with the involvement of key suppliers. Sustainability reporting, taking into account information on progress in implementing CO₂ emission reductions. 	Financial						

TCFD

Legend
Impact / Likelihood

 Low

 Moderate

 High

 Very high

The Eurocash Group has been measuring its Scope 1 and 2 carbon footprint for many years, and in 2022, for the first time, it also calculated Scope 3 emissions. Total emissions in all three scopes amounted to 5,701,148.39 tonnes CO₂-equivalent in late 2022, 102,055.35 tonnes CO₂-equivalent higher than in 2021.

The greenhouse gas emission intensity factor was 0.1356 in Scopes 1 and 2 and 4.6402 in Scope 3. Compared to the reference year 2020, the following was established:

- an increase in scope 1 emissions by 3,251.76 tCO₂e
- reduction in Scope 2 emissions by 6,313.46 tCO₂e
- an increase in Scope 3 emissions by 65,464.67 tCO₂e

Among the measures taken to reduce greenhouse gas emissions are the modernisation of lighting, reduction of electricity consumption and district heating.



Detailed data on the GRI 305-1, 305-2, 305-3, 305-4 indicators can be found in the **attachments**.



Direct greenhouse gas emissions amounted to

47 566,83 tonnes

CO₂ equivalent
and were 1,777.16 tCO₂e higher
than 2021



Indirect greenhouse gas emissions (Scope 2) amounted to

114 357,32 tonnes

CO₂ equivalent
and were lower than in 2021
by 2 260.57 tCO₂e



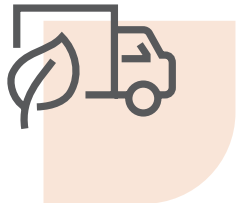
Other indirect greenhouse gas emissions (Scope 3) amounted to

5 539 224,2 tonnes

CO₂ equivalent
and were higher than in 2021
by 102,539 tCO₂e



Good practice



The Eurocash Group has been consistently changing its fleet to a greener fleet for a number of years, and these measures were intensified in 2022. The total passenger car fleet was reduced by 24% during the year, from 2,450 to 1,860 vehicles. At the same time, the proportion of hybrid cars increased by 10%, to 85%. The Group's target solution is to use an electric fleet – tests of electric delivery cars will be carried out in 2023.

The Group also continued its green driving training programme in 2022. In late 2022, 600 Group drivers had already been trained in this area.

Fleet of company hybrid cars

2017	2018	2019	2020	2021	2022
349	158	493	289	551	412

Exchange of petrol and diesel cars for hybrid ones

	Number	Change 2022/2021
Petrol cars	117 (6%)	-41 (-25.95%)
Diesel cars	171 (9%)	-146 (-46.06%)
Cars with a hybrid engine	1,572 (85%)	+146 (+10.08%)

WS III.2

Emissions for cars and trucks

	For cars and delivery vans ≤ 3.5 t					For trucks > 3.5 t
Working hours	Petrol	Diesel oil	Gas	CNG	Total	Diesel oil
Fuel consumption (litre)	3,240,760.90	2,682,577.91	13,183.39	18,747.44	5,955,269.65	2,943,023.01
Emissions conversion factor (kg CO ₂ e/litre)	0.002340	0.002699	0.00156	0.000440		0.00269
CO ₂ e emissions (tonne)	7,582.41	7,239.74	20.53	8.25	14,850.93	7,942.63
Number of kilometres driven	61,572,121.72	23,097,704.08	320,825.29	157,956.00	85,148,607.09	13,979,023.91
Average emissions (g CO₂/km)	123.15	313.44	63.98	52.23	552.79	568.18

Energy management

In order to effectively manage energy consumption in such an expansive organisation, the Eurocash Group has created a tool to comprehensively collect data on energy consumption and costs. By analysing the results, the Group is able to carry out in-depth audits that result in the implementation of further energy-saving initiatives, including the modernisation of heating systems, replacement of lighting and construction of own power sources and room temperature control systems. Practices are also implemented to minimise energy consumption outside the operating hours of the facilities.



Good practice

In 2022, the Eurocash Group launched a project to build its first major photovoltaic installation. The planned installation in the distribution centre in Lublin will have a capacity of **564 kWp** and will provide approximately **17%** of the facility's annual demand. The planned commissioning date is the last quarter of 2023. The Group is also analysing the possibility of installing RES installations at other facilities.

In 2022, the total consumption of energy from non-renewable sources in the Eurocash Group was 1,231,532.38 GJ, and the amount of reduction achieved compared to 2021 was 47,643.20 GJ. In addition, by modernising lighting, the Eurocash Group saved 1,412 GJ of electricity in 2022²⁵.



Details of the GRI 302-1 indicator can be found in the **attachments**.



Energy savings in the Eurocash Group:



Reduced energy consumption when charging power generators in delivery trucks.



Energy-efficient LED lighting is installed in distribution centres, Cash & Carry halls and **85%** of own shops.



Analysis of the energy potential of distribution centres, warehouses and shops to implement an energy management system to reduce energy.



A utility consumption monitoring system has been implemented in:

- **10** distribution centres,
- **16** wholesalers,
- **27** Delikatesy Centrum shops.

²⁵ Calculated on the basis of the sum of tonnes of oil equivalent converted into MWh.

The Group shares its knowledge of energy efficiency with its customers, thereby involving franchisees in environmental activities. The Group supports their entrepreneurial spirit in reducing the cost of doing business, while at the same time reducing indirect CO₂ emissions. Joint projects are implemented in three areas:



Education – the Group provides knowledge and practical solutions in the area of identifying potential for reducing consumption or responding to current legislative changes.



Purchasing – using the Group's experience and size to implement joint energy purchases or those affecting energy consumption in the shop.



Analytics – in 2022, the Group undertook preparatory activities for in-depth energy audits. The introduction of the energy efficiency performance analysis programme is expected to result in, among other things, a best practice database in the area of utility consumption, which will be available to all customers.



Good practice

- In some shops of the Lewiatan Polish Retail chain and the Delikatesy Centrum chain, modern heating systems with recuperation are used.
- In selected shops of the Groszek chain, lighting is being replaced with energy-efficient lighting. New refrigerators are also being installed, which generate less heat loss in the hall and lower electricity consumption.
- Many owners of Euro Sklep, Gama or ABC outlets are choosing to install photovoltaics, thus reducing energy consumption for heating their outlets.

Materials

The Eurocash Group is responsible for marketing the packaging in which the Group's private label products are placed. Each year, the Group is required to meet certain recycling and recovery levels for particular types of packaging. This obligation is fulfilled through the packaging recovery organisation Interseroh. In 2022, the Eurocash Group consumed 46,729.22 tonnes of non-renewable materials (including plastics, glass, metal) and 13,395.12 tonnes of renewable materials (including paper, wood). At the same time, approximately 50% of the products sold and their packaging were recovered. With the upcoming EU regulations (including the Single Use Plastic directive), Eurocash Group is preparing to launch activities in the scope of the eco-design of private label packaging.



Details of the GRI 301-1, 301-3 indicators can be found in the **attachments**.

GRI 3-3 GRI 301-1 GRI 301-3



Good practice

The Eurocash Group has established cooperation with CHEP, which is the world's largest supplier of pallets in a pooling model. As a result, cars bringing new goods to the Group's customers can simultaneously collect empty pallets from the shop, both those emptied of goods after previous deliveries and those which were delivered to a given location through a channel other than the Eurocash network. All this is done in a single trip, which translates into rational resource optimisation – fewer kilometres driven, less petrol consumer, fewer CO₂ emissions and fewer trees cut down to produce new pallets.



Waste

The Eurocash Group primarily generates municipal waste, packaging waste – waste paper and film and food waste. All of it is collected selectively. Municipal waste is sorted into fractions – paper, plastic and metal, glass, biological and mixed waste.

The Group's waste is collected only by authorised companies and the collection of non-municipal waste is confirmed each time in the system of the Database of Products, Packaging and Waste Management (BDO). The cooperation is regulated by contracts and, in the case of municipal waste, also by municipal declarations. All waste, with the exception of municipal waste and animal by-products (UPPZ), is recorded through the BDO. Municipal waste collections are verified on an ongoing basis with the settlement of invoices (e.g. via the Jo-brouter application) and municipal declarations. Animal waste collections are verified through commercial documents. Based on BDO's waste records, waste management reports are submitted annually to the Marshal's Offices.

Waste management in the Group is governed by waste management procedures and guidelines for the collection of waste paper and film from Eurocash Group units. The waste management process is overseen by the

Quality and Environmental Assurance Department. The identified significant actual impacts related to non-hazardous waste from the organisation or its value chain are as follows:

- participation in packaging recycling,
- participation in the segregation of municipal waste / reduction of mixed waste in favour of segregated waste,
- reduction of food waste (food products and animal by-products that are past the expiry date or unfit for consumption),
- quantity and quality of packaging of private label products.

In 2022, the total weight of waste generated in the Eurocash Group was 21,286.34 Mg, of which the majority was non-hazardous waste. 17,510.53 Mg of waste was sent for recovery and 3,775.80 Mg for disposal.



Details of the GRI 306-1, 306-3, 306-4, 306-5 indicators can be found in the **attachments**.

Initiatives that supported waste management and promoted the principles of the circular economy in 2022 include:

Pallet pooling



Implementation of the Full respect, no waste project



The Green Office project



Training in proper waste management as part of the "Euromission" gamification for employees of wholesaler

Webinars on municipal waste segregation

Training on waste management for wholesale shop and warehouse managers

Verification of private label suppliers with regard to the implementation of the SUP directive

GRI 3-3

GRI 306-1

GRI 306-2

GRI 306-3

GRI 306-4

GRI 306-5



Good practice

In an effort to eliminate single-use packaging, such as cardboard boxes, Eurocash Group has equipped distribution centres and warehouses with plastic boxes, which are used for picking general goods. After cleaning and disinfection, the boxes are returned to circulation and reused. In this way, less packaging waste is generated and, according to a study by the Fraunhofer Institute, CO₂ emissions can be reduced by up to 47% in this area. The switch to plastic boxes also increases the protection of products from damage during transport to the central warehouse and further distribution.



Water

Water management issues in the Eurocash Group are described in the Food Safety System Hygiene Book. The water systems in the Group's facilities are supplied from municipal water mains, and the quality of tap water is verified in an external, accredited laboratory according to an established matrix and testing frequency. Water must meet the requirements of the Regulation of the Minister of Health on the quality of water intended for human consumption. The quantity and quality of the collected water is monitored and cyclic testing (of microbiological and physical-chemical parameters) is carried out. In 2022, the initiative to install filtration equipment that reduces, among other things, chlorine and lead content and improves water quality continued. In late 2022, the systems were installed in 255 locations.

The Eurocash Group identifies internally the organisation's impacts on water resources to address them by, among other things, encouraging employees to use water sparingly (e.g. information stickers in bathrooms and kitchens). In 2023, the Group carried out a detailed analysis of water abstraction for 2022 in drought-prone areas. This became the starting point for planning activities in the area of water management, including upstream.

The Eurocash Group's wastewater is discharged exclusively to the municipal sewerage system or, if there is no sewerage system, to a holding tank. The quality of discharged wastewater complies with regulatory requirements. Local regulatory requirements for discharges apply at all locations.

In 2022, the total freshwater abstraction in the Eurocash Group from all areas was 242.28 MI and from drought-affected or drought-prone areas – 159.61 MI.



Details of the GRI 303-3 indicators can be found in the **attachments**.

GRI 3-3

GRI 303-1

GRI 303-2

GRI 303-3

EU taxonomy

In 2022, the Eurocash Group re-examined its business operations in terms of the EU Taxonomy. In accordance with the applicable regulations, the review was carried out in relation to the first two environmental objectives – mitigation and adaptation to climate change.

The reassessment of the Eurocash Group's activities identified 7 activities included in Commission Delegated Regulation (EU) 2021/2139:

- **3.6** Production of other low carbon technologies
- **5.5** Collection and transport of non-hazardous waste in source-segregated fractions
- **6.5** Transport by motorbikes, passenger cars and light commercial vehicles
- **6.6** Road freight transport services
- **7.3** Installation, maintenance and repair of energy efficiency equipment
- **7.6** Installation, maintenance and repair of renewable energy technology systems
- **7.7** Acquisition and ownership of buildings

Conformity assessment

Each taxonomy-eligible activity was verified against the technical eligibility criteria of Commission Regulation (EU) 2021/2139.

The significant contribution of individual activities to the climate change mitigation objective and compliance with the Do No Significant Harm (DNSH) criterion in relation to the other environmental objectives were verified. In relation to the second environmental objective, climate change adaptation, the possible physical risks associated with the climate have been identified for each taxonomic activity and the significance of their impact on the activity were assessed.

Some activities, including, among others, the manufacture of other low-carbon technologies or the installation, maintenance and repair of energy efficiency equipment, despite meeting the technical criteria, have not been deemed to be compliant with the Taxonomy due to the Group's application of incomplete minimum guarantee and due diligence requirements. In 2023, the Eurocash Group continues to work in this area to implement due diligence across its business.

Indicators of taxonomy-eligible activity (environmentally unsustainable):



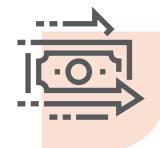
0.04%

turnover



15.04%

capital expenditure (Capex)



89.73%

operating expenditure (Opex)



Details can be found in the **attachments**.

Employee safety, health and engagement



47%

employee engagement rate and attendance at a record level of 92%



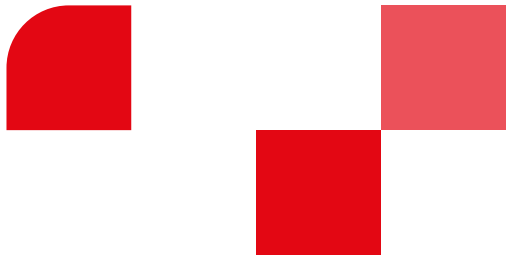
Nearly 4 k

participants and 500 completed training courses as part of the “Development in your hands” project



Eurocash Group employees

In the reported period, more than 19 thousand people worked in Eurocash Group, which makes the organisation one of the largest employers in Poland. Employees are offered stable employment and a wide range of opportunities to develop their competences. The scope of operations of the business units within Eurocash Group provides an opportunity to gain professional experience in trade, logistics or IT. Each employee can be sure of a career path, recognition for their engagement and work in an atmosphere of respect and diversity.



GRI 2-7 GRI 2-8 GRI 3-3 GRI 401-1



Employment contracts are the main form of employment at Eurocash. Over 16,000 people were employed on a full-time basis in 2022, of whom nearly 65% were women. More than 70% had indefinite-term contracts and 97% worked full-time. Most full-time employees were in the 30-50 age bracket.

Work based on a contract of mandate mostly involved stock-taking in various units throughout the Group. In the reporting period, this work was carried out by several hundred people, under almost 6,000 contracts. The Group also used more than 2,000 employees hired by temporary work agencies, mainly for unloading and shelf-stacking in shops and as logistic support in distribution centres.

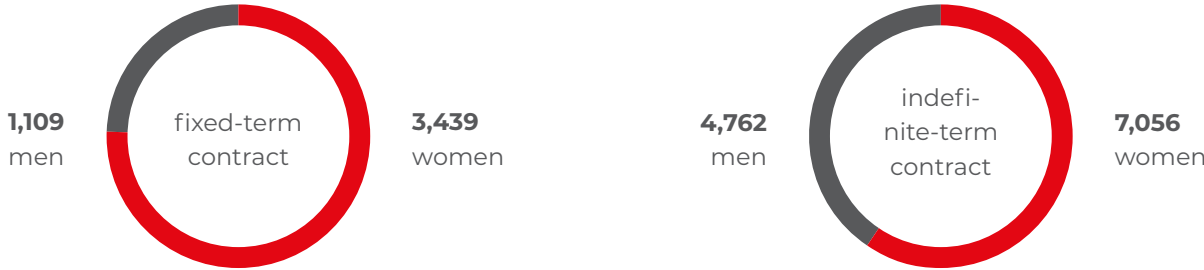
The Group maintained its employee turnover rate at a level close to the market level in the sector (around 30%). Changes in the number of employees are related to the natural organisational processes in individual business units, in line with the Group's business strategy. The Eurocash Group also employs workers who are not employees, such as workers delegated by employment agencies, apprentices, contractors, trainees or self-employed persons. The turnover of this group of people is mainly due to the seasonal nature of their work.

Employees

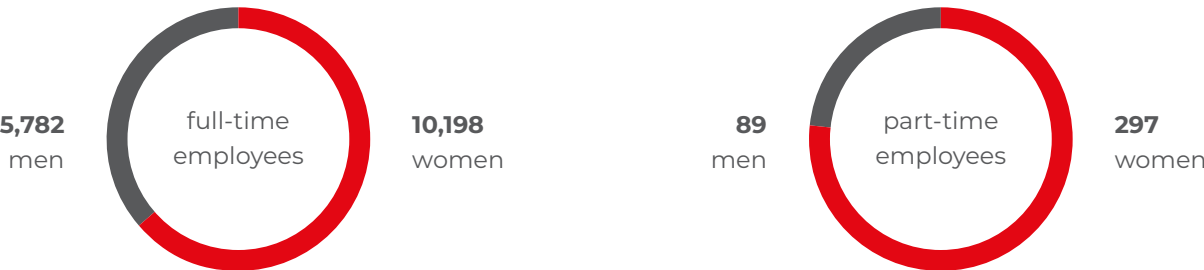
Total number of employees by gender



Total number of employees by type of contract and gender



Total number of employees by type of employment and gender



Details of the GRI 2-7 indicators can be found in the **attachments**.

GRI 2-7



Workers

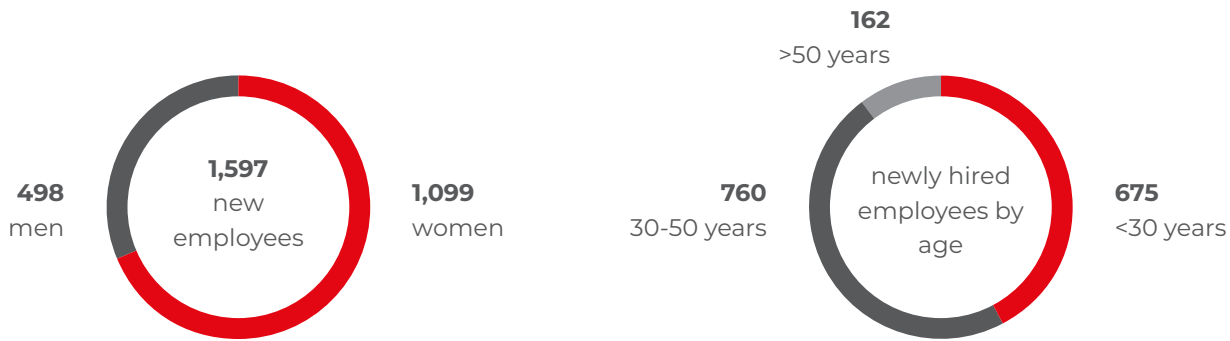


Details of the GRI 2-8 and 401-1 indicators can be found in the **attachments**.

GRI 2-8 GRI 401-1

Hiring new employees and employee turnover

Total number of new employees by gender and age



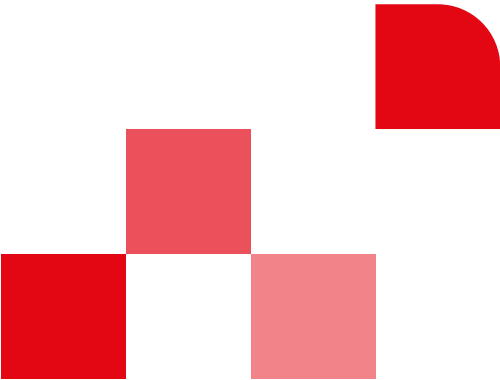
Total number of employee departures by gender and age



In 2022, **1,353 women** and **20 men** took parental leave. The return-to-work rate after leave was over 25% and the retention rate was 10%.



Details of the GRI 401-3 indicators can be found in the **attachments**.



GRI 2-20	GRI 2-30	GRI 3-3	GRI 401-3
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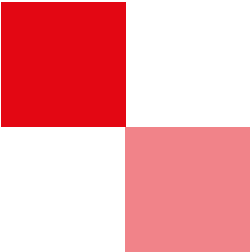
The Eurocash Group manages the employee area through a **remuneration policy based on the Mercer methodology and the classification of specific positions**. The remuneration of Eurocash Group employees consists of the basic pay and bonuses – monthly, quarterly or annual. When determining the basic pay, the following factors are taken into account: the level of responsibility and job objectives, business impact, decision-making capacity, size of the management team and other. The basic pay is also influenced by internal and external reference indicators. Bonuses are awarded based on the objectives set and achieved.

The Group develops remuneration policies through a multi-stage process that includes HR analytics and extensive consultation. The process is not overseen by independent representatives of the highest management body or the remuneration committee, nor does it take into account the views of stakeholders.

Eurocash Group employees for the purposes of this report are divided into 3 categories:

- **senior management** (members of the Management Board, directors, presidents and managers),
- **middle management** (managers),
- **other employees** (assistants, specialists, coordinators, customer advisors, analysts, sales staff).

Eurocash employees have full freedom to establish work groups. The group does not have a collective agreement with its employees, and there is one trade union at Eurocash.



Many perspectives, one place

Activities addressed to employees and job candidates are carried out in Eurocash Group under the banner **“Many perspectives, one place.”** A comprehensive project for building employee engagement makes it possible to ensure a good atmosphere and a high level

of employee satisfaction. In the last year, activities concentrated on identifying employee needs, caring for the development and strengthening of leadership competences and supporting wellbeing issues.



Voice of Employees

Employee feedback channels:

- periodic Employee Opinion Survey,
- webinars with Management Board members – an opportunity to ask direct questions,
- hotline for employees,
- company contact boxes,
- exit interviews, i.e. interviews with employees at the end of their cooperation,
- satisfaction survey on cooperation with business units and central departments,
- periodic Pulse Check surveys²⁶.

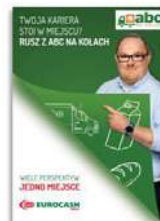
Wholesale



Retail



Projects



Management TRAINEE



PPL



Networks

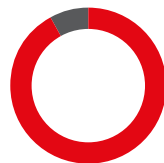


²⁶ Implemented by some business units.

The most extensive measure to listen to the voice of the workforce is the annual **Employee Opinion Survey**. In early 2023 (when evaluating the past year), 92% of employees took part and had the opportunity to indicate both the areas rated positively and those they felt needed to be changed or improved.



Summary of the Employee Opinion Survey for 2022:



92%

employee turnout in the survey (4 pp. higher than in last year)



47%

engagement rate is 5 p.p. higher than in the previous survey



69%

employees positively rated the Group's work-life balance measures and 68% – the area of work organisation



Higher engagement level in the majority of business units, the largest increase was in Ambra (+38 p.p.), Delikatesy Centrum (+13 p.p) and Frisco (+10 p.p.).

The results of the Employee Opinion Survey translate into real changes in the day-to-day work of employees, both at a central level across the organisation and in the Group's individual business units. Thanks to the feedback received from employees, many local initiatives were implemented in 2022.

At Eurocash, the employee's voice is important at every stage of their career, including when they leave the organisation. For employees who have been made redundant or decided to leave the company, there is an interview with the HR Manager or with a HR specialist of the respective business unit, i.e. exit interview. During this interview, the employee is asked about the reason for leaving, about their impressions of working at Eurocash in terms of the atmosphere and the management of their development. It is also verified whether the supervisor has taken any measures to retain the employee. The conclusions of such an interview are analysed by the HR Department.

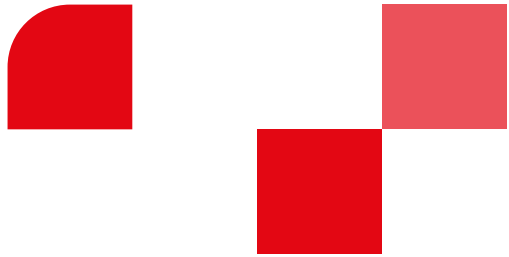
Employee development

The Eurocash Group offers employees opportunities for professional development and competence improvement. Every employee has the opportunity to take a wide range of online training courses, anytime and anywhere.

The Flagship training project is **“Development in your hands”**, as part of the Eurocash Academy of Skills. A new training catalogue was presented to employees every quarter of 2022 and its updates were preceded by an analysis of needs and satisfaction levels with the existing offer.



For more information on training and workshops under the Academy of Skills, see page 48 in **Chapter 5. Developing Entrepreneurship**.



GRI 3-3

“Development in your hands” in 2022 in a nutshell:



29 course topics
in the online course catalogue



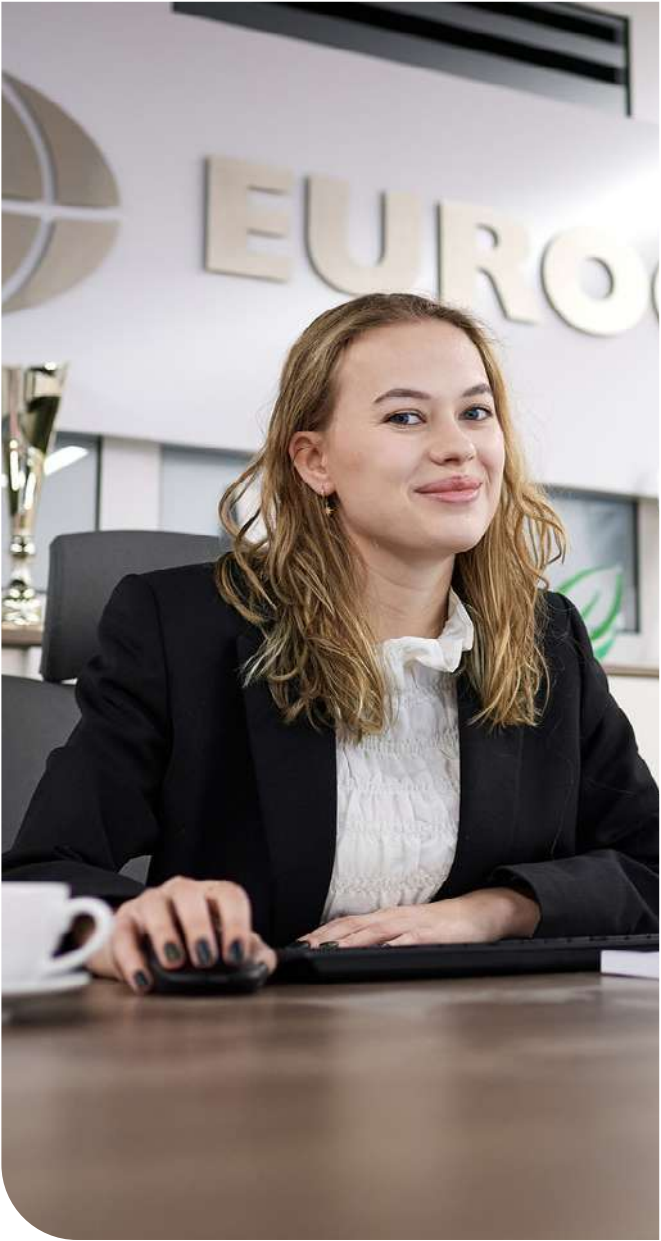
218 meetings and **1,525**
trained employees
(total number of persons trained) in tailor-made group training courses



261 meetings and **2,279**
trained employees
(total number of persons trained) in open training courses



89
NPS indicator in evaluating the usefulness of training, while the indicator of training recommendations to other employees **is 87**



In the entire reporting period, a total of over **66.8 thousand** hours of various training types were held in the Eurocash Group: development training, occupational health and safety training, food safety training and many others. Most of these were attended by women. The average number of training hours per employee was 4.08.



10.98

average number of training hours for senior management



16.85

average number of training hours for middle management



3.55

average number of training hours for other employees



Details of the GRI 404-1 indicators can be found in the **attachments**.

GRI 404-1 GRI 404-2

Group employees can expand their knowledge from open training courses in the **Eurocash Group Library**. In 2022, employees borrowed 374 books from the on-site library and 501 items (audiobooks, e-books, video courses) in the online library database.



Good practice

University students and graduates are also welcome to take up a career within the Group's structures. They can take advantage of dedicated programmes such as. **Management Trainee and Ambassadors** In 2022, 17 people participated in the **Summer Internship Programme** in various departments and business units.



For more on the programmes for students, graduates and learners, read the previous report:

<https://stecwwwprod001.blob.core.windows.net/public/2023-07-12/EN/Raporty%20niefinansowe/eurocash-csr-report-2021-en.pdf>

Leadership development

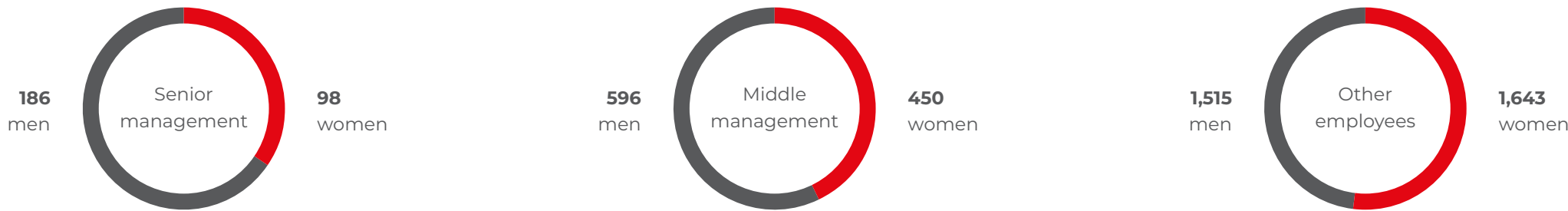
The Eurocash Group is pursuing a long-term strategy of development of its management staff. The development of skills and improvement of employees' qualifications takes place with the help of in-house training sessions conducted by Eurocash Group trainers (e.g. Academy of Managers, Academy of Region Managers, Academy of Trainers), and through courses conducted by external companies (e.g. First Time Manager, Lead Up). In addition, the company subsidises or fully sponsors language courses and postgraduate studies, as well as external training, such as training in the employment of foreigners.

The activities undertaken in 2022 included the **#LeadUP** programme, which aimed to develop leadership competencies in three dimensions – Self-leadership, Leadership for Others and Leadership Performance. A total of 64 managers participated in the programme, and the developed Leadership Model has become a guideline for behaviours and attitudes applicable throughout the Eurocash Group. The implementation of this programme follows bottom-up, local initiatives.

Employee evaluation

In a fair, transparent manner and based on real and reliable data – this is how Eurocash Group regularly evaluates the performance of its employees, and the periodic 360 evaluation are also an opportunity to plan further professional development.

Number of employees subject to regular periodic evaluation



Percentage of employees subject to regular periodic evaluation

Senior management:



Middle management:



Other employees:



GRI 404-3

Wellbeing support



Good practice

Eurocash Group helps employees take care of their physical health and mental well-being. In 2022, the webinar series “**Well-being, or... a good life,**” launched a year earlier, continued. In the second and third editions, 11/12 meetings were held with 1,119 participants. Over the course of the year, there was an increased demand among employees for topics such as professional burnout and self-esteem. Other topics covered included motivation for development, financial management, passions and a healthy lifestyle. **The Anonymous Psychological Hotline** was also a valued tool for mental wellbeing concerns among employees.

Eurocash Group employees have access to a rich package of benefits and support programmes. Most of them are available to everyone in the organisation regardless of working hours. The exceptions are medical care and life insurance, which can be used by full-time employees.

Benefits and support programmes in the Eurocash Group:



Psychological care

The Anonymous Psychological Hotline for Eurocash employees in need of psychological support and advice operating in Polish and Ukrainian.



#YouHaveAChoice – Feel free to choose health!

Private medical care subsidies by the Eurocash Group. In 2022, a total of **3,341 people**, or around 20% of the total workforce, purchased the package from two operators (LUX MED and Medcover).



Group insurance

Additional insurance, negotiated on preferential terms, is available in several options: accident insurance for children, health insurance available in both Comfort

and Standard versions, as well as life insurance. In 2022, **approx. 2,630 employees and around 7,000 family members benefited from the insurance.**



Sports passes

Subsidised sports cards. Once an employee has purchased their package, they can order a package for their relatives. In 2022, **nearly 3,200 people** benefited from the passes.



Sports and Culture Card

KA card partially subsidised by the Group, introduced for employees who want to benefit from cultural activities but at the same time do not want to give up physical activity. In 2022, **more than 360 people** ordered the cards.



Scholarship programme

Read more about the scholarship programme on page 103 in **Chapter 9. Social activities.**

GRI 401-2



Competitions with prizes

Competitions for our employees and their children:

- 37 competitions addressed to all employees: **1,532 people were awarded.**
- Competitions with DIY decoration sets for Easter and St. Nicholas' Day: **3,600 sets.**
- Two dedicated competitions for employees of our Distribution Centres, Delikatesy Centrum shops, Service Centre and Cash & Carry: **816 people were awarded.**
- Children's Day competition about spending time with children in a creative manner: **225 awards.**
- Artistic Competition to support the creativity of employees and their children: **35 prizes for children and 12 prizes for employees**, each participant received a consolation prize of a creative kit.



Eurocash #Expedition – Adventure with Eurocash

A special series of picnics and hiking trips for employees and their families. Nearly **10,000 people** took part in 180 Summer Expeditions in all provinces in Poland, walking **40 routes** with a total length of **274 km**. All hiking routes were set up using bicycles only, with no use of cars. More than 250 prizes were also awarded in competitions and a campaign was organised to sup-

port the purchase of school kits for Ukrainian children and young people.



Summer trips for employees' children

Co-financed summer camps for nearly **920 children** of employees from all over Poland, thanks to a partnership with a tourism office. The total value of this support **amounted to approx. PLN 450 k.**



Christmas meetings

In 2022, the Christmas meeting was organised onsite (in the previous years, it was held also online). Nearly **1, 400 people** attended. In addition, more than 300 Christmas and New Year meetings were held in the regions.



Christmas gift boxes and prepaid cards for Christmas

Prepaid cards for Christmas shopping and a sweet gift and cosmetics from Kontigo for employees and Christmas parcels for Christmas. In December 2022, **14,149 prepaid cards** were distributed to employees, and their children received **9,720 gifts.**



Physical activity

The promotion of wellbeing in 2022 involved also co-financing of **36 running events** (e.g. Triathlon and Runmageddon), as well as bowling and football tournaments.

Equality and diversity

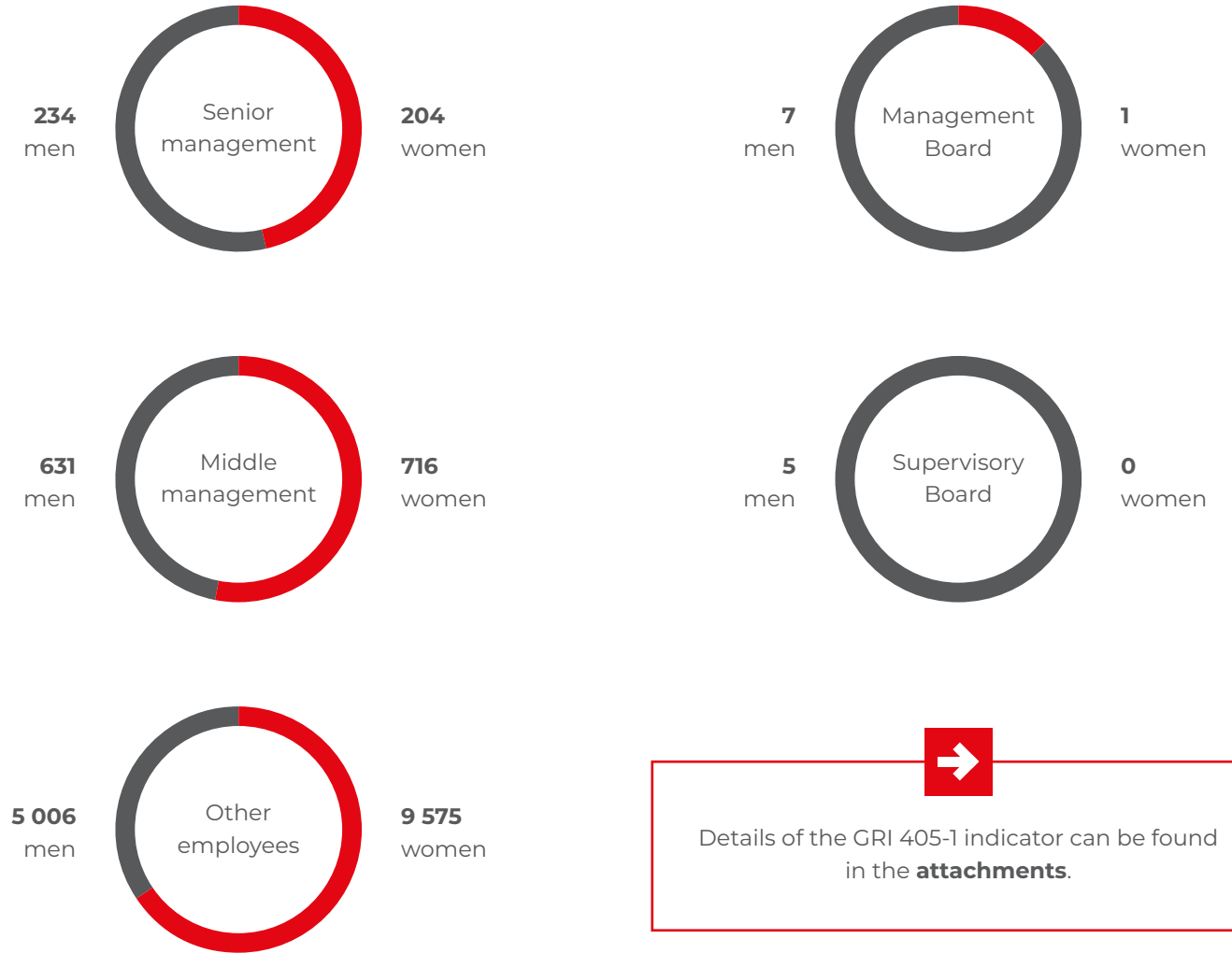
The Eurocash Group offers jobs with a diverse employee culture in a number of locations. An official equality and diversity policy for the entire Group is due to be developed by the end of 2023. All employees and associates will be trained on its provisions.



GRI 2-9 GRI 405-1

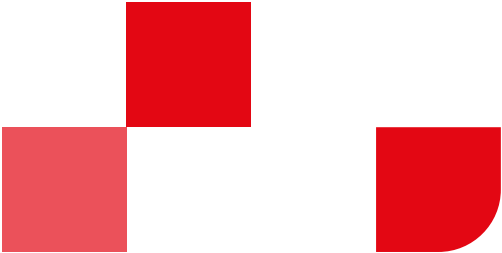
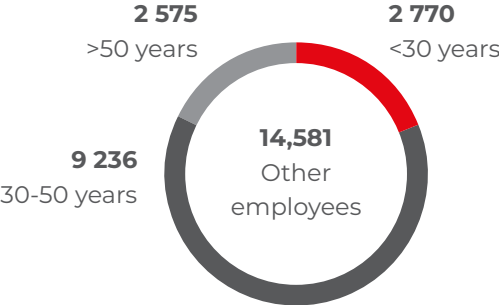
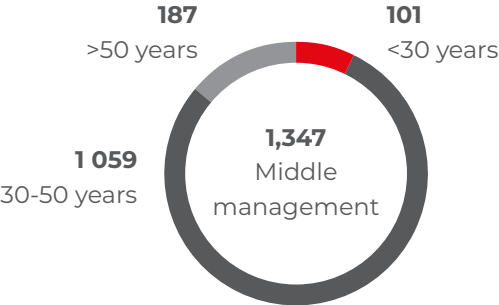
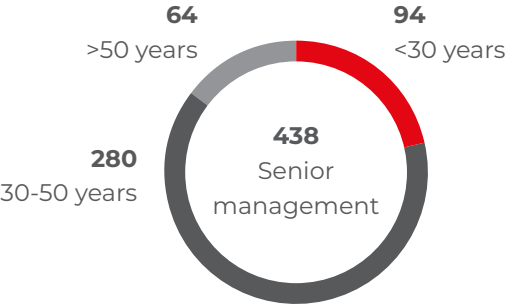
Diversity among employees and management bodies

Gender diversity



Details of the GRI 405-1 indicator can be found in the **attachments**.

Age diversity



The Eurocash Group provides remuneration commensurate with the position, skills and responsibilities. The remuneration of employees at the lowest level relative to the minimum wage in 2022²⁷ was 104% for women and 117% for men. In 2022, the annual rate of total remuneration²⁸ was 40 and the change in the annual rate of total remuneration²⁹ was 0.32. For the purpose of calculating the rates, total remuneration was considered to include basic remuneration and bonuses paid by the Eurocash Group in the year under review.

²⁷ Index calculated as the average remuneration of the lowest-level employee in relation to the minimum wage in Poland in a given year. The lowest-level employees are understood as employees in Mercer classes 40 to 44, mainly occupying the following positions: Cashier, Salesperson, Warehouseperson, Invoice Specialist, Fruit and Vegetable Specialist, Counter Specialist. In 2022, the minimum wage in Poland was PLN 3,100 gross per month.

²⁸ The indicator calculated as the ratio of the annual total remuneration for 2022 of the highest paid person in the organisation to the median annual total remuneration of all employees (excluding the highest paid person).

²⁹ The ratio of the percentage increase in total annual remuneration for 2022 of the highest paid person in the organisation to the median percentage increase in total annual remuneration for all employees (excluding the highest paid person).

Employee health and safety



67%
employees positively assessed the Group's activities to ensure safety



74%
employees positively assessed their supervisor's attention to safe working conditions



Over **42 k**
delivered hours of safety training



About **-16%**
decrease in the accident rate compared to the previous year



10.9
work-related injury rate



The Eurocash Group aspires to ensure safe working conditions in every job. The Group complies with all legal requirements in the area of occupational safety, and each Group company has a specialised occupational health and safety service, whose employees regularly upgrade their competences during additional training courses. In 2022, work was underway to develop a formal Group occupational safety programme. Its adoption and implementation is one of the priorities of the Eurocash Group Strategy for 2023–2025.

The Group has defined the occupational risk for individual groups of jobs, and the adopted prevention assumptions are periodically audited. Updates, if any, are made once a year, at the end of the calendar year, or more often if the analysis of accidents indicates that this is necessary. The Group complies with all health and safety regulations related to the operating characteristics of the FMCG industry and food distribution. Standards for manual transport, how goods should be stacked and how pallets should be secured are strictly applied. Employees have all necessary auxiliary tools for transporting, loading and unloading goods.

All employees of the Group have the opportunity to report any hazards at work. They can do so by electronic means, by completing an intranet questionnaire. In accordance with applicable regulations, all accidents and near misses are investigated in the Group, and a representative of the staff participates in the work of the accident investigation team. In addition, detailed analyses of all accidents and potential accidents are prepared each time. Summary analytical reports are discussed at cyclical meetings with the Management Boards of individual Companies. If necessary, short- and long-term measures are implemented with a view to minimising the risk of similar incidents recurring in the future. In addition, accident prevention measures are taken based on an analysis of areas for improvement thanks to the functioning system of internal health and safety inspections.

GRI 403-1	GRI 403-2	GRI 403-3	GRI 403-7	GRI 403-8	GRI 403-9	WS IV.1.
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In 2022, the accident rate was 1.20 for Group employees, approximately 16% lower than in 2021 (1.417). There were no serious/fatal accidents. However, among the Group's workers who are not its employees, the rate was 1.94. The Eurocash Group also reports an accident frequency rate (Strategic Indicator WS IV.1). The total number of accidents at work in the Group was 178 in 2022, reducing the frequency accident rate to 10.9. The Group thus recorded an improvement of more than 22% compared to 2021 (14.0). The same rate for the Group's workers was 19.3. It was not measured in the previous year.

The most common work-related injuries include trips, falls, blows and cuts. The most serious injuries include amputation of a limb fragment when operating a slicer and getting caught or crushed when working with a forklift. In 2022, there was one confirmed case of occupational disease: carpal tunnel syndrome.

The Group regularly reminds its employees of the need to follow health and safety rules. The relevant manuals are available in the vicinity of the equipment, and in the rest and refreshment areas there is a "Health and Safety Manual", which is a collection of all documents relating to occupational health and safety in force in the company. Each employee also has access to an intranet health and safety knowledge base. The Group's health and safety policy is regularly communicated in newsletters and bulletins, on posters and stickers in the Group's units and offices.



In 2022, the Group prepared an OHS Campaign for employees with a view to increasing employee awareness of how to do work safely.

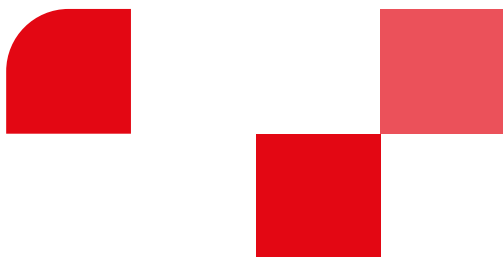
Health and Safety Campaign 2022:

- **Competition for lift truck operators** in all 15 distribution centres. A total of 274 employees took part in the competition.
- The **Experience Park using rollover and braking simulators for trucks and cars** in the distribution centres in Komorniki and Sosnowiec. The event was attended by more than 150 employees.
- **First aid training** for over 150 employees.
- **Vehicle rescue sheets** – information stickers for car windscreens and a vehicle scheme with the most important elements for the rescue services, such as the location of car body reinforcements, location of safety airbags and gas belt tensioners.
- **A competition for the Health and Safety Department logo** with 25 entries, from which the winning logo used in the Department's communication was selected.

Three months in advance, the Eurocash Group prepared a schedule of health and safety training. This helps to ensure significantly greater availability of training and to flexibly adapt training time to employees' working hours and responsibilities. All training sessions are held during working hours. In 2022, the Group re-arranged the organisation of health and safety training in an online format by enhancing the participant's interaction with the trainer during the classes. In 2022, periodic training courses in first aid and for forklift operators totalled more than 42,000 hours. Nearly 6 thousand people took part.



Training details on occupational health and safety under GRI indicators 403-5, 404-1 can be found in the **attachments**.



GRI 403-5

GRI 403-6



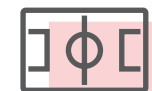
Health promotion in the Eurocash Group:



medical package
co-financing



sports package
co-financing



sporting event
promotion



health-related
competitions



anonymous
Psychological Helpline

Social impact activities



Over

PLN **2.2** million

the cost of all aid activities
of the Eurocash Group



Over

150 tonnes

donated food and basic sanitary
products



Over

1,100 people

provided with financial and material aid



#InSolidarity with Ukraine

Following the outbreak of war in Ukraine, the Eurocash Group implemented a number of initiatives to support our neighbours. The activities included the donation of food and staple products, as well as the provision of gifts to Ukrainian refugees through Caritas Polska. The Company also joined the boycott of Russian and Belarusian products. Both the Eurocash Group and its cooperating franchisees and partners took part in aid efforts and cooperated with social organisations. These included food collections, the creation of new jobs, the possibility to donate money with the use of a Delikarta loyalty card, support on the border, e.g. through abc na kołach mobile shops.

Around two thousand people from Ukraine work in the Eurocash Group, accounting for 10% of all employees. The Group helped bring the employees' families to Poland and provided them with housing, food parcels and psychological support.

As a matter of urgency, the Group's Management Board set up a dedicated emergency staff which, together with the Eurocash Foundation, was responsible for coordinating the efforts. Thanks to the actions taken, the Eurocash Group was able to offer support on an exceptional scale.



Eurocash Group's aid for Ukraine:



Over PLN **2,2** million
the cost of all aid activities of the Eurocash Group



Families of **400**
employees
safely brought back to Poland in cooperation with the Temporary Employment Agency



Over **150** tonnes
of donated food and basic sanitary products



Over **1 100** people
provided with financial
and material aid



110 people
received assistance with
accommodation



Over **280** people
received access to the Polish language
course via the SuperMemo application



120 people
used the psychological helpline
in Polish and Ukrainian



Thousands
of Russian and Belarusian products
were withdrawn from the Group's
own shops and wholesalers

Employee engagement

The commitment of Eurocash Group employees enabled us to provide aid to thousands of refugees from Ukraine in a short time. After the outbreak of war, aid concentrated on the border areas. Eurocash employees helped Ukrainian women and men after they had crossed the Polish border by serving warm meals, for instance. They received assistance, also in Ukrainian language, with formalities related to a lack of or incomplete documents, as well as with completing the necessary applications. Refugees could also count on support in finding shelter and in arranging transport. Some of the staff received them into their homes. In addition, a team from Krosno organised a transport of food, hygiene products and personal protection measures to Ukraine.



Ivan Kaminskyi

in the Eurocash Group since 2018, Implementation Manager

On the morning of 24 February, I received a phone call with the news that the war had started. I couldn't believe it. At that time, in addition to working for the Group, I was running a catering business in Poznań and Krakow. Without being able to focus on anything else, I decided to act and take advantage of the opportunities provided by the restaurant. Together with my employees, we agreed that we would supply food to the borderland. We received enormous support from the Eurocash Group, which supplied us with the necessary products. Without the involvement of the Eurocash employees, including Arkadiusz Zaręba, we would not have been able to do it in such a short time. In total, around 200 people were involved in the process, and the premises operated around the clock for 10 days. At the time, we delivered several thousand meals to the border, sent several cars with products to Ukraine, transported dozens of people to their houses, found accommodation for refugees and organised money collections for specific towns. The sight of hundreds of thousands of people fleeing their homes, their sadness, but also their gratitude for the selfless help from the Poles, is something that you cannot describe with words. At that time I learnt one thing that will stay with me for the rest of my life: even if one person can do very little, together we have an invincible power that cannot be defeated by any means.



Pedro Martinho

Member of the Management Board of the Eurocash Group

One weekend I went with my sons to four aid stations of our partner Caritas Poland in Warsaw. We helped, among other things, by serving meals, changing bedding or doing operations in the warehouse. We saw with our own eyes the enormous effort of the volunteers there and realised how much the aid, including the products donated by the Eurocash Group and the Foundation, supported by our employees, was needed and useful. We saw the gratitude of all those in need, especially mothers with small children. It is very encouraging that we were able to help them in this way. I am extremely proud of all the people from the Group involved in helping our neighbours at this difficult time for them.

Involvement of the Group's chains and business units

Hundreds of tonnes of food and staple products, as well as blankets, sleeping bags, bedding and medicines were delivered to refugees thanks to joint activities with shop customers. Donations went to those in need directly or through NGOs. The aid activities varied in scale, and all Eurocash Group companies were involved. Selected examples of support:



The **abc na kołach** network of mobile shows sent fully stocked cars with the most staple items to those villages on the border where help was most needed. In total, 11 tons of products were donated in this way.



Delikatesy Centrum donated funds from all transactions using the Delikarta loyalty card to the account of the Eurocash Foundation from 3 to 9 March 2022. In total, almost PLN 250,000 were donated as a result of the campaign. In the Podkarpackie province, selected Delikatesy Centrum shops were open on Sundays, thus ensuring continued access to the most necessary products. This was in response to the mobilisation of Poles, who delivered the items they had bought across the border.



Frisco.pl, together with its suppliers, declared already at the start of the war that it would donate tens of thousands of products worth PLN 400,000. In addition, together with its partners, Frisco.pl donated around 14 tonnes of items that were distributed to the needy through its social partners.



The **Lewiatan** network donated PLN 200,000 to the Polish Red Cross, and the PSH Lewiatan Foundation coordinated the collection of food, products and medicines in several hundred shops, among others, as part of the "First Aid Kit for Ukraine" campaign.



The **PSD Gama** chain helped refugees find jobs in its shops. A total of 42 persons found a job, sometimes also with accommodation.



Eurocash Gastronomia joined the "Stop Hunger" food collection organised by Sodexo Polska. Together, the campaign collected 1.4 tonnes of products that were later distributed to 2,760 wards of SOS Food Banks in Warsaw.



Ambra employees organised the collection of staple products, such as food, sanitary products and cosmetics, as well as blankets, sleeping bags and bedding.



The **Kontigo** team organised the dispatch of cosmetics to the communal aid centre of Ukraine in Nadarzyn.

Social support

The aid related to the war in Ukraine did not halt the social involvement programmes carried out for years in other areas. The Group continued to support entrepreneurship and the development of the young generation, mainly through the activities of the Eurocash Group Foundation, and to strengthen the social activity of its employees through employee volunteering³⁰.






Employee volunteering

The Eurocash Group supports employees in social activities and volunteer projects. It creates an organisational framework for the implementation of ideas self-selected by employees and ensures that activities are consistent with its Sustainability Strategy. The policy is to support projects implemented in the place of work residence of employees – this closeness allows for an in-depth identification of local needs and effective aid. It also strengthens the sense of responsibility of employees for their surroundings.

The Eurocash Group supports employees' volunteering initiatives through mini-grants. The condition for receiving one is to involve a group of employees or people from outside the company in the initiative. The amounts offered as part of mini-grants are not huge (not more than PLN 1,500 per project), but they make a difference when spent in a reasonable way. The amount awarded depends on the evaluation of the idea and the number of collaborators from the Eurocash Group that take part in its implementation.

GRI 3-3 GRI 415-1 WW 8 WW 9 WW 10 WS IV.2

Volunteering in numbers³¹:

		2022	2021
	Number of volunteers	1,007	1,130
	Volunteer work time	4,533 hours, or 567 days	897 hours, or 112 working days
	Number of beneficiaries	2,831 ³²	6,575
	Number of cooperating locations	43	38
	Value of aid provided	PLN 280,000	PLN 250,000

³⁰ Eurocash does not support political parties, politicians or similar institutions.

³¹ The indicators presented include only named volunteers and the beneficiaries of their activities. Judging by the number of products donated by Eurocash volunteers as part of their aid to Ukraine, the number of beneficiaries would be several thousand.

³² This number does not include aid provided to persons at reception points.

Examples of employee volunteering activities:



Shoebox – more than 100 parcels with cosmetics collected for women in difficult situations. Collaboration: Polish Shoebox Social Committee..



Collection of used shoes 140 pairs of used shoes which, after some renovation, were distributed to people in need. Collaboration: WoshWosh.



Christmas Wish Tree – more than 100 Christmas presents prepared for the wards of children's care facilities, including those staying in St. Nicholas' Harbours . Cooperation: Rehabilitation and Education Centre in Krosno and the St. Nicholas's Foundation.



Sports Day combined with a family picnic for refugees in Bodzentyn.



Field of Hope – a collection for the St. John Paul II Hospice in Zgierz.



Team-building picnic for young people. Cooperation: Youth Socioterapy Centre in Łódź.



Futsal tournament for children from the Gostynin district combined with charity fundraising.



Sewing workshops for primary school pupils in Komorniki.



Christmas aid for the poor and excluded. Cooperation: Sant'Egidio Polska Foundation.

#ECSZAF
#ECCIO CIA #ECWJEK

In 2022, the Group launched two new volunteer projects for employees. The first of these, **#EC Wardrobe**, is a collection of used clothing, footwear, handbags and fashion accessories, which, after some renovation, go to circular boutiques. Every kilogram collected is converted into zlotys. The collection was launched late in the year in collaboration with the company Ubrania do Oddania. Nearly 238 kilograms were collected, as a result of which PLN 238 was donated to the Ocalenie Foundation, which supports refugees from various countries.

The **#EC Auntie** and **#EC Uncle** programme allows volunteers to take care of people from a selected care centre, association or community centre. Participants are encouraged to regularly visit their charges, give them gifts, share various skills and, above all, spend time together and make friends. Any Eurocash Group employee, working in any business unit, including projects and franchising, can become an **#EC Auntie** or **#EC Uncle**.

Scholarships programmes

One of the goals of the Eurocash Group Foundation is to support young people. The Foundation runs two scholarship programmes: the Talent Scholarship Programme and the Care Scholarship Programme.

The **Talent Scholarship Programme** helps make educational and development opportunities equal and facilitates a start in independent life. The programme is intended for particularly talented secondary school and full-time students. At least one year's financial support is available to young people whose parents are employees of the Group and of franchise and partner networks cooperating with Eurocash. In 2022, the Foundation awarded 153 scholarships worth a total of PLN 960,000. Throughout the history of the Talent Scholarship Programme, 1,365 scholarships have been granted, with 517 of them allocated to children of Eurocash Group employees and 848 scholarship recipients of franchise and partner network personnel.



Over PLN **8.2** million
value of all scholarships awarded
to date

The **Care Scholarship Programme** makes educational opportunities more equal for children whose one parent working in the Eurocash Group has died. As part of it, scholarships may be paid until one completes high school education. It was established in 2021 during the COVID-19 outbreak. The only condition for receiving support is that the child continues their education until high school graduation.



44 children
covered by the scholarship
programme in 2022.



About the report

This Eurocash Group Sustainability Report was prepared in accordance with the Global Reporting Initiative Standards (GRI Standards 2021). The data presented herein, both qualitative and quantitative, are for the period from 1 January to 31 December 2022, unless otherwise stated. The same reporting period is included in the group financial statements. The last report was published on 29 April 2022. The Eurocash Group reports its non-financial and financial activities on an annual basis.

GRI 2-3



The data presented in the report includes all companies included in the consolidated financial statements in accordance with the structure of the Eurocash Group (non-operating companies are not included), unless indicated otherwise. Detailed information on the organisation of the Eurocash S.A. Capital Group with an indication of the entities subject to consolidation is included in the notes to the annual consolidated financial statements. For all data presented in the sustainability report, entities over which the Eurocash Group had operational control in 2022 are included.

The report is based on internal Eurocash Group data and external data obtained for the purposes of publication. Changes were made compared to the last publication for 2021:

- Data in indicators: GRI 302-1, 305-1, 305-2, 305-4 were recalculated once again for 2020 and 2021 for the purpose of calculating the base year of GHG emissions according to the SBTi approach, based on the GHG Protocol. The change was due to the commencement of work on the decarbonisation strategy and a thorough analysis of all emission streams.
- The data in the GRI 306-3, 306-4, 306-5 indicators were updated with the weight of waste generated by companies, not previously reported.
- W In the report for 2021, in the GRI 102-8, 401-1, 403-9, 404-1, 404-3, 405-1 indicators not all companies were included. The data were recalculated according to the database downloaded from SAP and other databases, the remaining data were not downloadable. The companies included this year are

Lewiatan Partner and Frisco. The data in these indicators can therefore not be compared year-on-year.



The person overseeing the process and the contact person for questions about the report or reported information is **Grzegorz Czekalski**, Director for Risk Management and Sustainability.
e-mail: esg@eurocash.pl

The Group's Management Board approves the structure of the sustainability report, the structure of its assumptions and the final version of the document, including information on important issues for the organisation. The Management Board participates in cyclical meetings with those responsible for the various areas of the report and ESG strategy, discussing the degree to which the strategic assumptions included in the report are being met, and the topics identified as relevant for the report.

This report has been externally reviewed in relation to selected indicators. The key indicators resulting from the materiality analysis performed were audited. For the remaining indicators, there were no significant changes during the reference period in the management approach and the way of doing business.

The audit was performed by an independent entity, KPMG Sp. z o.o., in accordance with International Standard on Assurance Engagements 3000 (Revised) Assurance Engagements other than Audits or Reviews of Historical Financial Information ("ISAE 3000") issued by the International Standards on Auditing and Assurance Engagements Board and covered the following scope: GRI 2-7, 302-1, 303-3, 305-1, 305-2, 305-4, 305-5, 306-3, 403-9. The Verification Statement can be found **here**. ➡ The entire ESG team was involved in the process of selecting the external auditor and coordinating the audit of non-financial data. The Management Board and the Supervisory Board did not take an active part in this process.

The report was produced thanks to the involvement of several dozen Eurocash Group employees, who were responsible for preparing the data and content for the report and who shape the sustainability of the entire organisation with their daily work. The preparation of the report was coordinated by the ESG team, consisting of representatives of the following departments: Risk and Sustainability Management, Health, Safety and Quality Management, Communications, HR and Compliance. The preparation of the report was supported by an external company, Deloitte Advisory sp. z o.o. sp. k.²⁵

²⁵ This Report was prepared by Deloitte Advisory spółka z ograniczoną odpowiedzialnością sp. k., based in Warsaw, at the request of Eurocash S.A. with its registered office in Komorniki, based on information provided by Eurocash. The Report must not contain such information, analysis or reviews that may be sufficient for the needs and purposes of third parties. The information contained herein does not constitute advice, consultation or opinion, particularly with regard to the affairs of third parties. Deloitte accepts no responsibility for the content of the Report, its appropriateness, suitability or any other features for the purposes of third parties. Deloitte does not bear responsibility for any consequences of disclosure or use of the Report by third parties, for any decisions made based on the Report or for the consequences of such use or decisions. Third parties assume responsibility and risk for their use of the Report, any decisions made on the basis of or in connection with the Report and the consequences of such use or decisions. The disclosure of the Report does not give rise to any obligation or liability on the part of Deloitte to third parties. Third parties do not acquire any rights or claims with respect to the Report, in particular against Deloitte. The Report was not prepared by an auditor or as a result of the performance of auditing services as defined in the Act on Statutory Auditors, Audit Firms and Public Supervision of 11 May 2017. By reading the Report, third parties accept the aforementioned terms of disclosure.

Identification of material reporting topics

The Report was developed based on a materiality assessment conducted in accordance with the GRI Universal Standards Guidelines. The process was identical to the impact materiality methodology required by the draft European Sustainability Reporting Standards (ESRS) The materiality analysis process was conducted in the period from 19 January to 3 February 2023. The analysis involved the following four steps:



1. Understanding the context of the organisation

The Eurocash Group based the process of compiling the report on the key areas of the Group's impact on the environment and important topics for the organisation and its stakeholders identified in 2021. These were identified on the basis of the results of the Eurocash Group's stakeholder survey and collaboration with the Reporting Team. All these topics were then reflected in the Report.

For the purposes of the 2022 Report, the documents indicated by GRI were analysed, including the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and OECD Guidelines for Multinational Enterprises. Moreover, a sectoral analysis and an analysis of the market and upcoming regulations were carried out. The following factors were taken into account: the structure of the organisation, relationships with the external environment, the impact of the actions taken on sustainability issues and the involvement of internal and external stakeholders.



2. Identification of actual and potential impacts

This was followed by interviews with Eurocash Group employees and a survey of employees and external stakeholders of the Group. Dialogue sessions were also held with internal (employees) and external stakeholders of the Group. This stage resulted in a long list of 61 Eurocash Group's impacts on sustainability issues (social and environmental).



3. Impact severity assessment

The materiality of each topic was verified on the basis of an assessment of the impacts made by independent experts according to the categories of their nature (positive and negative) and time of occurrence (actual and potential), as well as on the basis of an assessment of the severity of impacts according to the scale and scope of impacts (all categories), the possible reversal of damage (negative impacts) and the likelihood of their occurrence (potential impacts).



4. Prioritisation of the most significant impacts

The results of the materiality analysis were published in the final report on the study on the materiality of ESG issues in the Eurocash Group, which was verified during the evaluation of the analysis by the Eurocash Group Management Board. The results of the materiality analysis were accepted by the Group's Management Board and defined the range of GRI indicators presented in the Eurocash Group's 2022 Sustainability Report.

GRI 3-1

Issues identified as relevant



Environmental impacts (E)

- Emissions and air pollution
- Energy consumption
- Reducing consumption of raw materials
- Waste and circular economy (CE)
- Preventing food waste



Social influence (S)

- Entrepreneurship development
- Social activities for local communities
- Working conditions and employee development
- Product quality and safety
- Human rights



Corporate and governance impacts (G)

- Ethics in business
- Counteracting corruption



A detailed description of the impacts can be found on page 38 in **Chapter 4. Responsible management**. The management approach in relation to the issues identified as relevant is described in the individual chapters of the Report. Each of them has been assigned respective indicators A detailed list of GRI indicators with reference to the content of this Report can be found in the table on page 108.



GRI 3-2 GRI 3-3

GRI, self-reported and strategic indicators tables

Indicator category	Indicator	Indicator title	Location in the report
GRI 1		Assumptions and basis for reporting	
Profile indicators			
GRI 2 The organisation and its reporting practice	2-1	Detailed information about the organisation	pp. 11, 12
	2-2	Entities included in the sustainability reporting of the organisation.	p. 105
	2-3	Reporting period, reporting frequency and contact details.	p. 104
	2-4	Explanation of revisions to information contained in the previous reports.	p. 105
	2-5	External credentials.	p. 105
GRI 2 Activities and employees	2-6	Activity, value chain and business relationships.	p. 13
	2-7	Employees.	pp. 81, 82, 128
	2-8	Workers who are not the organisation's employees.	pp. 81, 82, 129
GRI 2 Corporate governance	2-9	Corporate governance and the composition of the management bodies.	pp. 23, 24, 25, 92
	2-10	Appointment and election of members of the top management body.	pp. 23, 25
	2-11	Chairperson of the top management body.	pp. 23, 25
	2-12	The role of the top management body in overseeing the organisation's impact management.	p. 37
	2-13	Delegating responsibility for impact management.	p. 37
	2-14	The role of the top management body in sustainability reporting.	p. 105
	2-15	Conflicts of interest.	p. 31

Indicator category	Indicator	Indicator title	Location in the report
GRI 2 Corporate governance	2-16	Communicating serious concerns.	p. 29
	2-17	Knowledge of top management about sustainable development.	p. 37
	2-18	Evaluation of the performance of the top management body.	p. 40
	2-19	Remuneration policy.	p. 26
	2-20	Remuneration determination process	p. 84
	2-21	Annual total remuneration indicator	p. 93
GRI 2 Strategy, policies and practices	2-22	Sustainability strategy statement.	p. 3
	2-23	Policy commitments	pp. 26, 28, 30
	2-24	Implementation of policy commitments	pp. 26, 28, 30
	2-25	Negative impact mitigation	p. 29
	2-26	Mechanisms for seeking advice and reporting concerns.	p. 29
	2-27	Compliance with laws and regulations.	p. 31
	2-28	Membership in organisations and associations.	p. 14
GRI 2 Stakeholder commitment	2-29	Approach to stakeholder commitment.	p. 19
	2-30	Collective bargaining agreements	p. 84
GRI 3 Approach to management	3-1	The process of identifying relevant topics	p. 106
	3-2	List of relevant topics.	pp. 38-40, 107
	3-3	Management of relevant topics.	pp. 27, 28, 30, 38-40, 42, 45, 52-55, 61, 66, 68, 74, 76-78, 81, 84, 87, 101, 107



Indicator category	Indicator	Indicator title	Location in the report
Thematic indicators			
Economic topics			
GRI 202 Presence on the market	202-1	Salary of lowest-level employees by gender compared to the minimum wage.	p. 93
GRI 203 Indirect economic impact	203-2	Significant indirect economic impact.	p. 40
GRI 205 Counteracting corruption	205-1	Percentage and total number of business units analysed for corruption risks and risks identified.	p. 30
	205-2	Communication and training on anti-corruption policies and procedures of the organisation.	p. 30
	205-3	Confirmed cases of corruption and actions taken in response.	p. 30
GRI 206 Violations of the principles of free	206-1	Legal steps taken against the organisation regarding violations of the principles of free competition and monopolistic practices.	p. 31
Environmental topics			
GRI 301 Materials	301-1	Materials used by weight and volume.	pp. 76, 116
	301-3	Percentage of materials recovered from sold products and their packaging by material category.	pp. 76, 117
GRI 302 Energy	302-1	Energy consumption of the organisation by type of resource.	pp. 74, 117-118
	302-4	Reduced energy consumption.	p. 74
GRI 303 Water	303-1	Handling water as a common resource.	p. 78
	303-2	Managing impacts associated with drainage / discharges of water.	p. 78
	303-3	Total water abstraction by resource.	pp. 78, 119

Indicator category	Indicator	Indicator title	Location in the report
GRI 305 Emissions	305-1	Total direct greenhouse gas emissions by weight.	pp. 72, 120, 122
	305-2	Total indirect greenhouse gas emissions by weight.	pp. 72, 120, 122
	305-3	Other significant greenhouse gas emissions by weight.	pp. 72, 129
	305-4	Efficiency related to greenhouse gas emissions.	pp. 72, 122, 123
	305-5	Reduction of greenhouse gas emissions.	pp. 72, 123
GRI 306 Waste	306-1	Waste generation and significant effects/impacts associated with waste.	pp. 77, 124
	306-2	Management of significant effects/impacts associated with waste.	p. 77
	306-3	Waste generated.	pp. 77, 125-127
	306-4	Waste sent for recovery.	pp. 77, 125-127
	306-5	Waste sent for disposal.	pp. 77, 125-127
GRI 308 Assessment of the supplier environment	308-1	Percentage of new suppliers that have been assessed against environmental criteria.	p. 32
Social topics			
GRI 401 Employment	401-1	Total number of new hires, departures and employee turnover rate.	pp. 81, 83, 129-130
	401-2	Fringe benefits provided to full-time employees that are not available for temporary or part-time employees.	p. 90
	401-3	Return to work and retention rate after maternity leave, in relation to gender.	pp. 84, 131
GRI 403 Occupational health and safety	403-1	Occupational health and safety management system.	p. 94
	403-2	Threat identification, risk assessment, incident investigation.	p. 94
	403-3	Occupational medicine.	p. 94
	403-4	Employee participation, consultation and communication on occupational health and safety.	p. 95

Indicator category	Indicator	Indicator title	Location in the report
GRI 403 Occupational health and safety	403-5	Employee training in occupational health and safety.	pp. 96, 131
	403-6	Promotion of employee health.	p. 96
	403-7	Prevention and mitigation of health and safety impacts directly related to the nature of activities.	p. 94
	403-8	Employees covered by the occupational health and safety management system.	pp. 94-95
	403-9	Work-related injuries.	pp. 94-95, 132
	403-10	403-10 Occupational diseases.	p. 95
GRI 404 Education and training	404-1	Average number of training hours per year per employee.	pp. 88, 133-134
	404-2	Management skills development and lifelong learning programmes that support the continuity of employees and facilitate the transition process.	pp. 86, 88
	404-3	Percentage of employees subject to regular quality of work assessments and reviews of career development by gender and employment category.	pp. 89, 135
GRI 405 Diversity and equal opportunities	405-1	Composition of supervisory bodies and staff by staff category, broken down into gender, age and other diversity indicators.	pp. 92-93, 136-139
GRI 406 No discrimination	406-1	Discrimination cases and remedial action taken	p. 29
GRI 414 Social evaluation of suppliers	414-1	Percentage of new suppliers assessed against social criteria.	p. 32
GRI 416 Customer health and safety	416-2	Total number of non-conformities with regulations and voluntary codes in terms of the impact of products and services on health and safety at each stage of the life cycle, including the type of impact.	p. 60
GRI 417 Marketing and labelling of products and services	417-2	Total number of non-conformities with regulations and voluntary codes on labelling and information on products and services by impact.	p. 60
	417-3	Total number of non-conformities with regulations and voluntary codes regulating marketing communications, including advertising, promotion and sponsorship by type of impact.	p. 60

Indicator category	Indicator	Indicator title	Location in the report
Strategic and own indicators			
Strategic indicators	WS I.1	Share of the independent market in the entire Polish market (according to Nielsen).	p. 8
	WS I.2	Total value of revenue in the economy created by the activities of the Eurocash Group (direct, indirect and induced impact).	p. 8
	WS I.3	Total value added in the economy (GDP) created due to the Eurocash Group's activities (direct, indirect and induced impact).	p. 8
	WS I.4.	Impact of the Eurocash Group on the development of entrepreneurship of customers.	p. 8
	WS I.5	Percentage of customers using the eurocash.pl. platform.	p. 8
	WS I.6	Number of entrepreneurs and employees who participated in the initiatives of the Academy of Skills.	pp. 8, 49
	WS II.1	Number of customer complaints about fresh products	pp. 8, 56
	WS II.2	Percentage of suppliers with confirmed compliance with their own declarations on social and environmental issues.	p. 8
	WS II.3	Percentage of food wasted (ratio of food wasted to food sold).	pp. 8, 61
	WS III.1	Energy consumption per m ² (by building category).	p. 9
	WS III.2	Average CO ₂ emissions per km driven (broken down into passenger cars and trucks and type of fuel used).	pp. 9, 73
	WS III.3	Percentage of CO ₂ emission reduction compared to the reference year 2020	p. 9
	WS IV.1.	Work-related injury rate (injuries/hours worked x 1000).	pp. 9, 94-95
	WS IV.2	Employee commitment rate.	pp. 9, 86

Indicator category	Indicator	Indicator title	Location in the report
Own indicators	WW 1	Number of non-governmental organisations with which the Eurocash Group cooperates in the area of counteracting food waste.	p. 64
	WW 2	Number of tonnes of food donated to social organisations in a given year.	p. 64
	WW 3	Number of entrepreneurs and employees who participated in the initiatives of the Academy of Skills by pillars (4 pillars).	p. 49
	WW 4	Number of schools cooperating with the Academy of Skills cooperates.	p. 49
	WW 5	Number of schools and students participating in the programmes.	p. 49
	WW 6	Number of scholarships awarded in a given year.	p. 103
	WW 7	Value of scholarships awarded in a given year.	p. 103
	WW 8	Number of volunteer.	p. 101
	WW 9	Number of days worked by volunteers.	p. 101
	WW 10	Number of beneficiaries.	p. 101
	WW 11	Number of food quality audits.	p. 55

Attachments



GRI 301-1 **Materials used in 2022 by weight [t]** ³³

		Branches	Packaging of private label products	Total
Non-renewable raw materials used	Plastics	2,351.70	8,624.84	10,976.54
	Glass	0	16,469.60	16,469.60
	Metal	0	5,494.30	5,494.30
	Other non-renewable resources	0	13,788.78	13,788.78
	Total	2,351.70	44,377.52	46,729.22
Renewable raw materials used	Paper and cardboard	437.52	10,001.12	10,438.64
	Wood	5.19	1,003.93	1,009.12
	Other renewable resources	0.18	1,947.19	1,947.36
	Total	442.88	12,952.24	13,395.12
Total raw materials used		2,794.58	57,329.76	60,124.34

↩ **Back to subsection: Materials**

³³ Data are derived from the calculation of the statutory obligation to recycle packaging waste. All companies covered by the obligation cooperate with a packaging recovery organisation in this respect. Packaging data are derived from the Product Packaging Sheets and equivalent forms. Where there is no completed sheet for a particular product, values obtained for a similar product are taken. The data include the following companies: AMBRA sp. z o.o.; Delikatesy Centrum sp. z o.o.; Duży Ben sp. z o.o.; Eurocash Franczyza sp. z o.o.; Eurocash SA; Eurocash Serwis sp. z o.o.; Euro Sklep sp. z o.o.; Frisco SA; Gama Detal sp. z o.o.; Groszek sp. z o.o.; Kontigo sp. z o.o.; Lewiatan XXX; Podlaskie Delikatesy Centrum sp. z o.o.; Polska Dystrybucja Alkoholi sp. z o.o.

GRI 301-3

Percentage of materials recovered from products and their packaging sold in 2022 by material category³⁴

Product category	Percentage of recovered products and their packaging
Plastic	30.00%
Paper and cardboard	66.00%
Glass	62.00%
Metal (including steel and aluminium)	54.52%
Wood	19.00%
Other raw materials	47.00%
Total	51.52%

↪ **Back to subsection: Materials**

GRI 302-1

Energy consumption in the organisation [GJ]

Total energy consumption from non-renewable sources³⁵

Breakdown by type of fuel/ raw material	2022	2021	2020
Natural gas	164,268.80	185,649.90	178,222.61
Heating diesel fuel	37,217.77	34,823.38	27,710.79
Propane	13,549.25	12,452.00	16,940.2
Coal	2,391.31	2,946.37	1,946.44
Petrol	111,067.36	99,227.07	101,889.93
Diesel	214,875.45	211,243.82	224,328.87
LPG	344.56	389.45	294.98
CNG	164.00	213.56	0
Total	543,878.52	546,945.5	551,333.8

↪ **Back to subsection: Energy management**

³⁴ As products sold, the weight of packaging introduced with private label is indicated, and as “recovered products and their packaging” the weight of packaging recovered under agreements to take over the recycling obligation for packaging waste is indicated. The data include the following companies: AMBRA sp. z o.o.; Delikatesy Centrum sp. z o.o.; Duży Ben sp. z o.o.; Eurocash Franczyza sp. z o.o.; Eurocash SA; Eurocash Serwis sp. z o.o.; Euro Sklep sp. z o.o.; Frisco SA; Gama Detal sp. z o.o.; Groszek sp. z o.o.; Kontigo sp. z o.o.; Lewiatan Holding S.A.; Podlaskie Delikatesy Centrum sp. z o.o.; Polska Dystrybucja Alkoholi sp. z o.o.

³⁵ The Eurocash Group does not consume electricity from renewable sources..

GRI 302-1

Energy purchased by the organisation for consumption purposes³⁶

	2022	2021	2020
Electricity	594,187.15	612,529.8	615,283.89
Thermal energy	93,466.71	119,700.31	100,305.29
Chill	0	0	0
Vapour	0	0	0
Total	687,653.86	732,230.1	715,589.18

➔ Back to subsection: Energy management



Calculation methodology and data sources:

- As a source of data for the calculations, information extracted from cost invoices for 2022 were used. These invoices include the following companies: Eurocash SA; Delikatesy Centrum sp. z o.o.; Eurocash Serwis sp. z o.o.; FHC-2 sp. z o.o.; Madas sp. z o.o.; Kontigo sp. z o.o.; Duży Ben sp. z o.o.; AMBRA sp. z o.o.; Cerville Investments sp. z o.o.; Eurocash Franczyza sp. z o.o.; Euro Sklep sp. z o.o.; Frisco SA; Lewiatan Kujawy sp. z o.o.; Lewiatan Wielkopolska sp. z o.o.; Lewiatan Opole sp. z o.o.; Lewiatan Podkarpacie sp. z o.o.; Lewiatan Północ sp. z o.o.; Lewiatan Śląsk sp. z o.o.; Polska Dystrybucja Alkoholi sp. z o.o.; Partner sp. z o.o.; Podlaskie Delikatesy Centrum sp. z o.o.; Partnerski Serwis Detaliczny SA.
- All energy consumption values from 2020 and 2021 were updated – Group companies not originally reported were included.
- Electricity conversion factors were used – KOBIZE. Consumption was calculated based on data from the document “Emission indicators of CO₂, SO₂, NO_x, CO and total dust for electricity” published in December 2022 , based on information contained in the National Greenhouse Gas and Other Substances Emissions Database for 2021 – (no study for 2022) and, for other utilities, conversion factors in accordance with Defra 2022 (Department of Environment, Food and Rural Affairs of the United Kingdom of Great Britain and Ireland, “UK Government GHG Conversion Factors for Company Reporting”) were used.

³⁶ The Eurocash Group does not generate or sell energy.

GRI 303-3 Freshwater abstraction (≤ 1,000 mg/l total dissolved solids) in 2022 [MJ]³²

Breakdown by source	Total water abstraction from all areas	Total water abstraction from areas affected by water stress
Surface waters	65.95	32.43
Groundwater	176.33	127.18
Sea water	0	0
Water produced	0	0
Total water abstraction	242.28	159.61

↶ Back to subsection: Water



³⁷ The only source of water abstraction in the Eurocash Group are third parties. The quantities of water collected were obtained based on actual consumption at each location (data collected by the third-party company Energy Solution). The locations based on a municipality were assigned to an area with a given drought level (PGWWP data, geoportal.gov.pl). Collection by water source was determined on the basis of CSO data (division into groundwater and surface water down to the provincial level). The data include the following companies: AMBRA sp. z o.o.; Cerville Investments sp. z o.o.; Delikatesy Centrum sp. z o.o.; Duży Ben sp. z o.o.; Eurocash Franczyza sp. z o.o.; Eurocash SA; Eurocash Serwis sp. z o.o.; Euro Sklep sp. z o.o.; FHC-2 sp. z o.o.; Frisco SA; Kontigo sp. z o.o.; Lewiatan Kujawy sp. z o.o.; Lewiatan Opole sp. z o.o.; Lewiatan Podkarpacie sp. z o.o.; Lewiatan Śląsk sp. z o.o.; Madas sp. z o.o.; Partner sp. z o.o.; Podlaskie Delikatesy Centrum sp. z o.o.; Polska Dystrybucja Alkoholi sp. z o.o.

GRI 305-1 **TCFD** **Direct greenhouse gas emissions (Scope 1) [tCO₂e]³⁸**

Type of emission source	2022	2021	2020
Combustion of fuels in onsite sources	11,551.77	12,510.55	11,849.49
Combustion of fuels in mobile sources	23,126.06	22,096.13	22,773.58
Volatile fuels	12,889.0	11,183	9,692
Total	47,566.83	45,789.67	44,315.07

GRI 305-2 **TCFD** **Indirect greenhouse gas emissions (Scope 2) [tCO₂e]**

Type of emission source	2022	2021	2020
Purchase of electricity (Location Based)	109,924.62	110,941.05	115,861.38
Purchase of electricity (Market Based)	91,481.24	93,795.2	139,973.7
Purchase of district heating	4,432.70	5,676.83	4,809.40
Total	114,357.32	116,617.88	120,670.77

[↩](#) **Back to subsection: Strategic climate management**

³⁸ There were no Scope 1 biogenic emissions during the reporting period and they are therefore not included in the table.

GRI 305-3 TCFD Other relevant indirect greenhouse gas emissions (Scope 3) [tCO ₂ e]			
Scope 3 emissions by category	2022	2021	2020
Category 1 Purchased raw materials and services	4,877,239.18	4,757,703.61	4,774,810.89
1.a. Purchased goods	4,806,560.64	4,687,960.87	4,712,889.21
Food and drinks	3,959,404.56	3,861,216.65	3,919,311.51
Other	847,156.08	826,744.22	793,577.71
1.b. Purchased services	70,678.54	69,742.74	61,921.68
Category 2. Purchased capital goods	20,548.55	30,095.97	34,699.31
Category 3. Energy and fuel related emissions not included in Scopes 1 and 2	38,331.73	38,662.11	26,858.68
Category 4. Upstream transportation and distribution	102,429.10	91,816.58	82,356.27
Category 5. Waste generated as a result of activities	4,189.58	4,016.84	3,561.35
Category 6. Business travels	789.12	652.07	752.38
Category 7. Employee commuting	44,862.70	64,132.85	64,826.01
Category 9. Downstream transportation and distribution	0.70	0.77	0.58
Category 12. End of life treatment of sold products	4,206.36	4,160.60	4,202.60
Category 13. Downstream leased assets	89.70	211.04	231.64

GRI 305-3 **TCFD** **Other relevant indirect greenhouse gas emissions (Scope 3) [tCO₂e]**

Scope 3 emissions by category	2022	2021	2020
Category 14. Franchises	434,730.24	432,594.37	474,755.68
Category 15. Investments	11,807.27	12,638.68	6,704.18
Total	5,539,224.24	5,436,685.48	5,473,759.57

[↩](#) **Back to subsection: Strategic climate management**

GRI 305-4 **Greenhouse gas emission intensity**

Emission intensity	2022	2021	2020
Total greenhouse gas emissions (Scopes 1 and 2)	161,924.15	162,407.56	164,985.84
Chosen common denominator = area of operating facilities [m ²] ³⁹	1,193,740.93	1,166,984.03	1,193,081.42
Greenhouse gas emission intensity indicator	0.13563	0.1392	0.1383
Total greenhouse gas emissions (Scope 3) [tCO ₂ e]	5,539,224	5,436,685	5,473,759.57
Selected common denominator [m ²]	1,193,740.93	1,166,984.03	1,193,081.42
Greenhouse gas emission intensity indicator	4.6402	4.6587	4.5879

[↩](#) **Back to subsection: Strategic climate management**

³⁹ Due to the different types of facilities and the similar nature of the activities carried out, the chosen denominator best reflects the energy intensity in relation to the area occupied.

Calculation methodology and data sources:

- Emissions were calculated using the GHG Protocol.
- CO₂ is included, other greenhouse gases that do not apply to the Eurocash Group are not included: CH₄, N₂O, HFCs, PFCs, SF₆, NF₃.
- The base year used was 2020 (the year chosen by the Eurocash Group as the baseline year for the de-carbonisation target).
- Emission factors in line with Defra 2022 (Department for Environment, Food and Rural Affairs of the United Kingdom of Great Britain and Ireland, "UK Government GHG Conversion Factors for Company Reporting") were used.
- Data on the consumption of individual energy carriers were obtained from sales and distribution invoices, receipts for purchased fuels and from technical reports on refrigerant additions. In the case of data gaps (for electricity, district heating and natural gas), consumption estimates sent by the energy supplier were used.
- In Scope 1, the GWP for the refrigerant from Defra 2022 was used; for the refrigerant not present in Defra, GWP data from a trade website were used.
- All emissions values from 2020 and 2021 are updated – the Group companies not originally reported are included.
- Scope 1 and 2 emissions were calculated for all companies in which Eurocash has operational control.

The data include the following companies: Eurocash SA; Delikatesy Centrum sp. z o.o.; Eurocash Serwis sp. z o.o.; FHC-2 sp. z o.o.; Madas sp. z o.o.; Kontigo sp. z o.o.; Duży Ben sp. z o.o.; AMBRA sp. z o.o.; Cerville Investments sp. z o.o.; Eurocash Franczyza sp. z o.o.; Euro Sklep sp. z o.o.; Frisco SA; Lewiatan Kujawy sp. z o.o.; Lewiatan Wielkopolska sp. z o.o.; Lewiatan Opole sp. z o.o.; Lewiatan Podkarpacie sp. z o.o.; Lewiatan Północ sp. z o.o.; Lewiatan Śląsk sp. z o.o.; Polska Dystrybucja Alkoholi sp. z o.o.; Partner sp. z o.o.; Podlaskie Delikatesy Centrum sp. z o.o.; Partnerski Serwis Detaliczny SA.

- Scope 3 emissions were calculated for companies with operational and financial control (proportionally to the value of shares held):

4 Vapers sp. z o.o.; abc na kołach sp. z o.o.; ABC sp. z o.o.; Akademia Umiejętności sp. z o.o.; AMBRA sp. z o.o.; Arhelan sp. z o.o.; Cerville Investments sp. z o.o.; Delikatesy Centrum sp. z o.o.; Delikatesy Rogala sp. z o.o.; Detal Finanse sp. z o.o.; Dovest sp. z o.o.; Duży Ben sp. z o.o.; Eurocash Franczyza sp. z o.o.; Eurocash Nieruchomości sp. z o.o.; Eurocash SA; Eurocash Serwis sp. z o.o.; Eurocash Sieć Partnerska sp. z o.o. (formerly Groszek sp. z o.o.); EUROCASH VC3 sp. z o.o. (Premium Distributors sp. z o.o.); Euro Sklep sp. z o.o.; FHC-2 sp. z o.o.; Rogala sp. z o.o.; FR24 sp. z o.o.; Frisco SA; G9 (9 companies, organiser of the Lewiatan franchise shops); Gama Detal sp. z o.o.; Inmedio sp. z o.o.; Innowacyjna Platforma Handlu sp. z o.o.; Kontigo sp. z o.o.; Lewiatan Holding SA; Madas sp. z o.o.; Partner

sp. z o.o.; Podlaskie Delikatesy Centrum sp. z o.o.; Polska Dystrybucja Alkoholi sp. z o.o.; Przedsiębiorstwo Handlu Spożywczego sp. z o.o.

GRI 306-1 **Waste generation and related impacts**

Impacts made by the organisation	Amount of waste, to which the impacts are related [Mg]	Place of generation of impact-related waste	Sourced components that lead or may lead to such an impact	Activities that lead or may lead to such an impact
Share in packaging recycling	12 104,10	Own activities	None	Cooperation with specialised companies collecting and recycling packaging waste Share in pallet pooling. Management of returnable bottles.
Share in segregation of municipal waste/ reducing the amount of mixed waste in favour of segregated waste	5 214,70	Own activities	None	Implementation of employee training on the rules of proper segregation, availability of an adequate number and type of segregation containers.
Reducing the amount of food waste (160380, UPPZ)	2 854,12	Own activities	None	Cooperation with public benefit organisations as part of food donation. Proper warehouse management, including compliance with the FEFO principle.
Quantity and quality of private label products	60 124,34	Upstream (earlier stage the value chain)	None	Close cooperation with suppliers in designing products and their packaging, in terms of reducing the weight of unit packaging and using, among other things, recycled materials.

[↩](#) **Back to subsection: Waste**



GRI 306-3 GRI 306-4 GRI 306-5 Waste generated, sent for recovery and disposal in 2022 [Mg]⁴⁰

Breakdown into waste categories		Waste gener- ated	Waste divert- ed for recov- ery	Recycling	Other types of recovery	Waste sent for disposal	Combustion (with energy recovery)	Storage
Hazardous	All hazardous waste (total)	18.54	3.91	3.35	0.56	14.63	14.63	0
	Total hazardous waste	18.54	3.91	3.35	0.56	14.63	14.63	0
Other than hazardous	All municipal waste (total, irrespective of fractions)	5,830.68	2,347.43	1,569.62	777.81	3,483.25	1,225.03	2,258.22
	Mixed municipal waste (unsorted)	5,214.70	2,099.44	1,403.80	695.64	3,115.26	1,095.61	2,019.65
	Segregated municipal waste (paper)	89.76	36.14	24.16	11.97	53.62	18.86	34.76
	Segregated municipal waste (plastics)	48.21	19.41	12.98	6.43	28.80	10.13	18.67
	Segregated municipal waste (glass)	211.37	85.10	56.90	28.20	126.27	44.41	81.86
	Segregated municipal waste (BIO)	266.64	107.35	71.78	35.57	159.29	56.02	103.27

⁴⁰ All waste generated is collected by specialised companies with the relevant permits. Data on the weight of waste generated were collected from waste transfer notes, HD documents for animal waste. For municipal waste, the weight was calculated based on the capacity and frequency of collection of containers. The breakdown of the masses by management method was determined based on data from waste collection companies and industry sources. Data for companies: AMBRA sp. z o.o.; Delikatesy Centrum sp. z o.o.; Duży Ben sp. z o.o.; Eurocash Franczyza sp. z o.o.; Eurocash SA; Eurocash Serwis sp. z o.o.; Frisco SA; Kontigo sp. z o.o.; Partner sp. z o.o.; Podlaskie Delikatesy Centrum sp. z o.o.; Polska Dystrybucja Alkoholii sp. z o.o.

GRI 306-3 GRI 306-4 GRI 306-5 **Waste generated, sent for recovery and disposal in 2022 [Mg]⁴⁰**

Breakdown into waste categories		Waste gener- ated	Waste divert- ed for recov- ery	Recycling	Other types of recovery	Waste sent for disposal	Combustion (with energy recovery)	Storage
Other than hazardous	All packaging waste	12,104.10	12,104.10	10,897.22	1,206.88	0	0	0
	Paper and cardboard packaging	9,878.96	9,878.96	8,891.06	987.90	0	0	0
	Plastic packaging	2,141.30	2,141.30	1,927.17	214.13	0	0	0
	Wood packaging	48.54	48.54	43.69	4.85	0	0	0
	Metal packaging	34.18	34.18	34.18	0.00	0	0	0
	Glass packaging	1.12	1.12	1.12	0.00	0	0	0
	All food waste	2,854.12	2,854.12	2,194.49	659.63	0	0	0
	Food products past their expiry date or unfit for consumption	1,400.36	1,400.36	1,288.33	112.03	0	0	0
	Animal by-products	1,437.67	1,437.67	891.35	546.31	0	0	0
	Raw materials and products unfit for consumption and processing	16.09	16.09	14.80	1.29	0	0	0
	Other	478.90	200.97	141.33	59.65	277.92	108.69	169.23
Total non-hazardous waste		21,267.80	17,506.62	14,802.65	2,703.97	3,761.17	1,333.72	2,427.46
Total waste		21,286.34	17,510.53	14,806.00	2,704.53	3,775.80	1,348.35	2,427.46

↪ **Back to subsection: Waste**

GRI 306-3		GRI 306-4	GRI 306-5	Waste generated, sent for recovery and disposal in 2021[Mg] ⁴¹				
Breakdown into waste categories		Waste gener- ated	Waste divert- ed for recov- ery	Recycling	Other types of recovery	Waste sent for disposal	Combustion (with energy recovery)	Storage
Hazardous	All hazardous waste (total)	33.58	5.10	3.09	2.01	28.47	28.47	0.00
	Total (hazardous waste)	33.58	5.10	3.09	2.01	28.47	28.47	0.00
Other than hazardous	All municipal waste (total, irrespective of frac- tions)	7,177.58	2,889.70	1,932.21	957.49	4,287.89	1,508.01	2,779.88
	Mixed municipal waste (unsorted)	6,470.77	2,605.13	1,741.93	863.20	3,865.64	1,359.51	2,506.13
	Segregated municipal waste (paper)	92.44	37.22	24.88	12.33	55.22	19.42	35.80
	Segregated municipal waste (plastics)	56.87	22.90	15.31	7.59	33.97	11.95	22.03
	Segregated municipal waste (glass)	237.45	95.60	63.92	31.68	141.85	49.89	91.96
	Segregated municipal waste (BIO)	318.38	128.18	85.71	42.47	190.20	66.89	123.31

↪ **Back to subsection: Waste**

⁴¹ The values for 2021 were updated with the weight of waste generated by companies not previously reported in this respect. All waste generated is collected by specialised companies with the relevant permits. Data on the weight of waste generated were collected from waste transfer notes and HD documents for animal waste. For municipal waste, the weight was calculated based on the capacity and frequency of collection of containers. The breakdown of the masses by management method was determined based on data from waste collection companies and industry sources. Data for companies: AMBRA Sp. z o.o.; Delikatesy Centrum Sp. z o.o.; Duży Ben Sp. z o.o.; Eurocash Franczyza Sp. z o.o.; Eurocash S.A.; Eurocash Serwis Sp. z o. o.; Frisco S.A; Kontigo Sp. z o.o.; Partner Sp. z o.o.; Podlaskie Delikatesy Centrum Sp. z o.o.; Polska Dystrybucja Alkoholli sp. z o.o.

GRI 306-3 GRI 306-4 GRI 306-5 Waste generated, sent for recovery and disposal in 2021[Mg]⁴¹

Breakdown into waste categories		Waste gener- ated	Waste divert- ed for recov- ery	Recycling	Other types of recovery	Waste sent for disposal	Combustion (with energy recovery)	Storage
Other than hazardous	All packaging waste	13,423.84	13,423.84	12,082.39	1,341.45	0.00	0.00	0.00
	15 01 01 Paper and cardboard packaging	11,171.48	11,171.48	10,054.33	1,117.15	0.00	0.00	0.00
	15 01 02 Plastic packaging	2,162.26	2,162.26	1,946.03	216.23	0.00	0.00	0.00
	15 01 03 Wood packaging	80.72	80.72	72.65	8.07	0.00	0.00	0.00
	15 01 04 Metal packaging	1.88	1.88	1.88	0.00	0.00	0.00	0.00
	15 01 07 Glass packaging	7.50	7.50	7.50	0.00	0.00	0.00	0.00
	All food waste	2,155.09	2,155.09	1,707.23	447.86	0.00	0.00	0.00
	16 03 80 Food products past their expiry date or unfit for consumption	1,225.97	1,225.97	1,127.90	98.08	0.00	0.00	0.00
	Animal by-products	918.19	918.19	569.28	348.91	0.00	0.00	0.00
	02 02 03 Raw materials and products unfit for consumption and processing	10.92	10.92	10.05	0.87	0.00	0.00	0.00
Other		618.56	293.98	221.33	72.65	324.58	115.97	208.60
Non-hazardous waste - Total		23,375.07	18,762.60	15,943.16	2,819.45	4,612.47	1,623.98	2,988.48
Total waste		23,408.65	23,408.65	18,767.71	15,946.24	2,821.46	4,640.94	1,652.46

↩ Back to subsection: Waste

GRI 2-7 Number of employees⁴²

Number of employees by gender and type of employment contract

2022				2021		
Type of employment contract	Women	Men	Total	Women	Men	Total
Fixed-term contract	3,439	1,109	4,548	2,847	1,136	3,983
Indefinite-term contract	7,056	4,762	11,818	6,840	4,854	11,694
Total	10,495	5,871	16,366	9,687	5,990	15,677

Number of employees by gender and working time⁴³

2022				2021		
Working hours	Women	Men	Total	Women	Men	Total
Full-time	10,198	5,782	15,980	9,380	5,929	15,309
Part-time	297	89	386	307	61	368
Total	10,495	5,871	16,366	9,687	5,990	15,677

↩ Back to subsection: Eurocash Group employees

⁴² Data for 2021 include companies from the SAP HR system: Eurocash SA; Eurocash Serwis sp. z o.o.; AMBRA sp. z o.o.; Polska Dystrybucja Alkoholi sp. z o.o.; Eurocash Franczyza sp. z o.o.; Lewiatan Podkarpacie sp. z o.o.; Lewiatan Północ sp. z o.o.; Lewiatan Kujawy sp. z o.o.; Lewiatan Wielkopolska sp. z o.o.; Lewiatan Opole sp. z o.o.; Lewiatan Orbita sp. z o.o.; Lewiatan Zachód sp. z o.o.; Lewiatan Podlasie sp. z o.o.; Lewiatan Śląsk sp. z o.o.; Euro Sklep sp. z o.o.; Partnerski Sklep Detaliczny SA; Eurocash Sieci Partnerskie sp. z o.o.; Delikatesy Centrum sp. z o.o.; Podlaskie Delikatesy Centrum sp. z o.o.; Kontigo sp. z o.o.; Duży Ben sp. z o.o.; abc na kołach sp. z o.o.; Innowacyjna Platforma Handlu sp. z o.o.; Detal Finanse sp. z o.o.; Akademia Umiejętności Eurocash sp. z o.o., and data for 2022 additionally include data of the following companies: Partner sp. z o.o. (Enova); Frisco SA (Comarch Optima).

The GRI 2-7 indicator considers the whole of Poland as a region. A breakdown into smaller regions, e.g. provinces, has not been made due to the risk of presenting data that are not accurate. In Eurocash Group, many positions such as field employees, customer advisors or regional managers are assigned to the head office, while they work throughout the country in reality. Assigning them to a single province is not justified..

⁴³ The Eurocash Group does not have employees employed for non-guaranteed hours.

GRI 2-8 Average number of workers for the organisation who are not its employees and whose work is controlled by the organisation during the year, broken down by gender and type of contract⁴⁴

2022			
Type of contract	Women	Men	Total
Contract of mandate	273	106	353
Specific work contract	3	6	9
Self-employment	10	52	62

GRI 401-1 Number of newly hired employees and their turnover⁴⁵

Number of newly hired employees and their turnover by gender

Breakdown by gender	2022			2021		
	Women	Men	Total	Women	Men	Total
Number of employees	10,495	5,871	16,366	9,687	5,990	15,677
Number of newly hired employees	1,099	498	1,597	3,053	1,185	4,238
Employment rate	10%	8%	10%	32%	20%	27%
Number of employee departures	3,628	1,467	5,059	3,971	1,726	5,697
Turnover rate	35%	25%	31%	41%	29%	36%

[↶](#) **Back to subsection: Eurocash Group employees**

⁴⁴ In view of the seasonality of employment of workers for the organisation in the Eurocash Group, the data in the table are presented as the average number of people throughout 2022.

⁴⁵ The data for 2021 are taken from the SAP HR system, and the data for 2022 additionally include the following companies: Partner sp. z o.o. (Enova); Frisco SA (Comarch Optima).

The GRI 401-1 indicator considers the whole of Poland as a region. A breakdown into smaller regions, e.g. provinces, has not been made due to the risk of presenting data that are not accurate. In Eurocash Group, many positions such as field employees, customer advisors or regional managers are assigned to the head office, while they work throughout the country in reality. Assigning them to a single province is not justified.

Number of newly hired employees and their turnover by age

Breakdown by age	2022				2021			
	<30 years	30-50 years	>50 years	Total	Women	Men	Men	Total
Number of employees	2,989	10,576	2,801	16,366	3,241	9,999	2,437	15,677
Number of newly hired employees	675	760	162	1,597	1,820	2,124	294	4,238
Employment rate	23%	7%	6%	10%	56%	21%	12%	27%
Number of employee departures	1,748	2,633	714	5,095	1,972	3,100	625	5,697
Turnover rate	58%	25%	25%	31%	61%	31%	26%	36%

↩ Back to subsection: Eurocash Group employees

GRI 401-3 Parental leave⁴⁶

	2022		
	Women	Men	Total
Number of employees eligible for parental leave	10,495	5,871	16,366
Number of employees who took parental leave	1,353	20	1,373
Number of employees who took full-time parental leave	856	13	869
Number of employees who returned to work in the reporting period after the end of parental leave	364	9	373
Number of employees who returned to work after the end of parental leave and who continued to work 12 months after their return to work	34	3	37
Number of employees who returned to work in the previous reporting period after the end of parental leave	364	7	371
Return to work rates	26.90%	45.00%	27.17%
Employee retention rates	9.34%	42.86%	9.97%

↪ Back to subsection: Employee health and safety

GRI 403-5 Szkolenia pracowników w zakresie bezpieczeństwa i higieny pracy

	2022			
	Employees		Workers	
	Number of people	Number of hours	Number of people	Number of hours
Periodic training	5,236	38,604	21	228
Training	544	2,448	15	67.5
Training for on first aid forklift operators	207	1,449	212	1,484
Total	5,987	42,501	16,366	1,779.5

↪ Back to subsection: Employee health and safety

⁴⁶ The data for 2021 are taken from the SAP HR system, and the data for 2022 additionally include the following companies: Partner sp. z o.o. (Enova); Frisco SA (Comarch Optima).

GRI 403-9 Number of accidents at work and accident rates⁴⁷ among employees and other workers by gender⁴⁸

		2022 ⁴⁹			2021
		Women	Men	Total	Total
Employees	Number of fatal accidents in the workplace	0	0	0	0
	Number of serious accidents in the workplace (excluding fatalities)	0	0	0	1
	Total number of workplace accidents subject to registration	97	81	178	220
Workers who are not employees	Number of fatal accidents in the workplace	0	0	0	Not investigated
	Number of serious accidents in the workplace (excluding fatalities)	0	0	0	Not investigated
	Total number of workplace accidents subject to registration	20	20	40	Not investigated
Fatal accident rate		0	0	0	0
Serious accident rate		0	0	0	0,00644
Total accident rate		1.06	1.44	1.20	1.417
Total accident rate (workers who are not employees)		-	-	1.94	Not investigated

➞ **Back to subsection: Employee health and safety**

⁴⁷ The accident rate is calculated as follows: number of all recorded accidents / total hours worked × 200,000. Number of hours worked among employees in 2022: 18,295,262.48 for women and 11,264,148.52 for men. Estimated number of hours worked by workers for the organisation in 2022: 4,118,962.

⁴⁸ The data for 2021 are taken from the SAP HR system, and the data for 2022 additionally include the following companies: Partner sp. z o.o. (Enova); Frisco SA (Comarch Optima).

⁴⁹ Since 2022, accident data have been reported by gender and are obtained from the Eurocash Group accident register, Fhc2/Madas accident register and Partner accident register.

GRI 404-1 Average number of training hours annually per gender

	2022			2021		
Breakdown by gender	Women	Men	Total	Women	Men	Total
Development training as part of "Development in your hands"	13,004.1	9,929.5	22,933.6	-	-	-
Number of training hours (periodic training)	25,932	12,672	38,604			
Number of training hours (first aid training)	1,030.5	585	1,615.5			
Number of training hours (life-saving training group)	171	661.5	832.5			
Number of training hours (forklift operator training)	574	875	1,449			
Food safety training	417	915	1,332	-	-	-
Total number of training hours	41,128.6	25,638	66,766.6	16,076	10,894	26,970
Average number of training hours per employee	3.92	4.37	4.08	1.66	1.82	1.72

↩ **Back to subsection: Employee health and safety**

GRI 404-1 Average number of training hours annually per employee, broken down by employment category

2022

Breakdown by employment category	Senior management	Middle management	Other employees	Total
Development training as part of "Development in your hands"	3,864.1	7,144.3	11,925.3	22,933.61
Number of training hours (periodic training)	864	13,512	36,720	51,096
Number of training hours (first aid training)	31.5	679.5	904.5	1,615.5
Number of training hours (life-saving training group)	0	220.5	612	832.5
Number of training hours (forklift operator training)	7	175	1,267	1,449
Food safety training	42	969	321	1332
Total number of training hours	4,808,61	22,700,25	51,749,75	79,258,61
Average number of training hours per employee	10.98	16.85	3.55	4.84

↩ Back to subsection: Employee health and safety

GRI 404-3 **Employee evaluation⁵⁰**

Number of employees subject to regular job quality and career development assessments, broken down by gender and employment category

Employment category	2022			2021		
	Women	Men	Total	Women	Men	Total
Senior management	98	186	284	86	174	260
Middle management	450	596	1,046	447	575	1,022
Other employees	1,643	1,515	3,158	945	601	1,546
Total	2,191	2,297	4,488	1,478	1,350	2,828

Percentage of employees subject to regular job quality and career development assessments, broken down by gender and employment category

Employment category	2022			2021		
	Women	Men	Total	Women	Men	Total
Senior management	100%	100%	100%	92%	99%	97%
Middle management	100%	100%	100%	38%	75%	52%
Other employees	18%	30%	22%	11%	12%	11%
Total	22%	39%	29%	1,478	1,350	2,828

[↶](#) **Back to subsection: Employee assessment**

⁵⁰ The data for 2021 are taken from the SAP HR system, and the data for 2022 additionally include the following companies: Partner sp. z o.o. (Enova); Frisco SA (Comarch Optima).

GRI 405-1 Composition of supervisory bodies and staff by employee category, gender and age⁵¹

Number of employees

Breakdown by age, gender and categories of employees		2022			2021		
		Women	Men	Total	Women	Men	Total
Senior management	<30 years	46	48	94	1	1	2
	30-50 years	128	152	280	74	144	218
	>50 years	30	34	64	18	31	49
	Total	204	234	438	93	176	269
Middle management	<30 years	61	40	101	156	76	232
	30-50 years	570	489	1,059	909	580	1,489
	>50 years	85	102	187	119	108	227
	Total	716	631	1,347	1,184	764	1,948
Other employees	<30 years	1,771	999	2,770	1,827	1,180	3,007
	30-50 years	6,068	3,168	9,236	5,184	3,105	8,289
	>50 years	1,736	839	2,575	1,398	758	2,156
	Total	9,575	5,006	14,581	8,409	5,043	13,452
Total number of employees		16,366			15,677		

[↩ Back to subsection: Equality and diversity](#)

⁵¹ The data for 2021 are taken from the SAP HR system, and the data for 2022 additionally include the following companies: Partner sp. z o.o. (Enova); Frisco SA (Comarch Optima).

Percentage of employees

Breakdown by age, employee gender and categories		2022			2021		
		Women	Men	Total	Women	Men	Total
Senior management	<30 years	10.5%	11.0%	21.5%	0%	0%	1%
	30-50 years	29.2%	34.7%	63.9%	28%	54%	81%
	>50 years	6.8%	7.8%	14.6%	7%	12%	18%
	Total	46.6%	53.4%	100%	35%	65%	100%
Middle management	<30 years	4.5%	3.0%	7.5%	8%	4%	12%
	30-50 years	42.3%	36.3%	78.6%	47%	30%	76%
	>50 years	6.3%	7.6%	13.9%	6%	6%	12%
	Total	53.2%	46.8%	100%	61%	39%	100%
Other employees	<30 years	12.1%	6.9%	19.0%	14%	9%	22%
	30-50 years	41.6%	21.7%	63.3%	39%	23%	62%
	>50 years	11.9%	5.8%	17.7%	10%	6%	16%
	Total	65.7%	34.3%	100%	63%	37%	100%

↪ **Back to subsection: Equality and diversity**

Composition of the top management bodies

		2022			2021		
Breakdown by age and gender		Women	Men	Total	Women	Men	Total
Management Board	<30 years	0	0	0	0	0	0
	30-50 years	0	4	4	0	3	3
	>50 years	1	3	4	1	4	5
	Total	1	7	8	1	7	8
Supervisory Board	<30 years	0	0	0	0	0	0
	30-50 years	0	1	1	0	1	1
	>50 years	0	4	4	0	4	4
	Total	0	5	5	0	5	5
Total number of members of the top management bodies		13			13		

↪ Back to subsection: Equality and diversity

Percentage of members of the top management bodies

Breakdown by age and gender		2022			2021		
		Women	Men	Total	Women	Men	Total
Management Board	<30 years	0%	0%	0%	0%	0%	0%
	30-50 years	0%	50%	50%	0%	38%	38%
	>50 years	12.5%	37.5%	50%	13%	50%	63%
	Total	12.5%	87.5%	100%	13%	88%	100%
Supervisory Board	<30 years	0%	0%	0%	0%	0%	0%
	30-50 years	0%	20%	20%	0%	20%	20%
	>50 years	0%	80%	80%	0%	80%	80%
	Total	0%	100%	100%	0%	100%	100%

↩ Back to subsection: Equality and diversity

Taxonomic Disclosures

Percentage of turnover from products or services related to taxonomy-compliant business activities – disclosure is for 2022

Business activity	Code(s)	Absolute turnover [PLN]	Percentage share of capital expenditure [%]
A. Taxonomy-eligible activities			
A.1 Types of environmentally sustainable activities (taxonomy-eligible)			
Turnover from environmentally sustainable activities (taxonomy-compliant) (A.1)	-	0	0
A.2 Taxonomy-eligible activities that are not environmentally sustainable (non-taxonomy-compliant activities)			
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	H49.4.1, H53.10, H53.20, N77.12	496 142	0.002
7.7 Acquisition and ownership of buildings	L68	10,355,843.35	0.03
Turnover from taxonomy-eligible activities that are not environmentally sustainable (non-taxonomy-compliant activities)(A.2)		10,851,985.35	0.04
Total (A.1 + A.2)		10,851,985.35	0.04
B. Taxonomy-non-eligible activities			
Turnover from taxonomy-non-eligible activities (B) %		30,846,812,988.65	99.96
Total (A+B)		30,857,664,974.00	100.00

[↩ Back to subsection: EU Taxonomy](#)

Percentage of capital expenditure for products or services related to taxonomy-compliant business activities – disclosure is for 2022 (Capex)

Business activity	Code(s)	Absolute turnover [PLN]	Percentage share of capital expenditure [%]
A. Taxonomy-eligible activities			
A.1 Types of environmentally sustainable activities (taxonomy-eligible)			
Capital expenditure for environmentally sustainable activities (taxonomy-compliant) (A.1)	-	0	0
A.2 Taxonomy-eligible activities that are not environmentally sustainable (non-taxonomy-compliant activities)			
3.6 Production of other low-carbon technologies	C22, C25, C26, C27, C28	20,601,223.74	9.48
5.5 Collection and transport of non-hazardous waste in fractions segregated at source	E38.11	65,976	0.03
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	H49.4.1, H53.10, H53.20, N77.12	91,339.03	0.04
7.3 Installation, maintenance and repair of energy efficiency	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12	3,902,099.23	1.80
7.6 Installation, maintenance and repair of renewable energy technology systems	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28	8,020,051.42	3.69
Capital expenditure for taxonomy-eligible activities that are not environmentally sustainable (non-taxonomy-compliant activities) (A.2)		32,680,689.42	15.04
Total (A.1 + A.2)		32,680,689.42	15.04
B. Taxonomy-non-eligible activities			
Capital expenditure for non-taxonomy-eligible activities (B) %		184,674,761.58	84.96
Total (A+B)		217,355,451.00	100.00

➔ Back to subsection: EU Taxonomy

Percentage of operating expenditure for products or services related to taxonomy-compliant business activities – disclosure is for 2022 (Opex)

Business activity	Code(s)	Absolute turnover [PLN]	Percentage share of capital expenditure [%]
A. Taxonomy-eligible activities			
A.1 Types of environmentally sustainable activities (taxonomy-eligible)			
Operating expenditure for environmentally sustainable activities (taxonomy-compliant) (A.1)	-	0	0
A.2 Taxonomy-eligible activities that are not environmentally sustainable (non-taxonomy-compliant activities)			
3.6 Production of other low-carbon technologies	C22, C25, C26, C27, C28	22,000,877.73	6.64
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	H49.32, H49.39, N77.11	11,784,646.24	3.56
6.6 Road freight transport services	H49.4.1, H53.10, H53.20, N77.12	58,176,781.17	17.56
7.7 Acquisition and ownership of buildings	L68	205,362,763.4	61.98
Operating expenditure for non-taxonomy-eligible activities that are not environmentally sustainable (non-taxonomy-compliant activities) (A.2)		297,325,068.57	89.73
Total (A.1 + A.2)		297,325,068.57	89.73
B. Taxonomy-non-eligible activities			
Operating expenditure for non-taxonomy-eligible activities (B) %		34,024,249.60	10.27
Total (A+B)		331,349,318.17	100.00

↩ Back to subsection: EU Taxonomy

KPI accounting principles

The KPI components for 2022 have been disclosed as follows:

Component KPIs	Turnover	Capital expenditure (Capex)	Operating expenditure (Opex)
Numerator	Revenue from taxonomy-eligible activities, including the rental and sale of buildings and sale of cars.	Capital expenditure from taxonomy-eligible activities, including the purchase of refrigeration equipment, balers, forklift trucks, cars, installation, maintenance and repair of energy efficiency equipment and renewable technology systems.	Operating expenditure on taxonomy-eligible activities, including rental, repair and servicing of forklifts, cars and trucks, and building rentals, building renovations and repairs.
Denominator	Revenue disclosed in accordance with IAS 1.82(a), including revenue disclosed in accordance with IFRS 15 and IFRS 16. Total revenue: PLN 30,857,664,974	Capital expenditure settled under IAS 16, IAS 38, IFRS 16, IAS 40, IAS 41 (alternatively: expenditure on acquisition of intangible assets and expenditure on acquisition of tangible fixed assets). Expenditure on acquisition of intangible assets: PLN 50,500,050 Expenditure on acquisition of tangible assets: PLN 166,855,401	Non-capitalised costs including: research and development, building refurbishment methods, short term leases, maintenance and repairs, and other direct costs associated with the ongoing servicing of tangible assets necessary to ensure the continuity and efficiency of their operation.

➔ Back to the subsection: EU Taxonomy

Material groups have been assigned to the Eurocash Group's taxonomy-eligible activities, while individual material groups have been linked to expenditure and expense categories. A single material group is assigned to only one taxonomy-eligible activity. By doing so, items for the calculation of the values in the numerator of the KPIs relating to turnover, capital expenditure and operating expenditure can be separated from the recorded expenses and expenditure, avoiding the risk of double counting for different types of business.

Significant changes

Based on a reassessment of the Group's activities in terms of the Taxonomy, activities that were previously classified as eligible and accounted for a share of operating expenditure have been excluded: transport services (supply chain) and IT services, as well as education activities, the revenue from which in 2021 was included in the turnover KPI numerator.

Changes have also been made to the qualification of costs to the OpEx denominator. In 2022, only the non-capitalised costs of building refurbishment, short-

term leases, maintenance, refurbishment and other costs directly related to the ongoing servicing of property, plant and equipment are included. The component of the indicator excludes, among other things, the costs of salaries, fuel purchases, insurance, travel expenses or taxes and fees.

In the area of capital expenditures, as part of the decarbonisation strategy adopted, the Group is gradually implementing a plan to diversify its electricity sources and improve energy efficiency in its operational buildings. These measures are due to be implemented in 2023 and beyond.



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Report on the performance of an independent assurance service providing limited assurance

We were commissioned by the Management Board of Eurocash S.A. with its registered office in Komorniki, ul. Wiśniowa 11 (hereinafter referred to as the ‘Company’) to perform an independent assurance service to assess the compliance of selected indicators (hereinafter referred to as the ‘Indicators’) presented in the Eurocash Group Sustainability Report 2022 (hereinafter referred to as the ‘Report’), drawn up by the Company based on the GRI Standards guidelines issued by the Global Reporting Initiative.

The service performed concerned the verification of the following indicators for 2022 and did not include the verification of the other information contained in the Report:

Profile indicators.

2-7.

Thematic indicators:

302-1; 303-3; 305-1; 305-2; 305-4; 305-5; 306-3; 403-9.

Responsibility of the Management Board

The Company's Management Board is responsible for the preparation of the Report and for the accuracy and clarity of the information contained therein. This responsibility also extends to the design, implementation and maintenance of an internal control system that enables the Report to be prepared in accordance with GRI Standards Guidelines and the presentation and calculation of indicators free from material misstatement due to fraud or error.

Responsibility of the assurance provider

Our responsibility was to perform an assurance service providing limited assurance and to provide a conclusion on the work performed. We performed the service in accordance with the provisions of International Standard on Assurance Engagements 3000 ‘Assurance Engagements other than an Audit or Review of Historical Financial Information’ issued by the International Auditing and Assurance Standards Board (IAASB). According to the standards, we are required to plan and perform procedures in such a way as to obtain limited assurance that the indicators subject to verification included in the Report are presented in all material respects in accordance with the GRI Standards guidelines.

The choice of procedures is based on our judgement and understanding of the subject matter of the service and the other circumstances of the service and on our assessment of the risk of material misstatement of the indicators to be reviewed. In conducting our assessment of this risk, we consider the internal controls associated with the preparation of the Report and the presentation of the indicators in order to plan the appropriate procedures, but not for the purpose of expressing an opinion on their effectiveness.

The procedures we carried out also included an assessment of the appropriateness of the subject matter of the service and the adequacy of the criteria adopted considering the circumstances.

The range of procedures performed during a service providing limited assurance is more limited than in a service providing reasonable assurance.



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Consequently, the level of assurance obtained with a service providing limited assurance is lower than the level of assurance that would have been obtained had a service providing reasonable assurance been carried out.

Our procedures included in particular the following:

- Obtaining an understanding of the internal control system enabling the drawing up of the Report and the presentation and the calculation of indicators;
- Obtaining, through interviews, an understanding of the source data collection methods and the assumptions used to prepare the indicators to be verified;
- Checking the completeness of the information and assessing the adequacy of the content of the indicators to be verified with the GRI Standards guidelines;
- Reconciling the information contained in the indicators to be verified with the documents, reports and any other sources of information provided by the Company;
- Checking the mathematical correctness of the calculation of numerical indicators.

Our Independence and Quality Control

As a firm, we apply the Principles of Internal Control in an Auditing Entity as set out in IAASB International Standard on Quality Control 1, which requires us to implement and maintain a comprehensive system of quality control with documented policies and procedures for compliance with ethical principles, professional standards and applicable regulations and laws.

We comply with the independence and ethics requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is based on the fundamental principles of integrity, objectivity, professional competence and due diligence, secrecy of information and professional conduct.

Conclusion

Our conclusion is based on the issues described in this Report and therefore should be read with them in mind.

We consider the evidence we have obtained to be sufficient and adequate to form the basis of our conclusion.

On the basis of the procedures performed, we have found nothing to lead us to believe that the verifiable indicators presented in the Report have not been presented in all material respects in accordance with the GRI Standards Guidelines.

KPMG Advisory Spółka z ograniczoną odpowiedzialnością sp.k.

Warsaw, 28 March 2023

Eurocash Group Sustainable Development Report **for 2022**



Eurocash SA

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