OUT OF THE BOX

and think green

InPost S.A.

Annual Report 2022

InPost out of the box

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InPost out of the box

CEO Letter

GRI 2-22

Dear Stakeholders,

In 2022, InPost Group continued to build on the positive momentum generated from 2021, with growth in each of our key markets. As in previous years, we expanded market share, evidence of the effectiveness of our business model and its resilience against what has been a challenging e-commerce backdrop. We were encouraged to see how our business has dealt with the consequences of the war in Ukraine and the associated rise in energy costs and inflation.

InPost's international expansion in 2022 has given us a solid foundation for building pan-European brand. We saw opportunities in countries whose incumbent delivery services no longer adequately served merchants' needs, leaving room for a disruptor with an innovative proposition. We offer a customer-centric last-mile delivery solution, which is differentiated from our competition. Our convenient, competitively priced, low-emission out-of-home delivery service is enabling the transformation of the e-commerce delivery landscape across Europe.

In Poland, we outgrew the market, continuing to gain market share against our to-door delivery rivals. We generated record volumes of over 500m parcels, 20% higher year-on-year, which confirms InPost's place as the most convenient, flexible and pro-consumer form of delivery for e-commerce.

We are pleased with the successful integration of Mondial Relay, triggering record breaking volumes of 213m in 2022. The rising demand for out-of-home delivery in France and the positive 2022 full year results validate our investment case in this country, both in terms of the Automated Parcel Machine network and the Mondial Relay brand.

In the United Kingdom, the response to our newly launched locker-to-locker services exceeded expectations. We are encouraged by the high adoption of our services and consumer traction we have generated in this region.

Beyond our core business operations, we have provided increasing focus on supporting the communities we operate in. The InPost Foundation supported several local communities and social initiatives, proving that our true value lies in our people. Furthermore, I've been proud of the solidarity our company has shown with the Ukrainian people in a number of ways, including the delivery of humanitarian aid.

One of the main challenges we faced as a business in 2022 was a rise in inflation and fuel costs, which significantly affected both InPost and its clients. However, the inherent efficiencies that come with InPost's network mean that we see an increased use of our services in a highly inflationary environment. This is due to merchants adopting more efficient delivery options, as their cost bases come under pressure.

Additionally, our business model allows us to reach our environmental goals. We remain committed to ESG and have very ambitious targets, like becoming net-zero GHG emissions by 2040, which is far ahead of the rest of our peer group, and we are looking to deliver this across all parts of our value chain.

None of this would be possible without the inspirational people within our business. We are an international group, and the diversity of backgrounds and experience which exists within our teams makes the business stronger.

We want to keep transforming the e-commerce landscape across Europe. Our international experience has driven change in how we think and work, inspiring more innovation across our business as we expand our network and grow our offer. We are going to strengthen and broaden our merchant relationships, supported by developments in adjacent services, such as fulfillment. We continue to drive our sustainability agenda and demonstrate the conversion of our values into tangible action, with solutions that are out of the box.

We look forward to sharing our exciting developments with you.

Rafał Brzoska, CEO

Message from the Chairperson

GRI 2-22, 2-12

InPost delivered another year of strong performance in 2022 despite a fluid and challenging macro environment. The world has become an unstable place for business due to the grave situation in Ukraine and rising inflation. Against this difficult market backdrop, I am pleased to report that InPost has shown great resilience and delivered strong growth in volume, revenue, and profits.

We believe that many of the macro challenges the world faced in 2022 will likely continue into 2023. Nonetheless, we remain confident that InPost retains strong and sustainable competitive advantages, which leave us well-positioned in this marketplace. At the heart of our success is our obsessively customer-centric approach, which translates into high consumer satisfaction levels, as demonstrated by our industry-leading net promoter scores (NPS). Furthermore, we believe that InPost has a significant and growing unit cost advantage when compared with traditional door-to-door logistics companies. This is driven by our materially lower last-mile delivery costs, as our couriers drop and pick up dozens of parcels at each stop using our automated parcel machines. In addition to generating substantial cost advantages, the "multi-drop" nature of our business model also results in considerably lower CO_2 emissions per parcel, making InPost a greener solution for e-commerce activities.

In short, InPost's business model delivers an industry-leading consumer experience, with an attractive low-cost, high-quality service to e-merchants and a highly environmentally friendly solution for parcel deliveries relative to traditional providers. As a result, our goal for InPost is to continue to grow at a faster rate than our underlying markets, and to maintain attractive levels of profitability.

As I reflect on some of the highlights of the past year, one of the most significant milestones is that 2022 represents the first full year that Mondial Relay has been integrated into our Group. We are very pleased with how well the Mondial Relay business progressed in 2022, delivering high levels of volume growth and new customer wins, and affirming that our business model, successfully developed in the Polish market, is translating well into other countries. We are continuing to invest in the capacity, service levels and product offerings of Mondial Relay, including an ambitious rollout of automated parcel machines to provide consumers with greater choice and convenient delivery options, and to provide our e-merchant customers with a reliable, high-quality, attractively priced logistics solution. Furthermore, we are selectively expanding our presence across other European markets, as we develop our business in the UK, Italy, Iberia and the Benelux countries.

The market share gains we are delivering across our markets are the result of the long-term investments we continue to make in the business. We place our focus on what all e-consumers love: a convenient and reliable service. Our brands are customer-oriented, and we rely strongly on advanced automation and digitisation to drive both the consumer experience and our cost and operational efficiencies.

Our commitment to ESG is at the very heart of our business model and close to our cultural DNA as a company. I firmly believe that the role of the Supervisory Board in this area is to ensure that our strategy, actions and investments continue on this right and important path. The Supervisory Board members and I are fully engaged in our ESG agenda, and to this end I am pleased to announce that we established a dedicated ESG Committee of the Board in 2022, whose aim is to provide the right oversight and focus to monitor and guide our progress towards achieving InPost's long-term goals. As part of this, InPost took major steps in building a decarbonisation strategy over the past year. With our out-of-home delivery model driving a significant reduction of scope 3 emissions, we are increasingly becoming a partner of choice for retailers who share our focus on making meaningful enhancements to the environmental sustainability of e-commerce.

That being said, none of our successes would be possible without the ongoing commitment and dedication of our thousands of employees across Europe. I would like to extend a warm thank you to all of them for continuing to drive our business performance and our company culture over the past year. Despite being one of the fastest growing companies of scale anywhere in Europe, we still value real and personal interactions at the individual level. The contribution of each and every employee is a fundamental element in defining who we are and what we continue to achieve, and for this we are truly grateful.

Mark Robertshaw, Chairman of the Supervisory Board

2022 Highlights

Group

PLN
7,079.1m
Revenue* (+54% YoY)

PLN
1,961.4m
Adj. EBITDA (+21% YoY)

745m
Parcels volumes (+44% YoY)

9
Markets

91k
Merchants (+13% YoY)

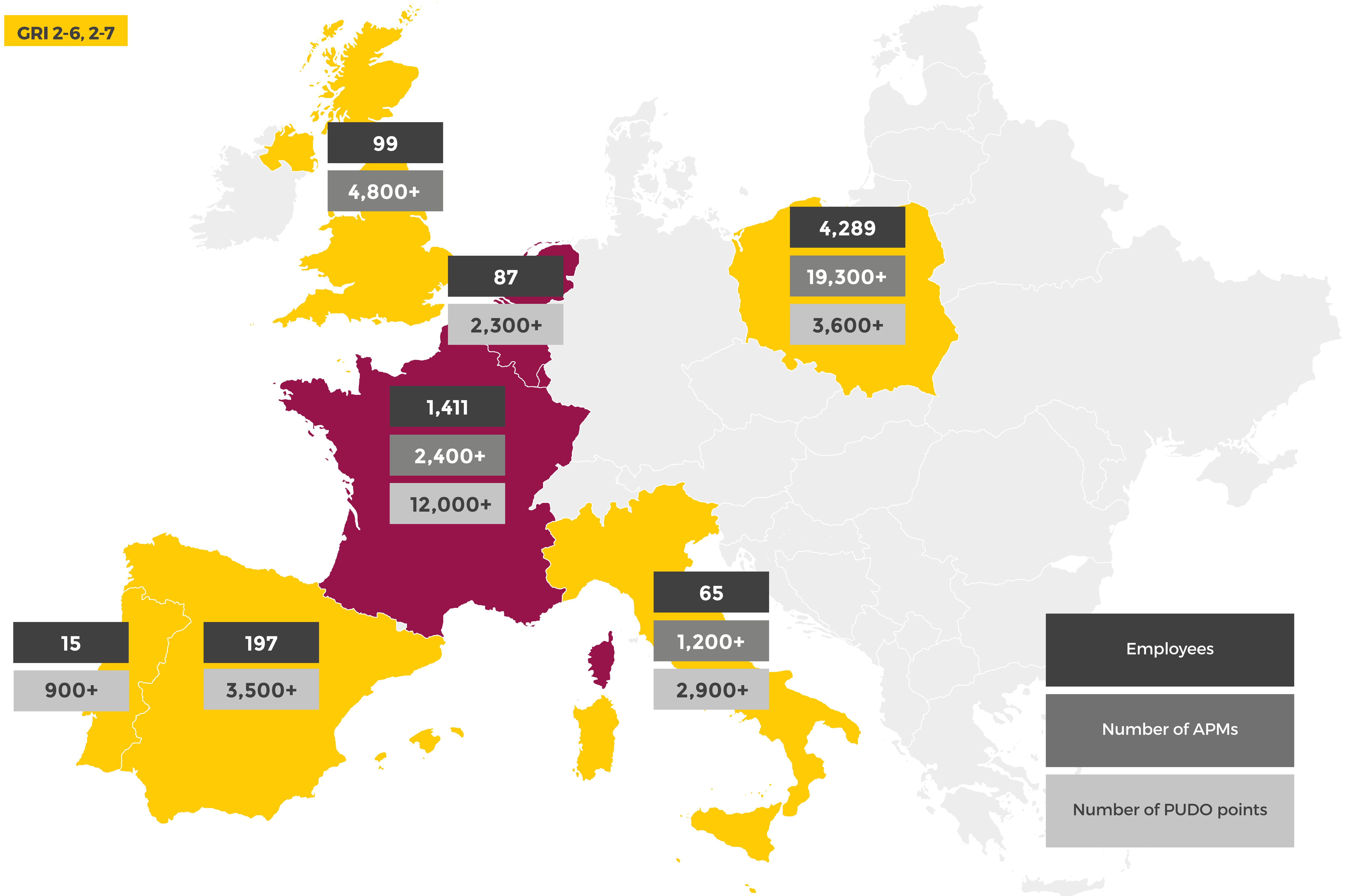
28k
APMs (+37% YoY)

26k
PUDO points (+21% YoY)

PLN
240m (3.4%)
Turnover of environmental sustainable activities (Taxonomy-aligned)

* Total of Revenue and Other Operating Income

GRI 2-6, 2-7



2022 Highlights

Poland

PLN
4,200.2m
Revenue* (+22% YoY)

508m
Parcel volumes (+20% YoY)

19k
APMs (+17% YoY)

4k
PUDO points

17m
APM users (+12% YoY)

10m
Mobile users (+23% YoY)

International

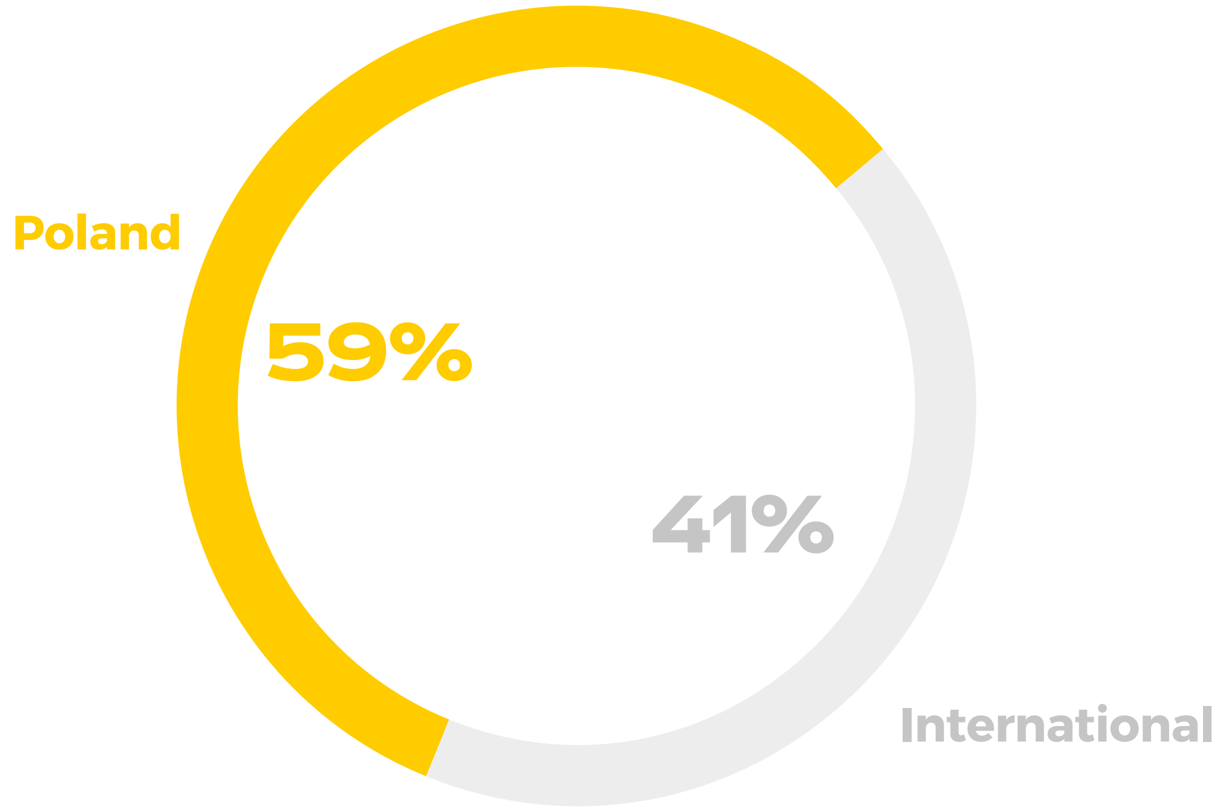
PLN
2,878.9m
Revenue* (+151% YoY)

237m
Parcel volumes (+153% YoY)

9k
APMs (+120% YoY)

22k
PUDO points (+25% YoY)

SPLIT OF REVENUES



* Total of Revenue and Other Operating Income

About us

GRI 2-6

We are InPost S.A., Europe's leading e-commerce delivery partner. We enjoy a growing international footprint, providing automated parcel machine (APM) delivery services, door-to-door delivery services, Pick Up Drop Off (PUDO), and fulfillment services to e-commerce merchants.

OUR VISION

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

OUR MISSION

Provide a best-in-class user experience for merchants and consumers. 'Simplify everything' – redefining e-commerce logistics.

OUR VALUES

Secure + accessible
Sustainable + convenient
Efficient + controllable
Innovative + simple
First + agile

InPost provides a new last-mile delivery experience, partnering with merchants and online marketplaces to provide innovative and sustainable solutions to help reduce Scope 3 emissions from transport. We cooperate with 90,000+ merchants, delivering a record number of close to 745m parcels in 2022.

In Poland with almost 17m loyal customers, a number which makes up more than half of all adult Poles, we are the unquestionable market leader. Our ambition is to leverage this success to scale our operations beyond Poland across eight European markets.

Our landmark acquisition of French market leader Mondial Relay in 2021 is fuelling our international expansion. In 2022, we more than doubled the number of parcels delivered through our international businesses. Last year, international markets already accounted for one third of the Group's volumes and over 40% of revenues.

We are also developing new services, drawing on our broad experience in e-commerce, innovative know-how, and taking advantage of the strong and recognisable InPost brand. In 2022, we dynamically grew a comprehensive fulfillment service for merchants, exceeding 2m orders in 2022. Our solution significantly reduces costs for merchants, who build their businesses within our integrated service model.

InPost service is the most environmentally friendly form of delivery and shipping for several reasons:

- **Reduced traffic congestion**
  By delivering parcels to centralised pickup points like APMs, which are located in high traffic areas, we are reducing traffic congestion and associated emissions from idling vehicles, compared to door-to-door delivery.
- **Reduced emissions**
  We are constantly expanding our OOH network and optimising the logistics processes, which leads to an effective delivery model with fewer emissions produced.
- **Optimised routes**
  We are using advanced algorithms to optimise delivery routes, which help reduce the distance travelled and minimise fuel consumption.
- **Reduced packaging waste**
  We are using reusable or recyclable packaging materials and offer label-less service to reduce the amount of waste generated by the delivery process.

Overall, our `out-of-home delivery services can help to limit the environmental impact of the delivery process by reducing emissions, optimising routes, minimising traffic congestion, using eco-friendly packaging, and cutting energy consumption.

Organisational chart of InPost Group

GRI 2-1

InPost S.A. (société anonyme)

public company, date and jurisdiction of incorporation: 2020-11-17, Grand Duchy of Luxembourg office: 70 Route d'Esch, 1470 Luxembourg, Grand Duchy of Luxembourg (Corporate Headquarters)

Integer.pl S.A.

100% InPost S.A. (société anonyme), date and jurisdiction of incorporation: 2007-03-19, Poland office: Wielicka 28, 30-552 Krakow, Poland

InPost Technology S.à r.l.

100% InPost S.A. (société anonyme), date and jurisdiction of incorporation: 2020-06-22, Grand Duchy of Luxembourg office: 70 Route d'Esch, 1470 Luxembourg, Grand Duchy of Luxembourg

Integer France SAS

100% - InPost S.A. (société anonyme), date and jurisdiction of incorporation: 2021-01-21, France office: 3 boulevard de Sebastopol 75001 Paris, France

Integer Group Services sp. z o.o.

61,65% - InPost Paczkomaty sp. z o.o., 38,35% - Integer.pl S.A., date and jurisdiction of incorporation: 2015-02-10, Poland office: Wielicka 28, 30-552 Krakow, Poland

InPost Paczkomaty sp. z o.o.

100% Integer.pl S.A., date and jurisdiction of incorporation: 2012-04-18, Poland office: Wielicka 28, 30-552 Krakow, Poland

Modern Postal Services Ltd (CY)

IN LIQUIDATION
100% - Integer.pl S.A., date and jurisdiction of incorporation: 2008-10-11, Cyprus office: 2 Sofouli Street, Chanteclair House, 8th Floor, Office 801, 1096 Nicosia, Cyprus

Mondial Relay Société par Actions Simplifiée Unipersonnelle

100% - Integer France SAS, date and jurisdiction of incorporation: 1992-04-28, France office: 1, Avenue de l'Horizon, 59650 Villeuneuve d'Ascq, Lille, France

InPost sp. z o.o.

100% - Integer Group Services sp. z o.o., date and jurisdiction of incorporation: 2015-02-13, Poland office: WIelicka 28, 30-552 Krakow, Poland

InPost UK Ltd (UK)

100% - InPost Paczkomaty sp. z o.o., date and jurisdiction od Incorporation: 2012-05-31, The United Kingdom office: Unit C Boundary Park, Boundary Way, Hermel Hempstead, Hertfordshire, United Kingdom, HP2 7GE

InPost France SAS (F) in liquidation

IN LIQUIDATION
100% - InPost Paczkomaty sp. z o.o., date and jurisdiction of incorporation: 2014-02-04, France office: 3 boulevard de Sebastopol 75001 Paris, France

Locker InPost Italia Srl (I)

100% - InPost Paczkomaty sp. z o.o., date and jurisdiction of Incorporation: 2014-02-27, Italy office: Viale Cassala 30, CAP 20143, Milano, Italy

Granatana Ltd (CY)

IN LIQUIDATION
100% - InPost Paczkomaty sp. z o.o., date and jurisdiction of incorporation: 2011-06-23, Cyprus office: Thasou, 3 Dadlaw House 1520 Nicosia, Cyprus

Giverty Holding Ltd (CY)

IN LIQUIDATION
100% - InPost Paczkomaty sp. z o.o., date and jurisdiction of incorporation: 2011-10-07, Cyprus office: Thasou, 3 Dadlaw House 1520 Nicosia, Cyprus

- International companies
- Polish companies

Supervisory Board

GRI 2-11

Mark Robertshaw, Chairperson, Member of the Supervisory Board

Mr. Robertshaw (born 1968, UK) is Chairman of the Supervisory Board at InPost, having been the Chairman at Integer.pl since 2017. With his more than 30 years in business, he has brought a wide and deep experience of different businesses, geographies and industries, having filled all 3 of the key C suite roles of CFO, CEO and Chairman of both publicly quoted and private equity owned enterprises. This includes being formerly the CEO of Morgan Advanced Materials Plc, and Innovia, both of which brought first-hand experience of complex multi-national businesses. Mr. Robertshaw also served for 8 years on the Board of Segro, one of Europe's largest owners of logistics real estate. In addition to his role in InPost, he is currently the Chairperson of the Board of Vita Global Limited and a Board Director and Chair of the Audit Committee of Kensington Capital Global Industrials.

GRI 2-9

Pursuant to the articles of association of InPost S.A, each member of the Supervisory Board shall be appointed for a maximum period of 4 years. The Supervisory Board rotation schedule together with current tenure of its members can be found here.

Marieke Bax, Member of the Supervisory Board

Mrs. Bax (born 1961, Dutch) is a member of the Supervisory Board, Chair of the Audit Committee. In addition to her executive experience, Mrs. Bax, whose previous roles included being Head of M&A at Sara Lee Corporation and CFO of an e-commerce business, brings broad and longstanding Board level experience in terms of Chairing Audit Committees and Remuneration Committees. She also shares valuable and relevant financial, risk management and digital expertise and deep knowledge of international corporate governance and Diversity & Inclusion best practices. Mrs. Bax is currently a Board Member and Chair of Climate Transition Capital, a Board member and Chair of the Audit Committee of Mediq, a Board member and Chair of the Nomination Committee of Frontier Economics, a Board member of Xior and a member of the Board of Vion Holding N.V.

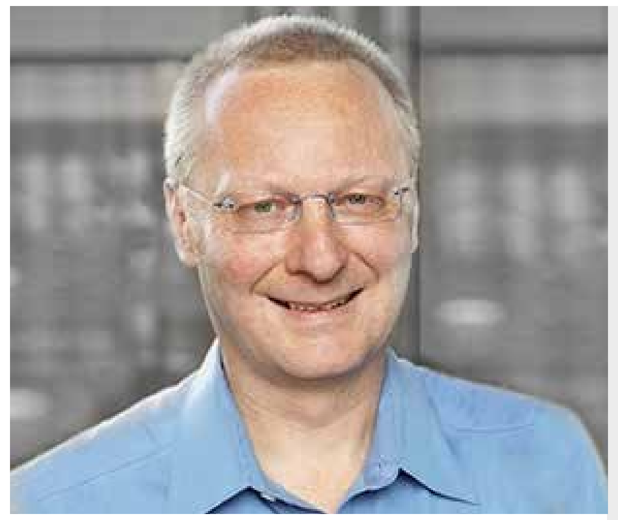
Cristina Berta Jones, Member of the Supervisory Board

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

Supervisory Board

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

Nick Rose, Member of the Supervisory Board
Mr. Rose (born 1980, UK) is a member of the Supervisory Board at InPost, Chair of the Remuneration, Appointment and Selection Committee and has been a member of the Supervisory Board of Integer.pl since 2017. His experience as a board member at multiple companies across the world, particularly in logistics and business services, brings significant relevant industry knowledge and expertise to InPost. Mr. Rose is currently the managing director of Advent International Ltd., a member of the board of EVRI, of Hermes Germany and of Mercury A Capital Limited.



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

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

Management Board

Rafał Brzoska, Chief Executive Officer

Mr. Brzoska (born 1977, Polish) is the highly accomplished founder and CEO of InPost S.A. He has successfully implemented his vision for the company, leveraging his expertise to expand InPost's operations and replicate its success in other countries. With a focus on building a sustainable organisation and a culture of value in the field of logistics services and technology, Mr. Brzoska has been recognised for his professional and philanthropic achievements with numerous accolades, including the Knight's Cross of Polonia Resituta (2022), Bronze BohaterON award in the category of "TEACHER", EY Entrepreneur of the Year (2021), PECUNIA award from the Polish Chamber of Commerce in Italy (2021), SuperWektor (2021), and Bloomberg Businessweek Polska's "Top Manager of the Year (2015), among other notable honours.

Adam Aleksandrowicz, Chief Financial Officer

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

Michael Rouse, Chief Executive Officer International

Mr. Rouse (born 1973, UK) is a member of the InPost Management Board and Chief Executive Officer International. Mr. Rouse brings over 20 years of experience in general management, operations, mergers and acquisitions, and commercial functions. He is responsible for the Mondial Relay business that was acquired in 2021, including overseeing its successful integration into the Group, and has executive responsibility for InPost's businesses in other countries such as the UK, Italy, Iberia and Benelux. Prior to joining InPost, Mr. Rouse was Group Chief Revenue and Commercial Officer at Klarna for 5 years based in Stockholm, leading market expansion activities, M&A and successful integrations of key multi-national clients. His previous roles included senior executive positions at American Express and United Biscuits based in New York and London.

Business model

GRI 2-6

Our activities capture the entire e-commerce value chain, creating synergies in first and middle mile costs, which enable us to improve the experience of our merchants and consumers. The foundation of our business is automated out-of-home delivery (OOH), which constitutes the best solution for consumers and merchants. OOH delivery (both APMs and PUDO) helps to reduce costs, improves delivery speed, and enhances the overall customer experience. Moreover, it is more efficient and eco-friendly – emitting 97% less CO_2 than to-door deliveries in the crucial last mile of logistics.

We provide our services in business-to-customer (B2C) and customer-to-customer (C2C) deliveries.

We offer three delivery methods: (1) to an automated parcel machine (APM), (2) to a Pick-Up Drop-Off Point (PUDO), (3) to-door. APMs and PUDOs are the most popular choices for our customers, as they have proven to be the most cost-effective and convenient.

APMs and PUDOs are located in high-traffic areas: local businesses, such as supermarkets, convenience stores, or transport hubs, such as train/metro stations. In Poland over 59% of the population is within 7 minutes' walk from an APM, with that number going up to 85% in urban areas.

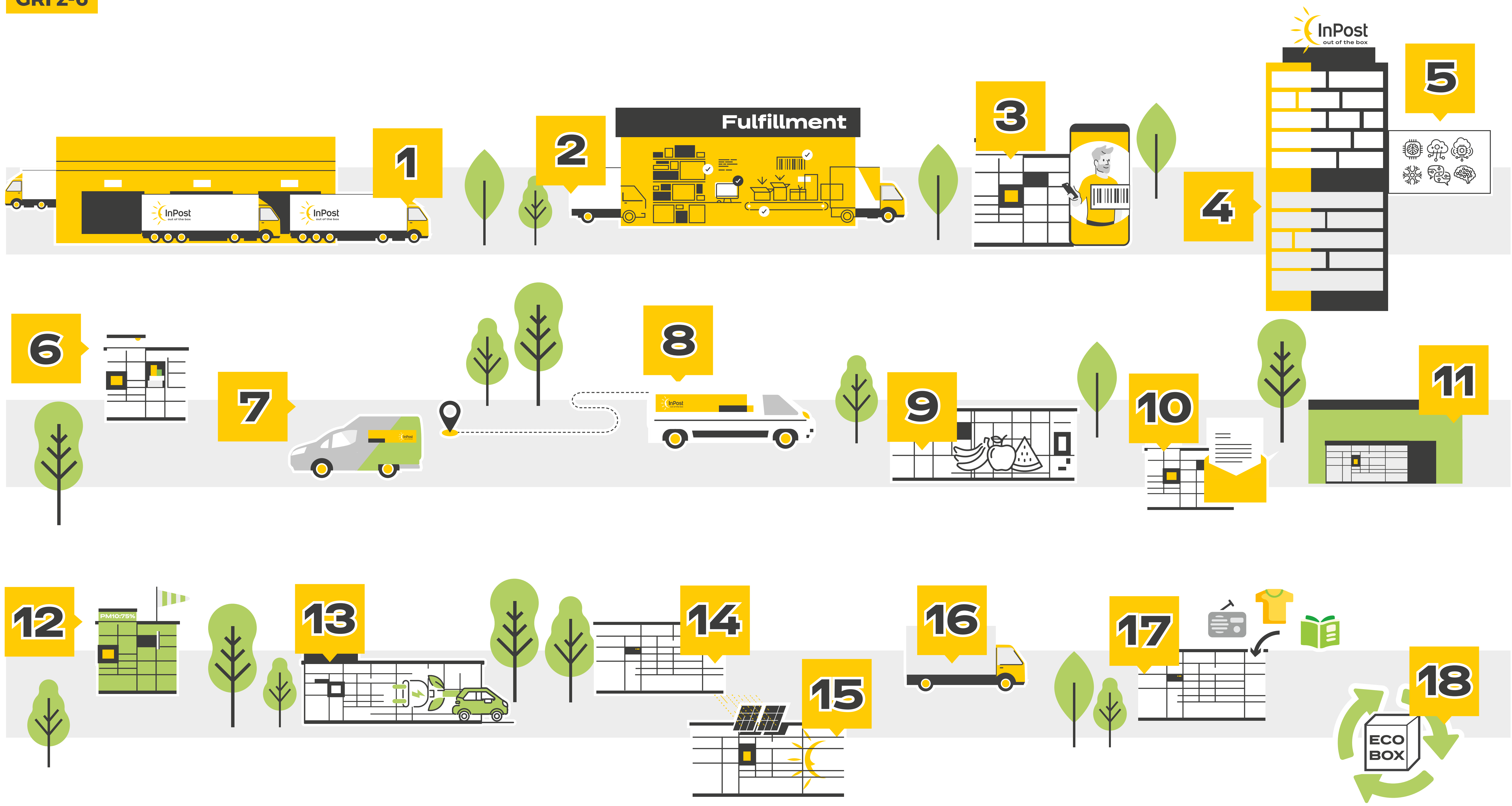
The InPost business model offers several benefits:

- **Reduced delivery costs.** By delivering to parcel lockers, our service reduces the number of home deliveries and the associated operational costs;
- **Faster delivery times.** Our service can deliver to a parcel locker and PUDO point near the customer's location, reducing transit time and allowing for faster deliveries;
- **Improved customer experience.** Customers can pick up their parcels at their convenience, without having to wait for a home delivery or being at home to receive a package;
- **Operational leverage.** The automated OOH delivery service can generate additional operational leverage thanks to scalability;
- **More sustainable.** An APM/PUDO is the most environmentally friendly form of delivery and shipping.

Overall, our InPost out-of-home delivery service can offer an efficient, cost-effective, and customer-focused solution for parcel delivery.

Our services

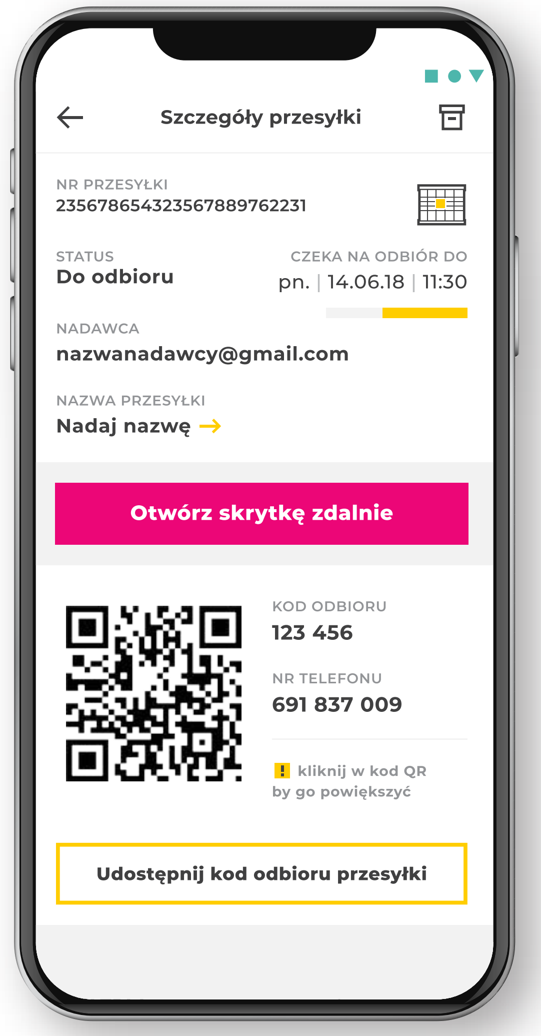
GRI 2-6



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

A market-winning business model in Poland

- Contactless locker opening
- Parcel tracking and redirection
- Courier's phone number
- Pick-up time extension
- Sending parcels without a label
- Quick returns
- Share pick-up code with a friend



- 24/7 availability
- Intuitive and quick pick up/drop off Customer Journey
- QR code scanner
- Multiple parcels for the same customer in the same locker
- Convenient location
- Easy access zone – option to choose the lower lockers

- Own logistic software implemented (InPost Logistics Solution)
- Sustainable delivery model
- The largest EV fleet in Poland
- Expansion of the network of EV chargers (publicly available/ in branches)

10m active mobile users in Poland	**88%** claims that InPost uses modern solutions	Collection in **7** seconds	**2.4m** times easy access zone was used	**30m** parcels delivered with EVs	**76%** less fuel intense than to-door logistics

20% of users are super heavy users (sending more than 40 parcels/ year)	**59%** population in Poland within 7 min walk from APM	**95%** D+1 deliveries

A market-winning business model
tested in Poland

GRI 2-6

for merchant

for consumer

65[1]	48k
Merchants NPS	of merchants

Low delivery cost
- Cheaper than to-door

Reliability
- Over 95% parcels delivered next day
- Almost no failed deliveries
- Lower likelihood of consumer complaints vs. to-door

More sales
- Increased checkout conversion & repeat sales
- Lower basket abandon rate
- End-users declare APMs motivate them to more frequent shopping

Efficiency
- Higher effectiveness and delivery system efficiency

Sustainability
- Lower carbon footprint vs. to-door
- Opportunity to work towards declaring climate neutrality alongside InPost (Scope 3 of SBTi)

39%[2]	88%[2]	84%[2]
of people gave up online shopping due to lack of delivery to APM	Trustworthy brand	Most ecological form of delivery

Ease of use
- Best customer experience in all markets
- Mobile with label-less sending and remote locker opening on biggest markets

Reliability
- Faster than to-door delivery due to higher efficiency, especially at peak hours
- Lower likelihood of consumer complaint vs. to-door

Convenience and flexibility
- Customer owns the pick-up time
- Automated OOH points located close to the consumer's home or work
- 14/7 availability

Sustainability
- Opportunity to consciously select a more sustainable delivery choice
- Lower congestion due to fewer vehicles on the road vs. to-door

1 PROJECT ICE MERCHANT SURVEY OUTPUTS (PL), 2022
2 KANTAR survey, 12.2022

Best-in-class customer experience

GRI 2-6

Customer | InPost | Customer

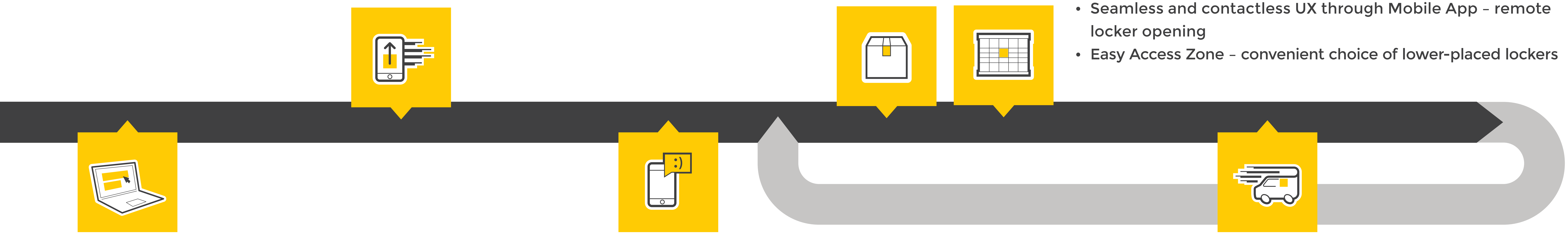
Parcel tracking & notifications

Mobile App

Notifications at each step of parcel delivery with a unique access code

Parcel collection

- 48 hours to pick up the parcel (with the possibility of extension)
- Parcel sharing option or prolong the pick-up time are available
- Convenient parcel collection in OOH pick-up points
- Seamless and contactless UX through Mobile App – remote locker opening
- Easy Access Zone – convenient choice of lower-placed lockers



Buying online

(B2C e-commerce and C2C platforms)

- Clear Checkout Process: OOH pickup point selection from map or list
- Competitive delivery price
- Top basket positioning

Customer Care

- Chatbot on Messenger & on our website – parcel status, number for courier, APM location
- Google Assistant, WhatsApp with chatbot available
- Automation processes for clients on IVR – parcel status, number for courier + voice bot

Returns

- Seamless UX – Fast Returns®
- Transparent complaint handling process

The key to our success – the "flywheel effect"

Our flywheel concept is a virtuous circle that underpins our growth strategy. This is the key to our success and the catalyst for our international development.

Greater convenience. Consumers sit at the centre of our strategy. The first step is to build a reliable and dense network of out-of-home delivery points. As we deliver greater convenience – for example by increasing the size and density of our APM network – this drives increased usage and adoption, and consequently the demand for more lockers. InPost has the biggest APM network in Europe, with almost 28,000 APMs. Over 85% of urban inhabitants in Poland have less than a 7-minute walk to their nearest InPost APM. In the six largest Polish cities, the average annual number of parcels per user living within a seven-minute walk of an APM is 50% higher than for other users.

Improved customer experience. Once we have a convenient and dense network, we can focus on customer satisfaction. InPost's NPS (Net Promoter Score - customer loyalty index) in Poland is the highest among e-commerce logistics companies, reaching 62% in December 2022 survey. For InPost APMs (sending and collecting) the NPS is even higher, 81 in the same survey. Satisfied customers are more likely to use the service again and recommend it to others. On average, our APM customers order six times more parcels per user in the third year of using the service.

Wider merchant adoption. While our customer base and their usage intensity grows, we are becoming an increasingly attractive option for merchants, as we are the first choice delivery option for customers (62% of customers according to Kantar). For merchants we provide increased conversion at checkout, as our APM users declare that the option of APM delivery motivates them to more frequent shopping. Due to the 24/7 APM availability and control of pick up time, we have almost no failed deliveries and we are a reliable partner for merchants.

Scale economies. Growing merchant adoption and growing volumes drive more scale and improved unit economics, which then allows us to rollout more APMs and invest more in technology. Thanks to that, we are able to lower our delivery costs and offer more attractive prices to our customers and merchants. The rising scale allows us to reinvest funds into increasing sorting capacity, innovations, network, talent, etc. This results in greater convenience for the consumer and the flywheel spins again.

Underpinning the flywheel are our investments in data and technology, as well as our focus on sustainability, which is inherent in our APM delivery model. We recognise the importance of the environment with sustainability being at the very core of our business model. As a result, our delivery service emits significantly less CO_2 than door to door deliveries and thereby reduces our environmental impact.

Value creation model

InPost's unique approach to creating value has resulted in its transition from a logistics company to a leading technological out-of-home e-commerce enablement platform in Europe. As we centre on the customer and focus on technology and ESG, these elements are present in all parts of our approach to long-term value creation.

Value is created by InPost Group in a diversity of areas and for many groups of people, including customers - who can experience the convenience and peace of mind that their package will arrive on time; merchants - who see an increase in sales; investors - who see a profitable ESG-oriented, growing company with stable margins; and the entire sector, which sees the constant improvement and development of e-commerce. To all of our activities we assigned KPIs to provide a transparent verification process and to manage our impacts in an easy and measurable way to secure the trust of our stakeholders in our long-term strategy.

STRATEGIC ASSETS AND INPUTS

Our experience and the strategic assets we have developed over the years are highly specific and rooted in the best competencies from both technology and logistics companies. The dual focus on the customer and efficiency is supported by innovations, allowing InPost to occupy a strong position among OOH providers. This allows us to actively engage in activities for local communities and users of our APMs/ PUDOs, and to share financial results and business experiences with our various stakeholders. Meanwhile, logistics efficiency relying on the automated OOH delivery network is the basis for achieving environmental goals and supporting our business partners in reducing their CO_2 emissions (in transport).

OUTPUTS

Company values and business strategy guide our development. Our outputs validate the path we have chosen:

- We gradually increase our market shares;
- We provide satisfactory financial results measured by Revenue, EBITDA margin;
- We gain scale in terms of volume and services, number of business partners including cross-border retailers, customers and app users;
- We strengthen our brands, which is reflected by app scores and NPS results;
- We minimise our negative impact on the planet by reducing our CO_2 emissions, also thanks to flagship initiatives, such as the Decarbonisation Strategy and InPost Green City Programme.

OUTCOMES

The results achieved by InPost Group overlap with outcomes essential for many of our stakeholders. The most important of these are:

- Market excellence - high growth potential, new added value for the economy (GDP) and high consumer satisfaction
- Environmental leadership - lowest CO_2 emission and circular approach in logistics
- E-commerce enabler - unlocking the potential of e-commerce for SMEs and start-ups

We prioritise the impact on the economies of the countries in which we operate, both through the taxes we pay and the development of the e-commerce industry. Thanks to the availability and quality of the services in our offer, we facilitate the growth of many small and medium-sized retailers. Our employees also benefit owing to investments made into human and intellectual capital. Finally, an important aspect is our presence in local communities. We want to go beyond being only a commercial service provider, which is why we are developing services that are vital for cities and residents.

R&D AT INPOST GROUP

In 2022, the R&D team was able to implement a diverse array of solutions, including the optimisation of parcel machine usage and its integration with the InPost app, the connection of offline and online solutions through a seamless ecosystem (screenless APMs and Eco-returns), and development of new functionalities reducing the environmental footprint of parcel lockers. Currently, 12 initiatives are in the process of ideation, 6 in the MVP/prototype stage, 7 in the testing stage, and 19 in the Commercialisation stage. Approximately 35 initiatives were carried out as part of production and service cost optimisation. We see that the resources we invest in innovative solutions bring returns to our customers, merchants and company as a part of our Value Creation Model.

Value creation model

CAPITALS	INPUTS (Capitals and inputs)	Outputs	Outcomes	Stakeholders
Financial	• Equity • Debit • Outstanding balance for CAPEX	• PLN 1,961.4m Group Adj. EBITDA (+21% YoY) • PLN 7,079.1m Group revenue* (+54% YoY)	• Revenue growth on international markets: 147% YoY for Mondial Relay and +202% for the UK and Italy (combined) • Stable net debt/EBITDA ratio • ROA 6.3%	Shareholders Banks Employees Governments
Manufactured	• APMs and PUDOs network • Network of logistic centres • Products and services • Logistics processes	• 745m of parcels	• 76% less fuel consumed vs. to-door (litres/parcel) • Increased checkout conversion & repeat sales • Last mile labour is 86% less intense vs. To-door (couriers required per 1000 parcels)	Retailers Customers Suppliers
Intellectual	• Strong brands • Paczkomat® • InPost Mobile • Back-office systems • Innovation Lab	• 10m application users	• 44% of Polish population uses InPost app (16.8m APMs users (+12% YoY) • More convenient delivery method proven with NPS 81 (APM -sending&collecting)	Retailers Customers Employees Suppliers
Human	• Employees' time, skills and expertise • Inclusive working environment and activities	• 22 training hours per employee in Poland (+62% YoY)	• Preserved employee engagement score 51% • PLN 842.0m paid in salaries and benefits	Employees
Social and relationship	• Relationships with clients, employees, business partners and other stakeholders • NGOs	• 91k merchants	• Opportunity for merchants to work towards declaring climate neutrality alongside InPost (Scope 3 of SBTi) • 59% pop. 7 min distance from APM • providing access to ecommerce delivery infrastructure and democratising e-commerce	Suppliers NGO Customers Shareholders
Natural	• Resource usage • Carbon footprint	• 30m parcels delivered with EVs	• Less carbon intense last mile delivery lower vs to-door (97% - weighted average) • NET-ZERO 2040 declaration (SBTi) • 71 tCO_2/mln PLN (40% reduction YoY) • 240m (3.4%) turnover of environmental sustainable activities (Taxonomy-aligned)	Society

Business strategy

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

* Total of Revenue and Other Operating Income

Strategy

> We know that ESG framework is a key approach to build a successful business with long term resilience. Therefore, we are strongly committed to integrate ESG factors into our core strategy. Driving sustainable business models in addition to profitability has been essential for pursuing our purpose – becoming the leading environmentally-friendly out-of-home platform for e-commerce. Ultimately, it translates into effective value creation for stakeholders.
>
> **Filip Orliński,**
> Director of Corporate Strategy & Strategic Projects

InPost's strategy is to offer consumers and merchants a constantly improving delivery service while maintaining sustainable and profitable long-term growth. Our goal is to become the leading European out-of-home automated delivery experience by leveraging our success in Poland. We are building cross-border services and group-level functions to facilitate the swift roll out of our business model.

We transform and optimise last-mile e-commerce delivery using technology and data analysis to keep our business highly responsive to changing customer needs and market conditions. We continue to build on the exchange of experiences to secure flexibility and market relevance necessary for further growth. We are gradually enhancing governance across the Group to comply with incoming regulations and provide global policies and reporting standards in both financial and ESG areas in every market in which we operate.
[Read more in Basis of corporate governance]

Being an industry pioneer in environmental initiatives, we are driving sustainable change in logistics. We perceive ESG as our licence to operate and integral to our DNA, which is why ESG is present in all of our activities. [Read more in Sustainability progress]

InPost Group Strategy

Business strategy

PILLAR 1. Offering best-inclass consumer experience

PILLAR 2. Scaling our European business

PILLAR 3. Sharing benefits of our scalable model with merchants and customers

PILLAR 4. Development of highly innovative services and adjacent services

PILLAR 5. Empowering people to create real impact

ESG strategy

IN_Client

We improve the quality of life in cities.

We create innovate and sustainable services.

We are part of local communities.

IN_Planet

We are commited to decarbonisation, especially through the continous improvement of operational efficiency.

We support second life of products and raw materials.

IN_People

We are committed to the development of our employees

We support growth of our business partners

Diversity is what lets us grow

Strategic pillars

1. Offering best-in-class consumer experience

OVERVIEW

We believe that the highest standards in the area of customer convenience and availability translate into more customers, and therefore an increased market share. To reflect this, we have placed convenience and user experience at the top of our priorities.

KEY PERFORMANCE INDICATORS

- NPS score;
- Mobile app rating in PL;
- New app features;
- App rollout to other markets;
- Percentage of heavy users and super heavy users;
- Market share.

PLANNED ACTIONS

- **InPost Mobile.** We are developing new app features, including new check-out options and are rolling out the InPost mobile app to other markets;
- **To-door to APM dynamic redirections.** Expanding the option to redirect to-door delivery parcel to an APM;
- **Carbon footprint.** We are planning to inform stakeholders on our carbon footprint in line with calculations based on an externally audited, proprietary calculator compliant with the GHG Protocol methodology;
- **Rebranding.** New branding consistent with InPost Group values and communication.

2. Scaling our European business

OVERVIEW

We are growing our out-of-home (OOH) logistics network to ensure scalability, efficiency, and additional use by merchants and customers. Our ambition is to leverage our success in Poland to scale operations across selected European markets. There is a good chance you can find our convenient APM or PUDO point in your neighbourhood across markets where we operate.

KEY PERFORMANCE INDICATORS

- Number of PUDOs/APMs
- Cross-border volume
- Number of pan-European strategic merchant partnerships
- Location partners (retail chains etc.)
- % population within 7 minutes' walking distance from an APM/PUDO

PLANNED ACTIONS

- **Density.** We are increasing the density of our APM/PUDO network including indoor machines.
- **Cross-border.** We are preparing for cross-border operations to provide end-to-end solutions.
- **Integration.** We are integrating teams, markets and merchants with potential customers.
- **APMs.** We are developing our portfolio of APM types.

Strategic pillars

3. Sharing benefits of our scalable model with merchants and customers

OVERVIEW

Our business model is based on the constant improvement of the efficiency and convenience of automated OOH delivery. We offer merchants the best quality and low service costs. While APMs offer lower service costs, they also provide a lower CO_2 emission figure per parcel in comparison with to-door deliveries. Not only are we offering a fully sustainable service, but thanks to the greater affordability of to door services, we are democratising e-commerce by fighting potential social exclusion, especially in rural areas. Our business has been a proven success in Poland, and we are now successfully applying these solutions in other markets.

KEY PERFORMANCE INDICATORS

- D+1 share
- CO_2 emission per parcel
- Volume (incl. fulfillment volumes)
- Number of app users
- Price discount vs. to-door
- Number of merchants
- Number of end customers

PLANNED ACTIONS

- **Merchant cooperation** - Close cooperation with merchants enabling swift roll-out of new services and share of checkout increase,
- **New partnerships** - New partnerships in terms of locations, testing new machines and forms of cooperation,
- **InPost Green City Programme** - We are leveraging our positive impact in selected cities, helping in the creation of better living conditions for local communities,
- **Stakeholders engagement** - We are engaging in stakeholders' activities and developing market awareness.

4. Development of highly innovative services and adjacent services

OVERVIEW

We are focusing on offering both merchants and customers a best-in-class experience by improving our products and services. We are using digital technology and data analysis to make our business agile and highly responsive to changing customer needs and market conditions. Data analytics, innovation and technology remain central to InPost's growth. Our highly efficient technology infrastructure drives operational efficiency, linking all stages of the value chain, and we are committed to investing in its continuous development. As our pace of growth accelerates, our technological capabilities ensure that we continue to thrive. When building solutions for our customers, we follow the values of simplicity, sustainability and innovation.

KEY PERFORMANCE INDICATORS

- New products
- New digital services
- Internal innovations
- InPost Fresh merchants and customers
- Internal innovations
- InPost Fulfillment merchants

PLANNED ACTIONS

- **Services.** We are expanding our services and sales offer. We are scaling technological and marketing solutions to other markets, and achieving increased accessibility and brand awareness.
- **ESG and digital.** We are offering new ESG and digital products.
- **Innovations.** We are conducting internal innovation challenges as well as working with external partners to test new solutions.

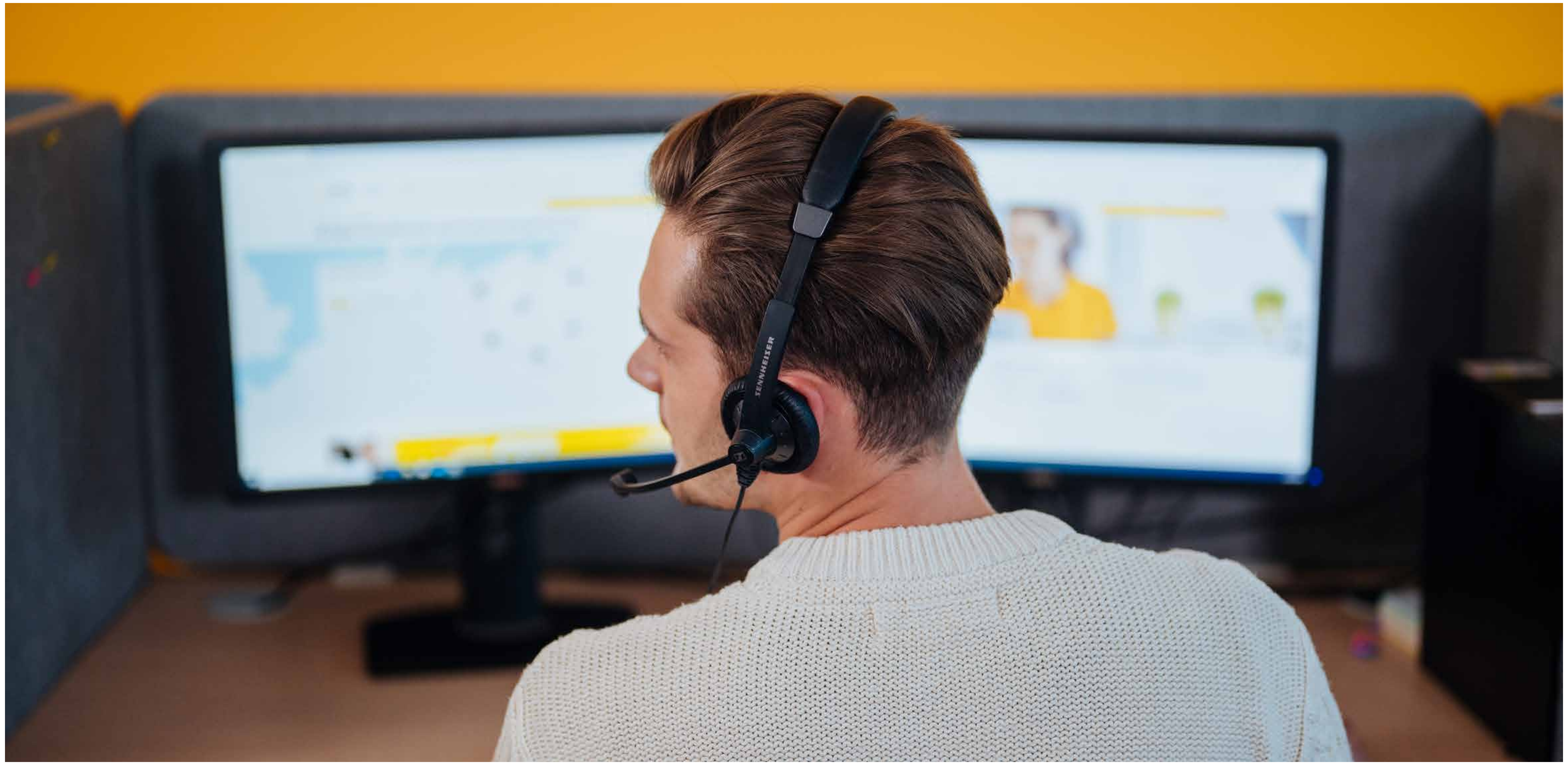
Strategic pillars

5. Empowering people to create real impact

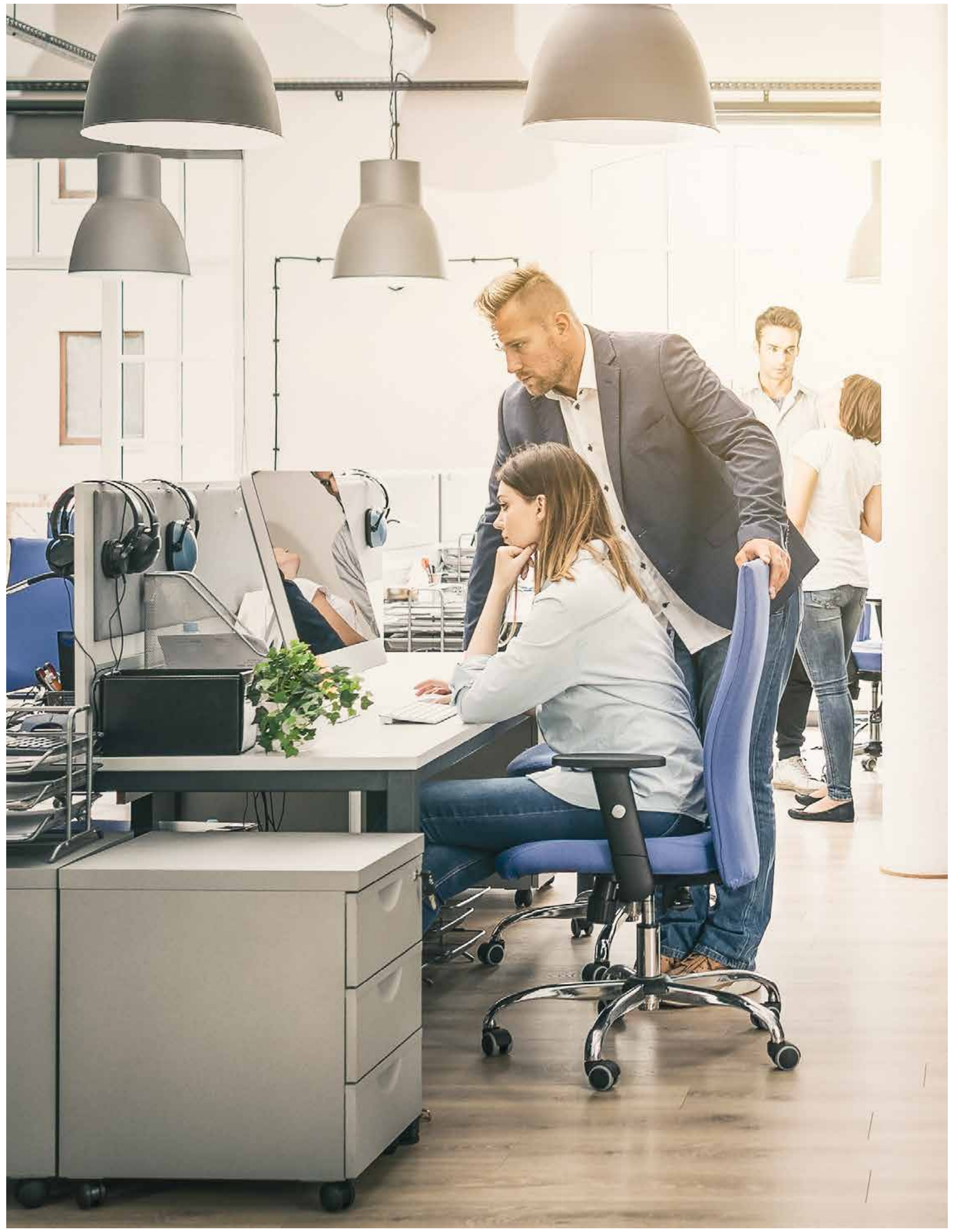
OVERVIEW
The InPost team is united under the 'One company-Many experiences' philosophy — we continue to harness the diversity of our team to our advantage to the benefit of our consumers and merchant clients. We value a start-up culture of innovation, entrepreneurship, and change underpinned by a clear vision, as these together inspire creativity. Moreover, we foster synergy and provide exciting opportunities to work on international projects. We strengthen loyalty by caring about employees' development and professional fulfillment by providing leadership and wellness programmes.

KEY PERFORMANCE INDICATORS
- Participants of development programmes;
- Employees engagement.

PLANNED ACTIONS
- **InPost InHelp.** We are launching corporate volunteering programmes dedicated to helping those in need;
- **Leadership model.** We are implementing a new leadership model to meet both the organisation's and employees' needs;
- **Challenges.** We are introducing Innovation & Engineering challenges as well as Hackathons to enable people to co-create the future of InPost Group;
- **Improved training.** We are seeking to provide personal development for all people involved with InPost. We are implementing technology to improve courier management capabilities, cooperation and training opportunities;
- **International projects and engagements opportunities to make an international impact for individuals.** We provide opportunities for individual development and a wider impact thanks to cross-cultural cooperation on international projects.



Success factors of our strategy



We have defined nine factors as critical to the successful implementation of our strategy:

1. **Strong InPost & Mondial Relay brands.** Our brand represents our dedication towards best user-experience and quality. We set ourselves ambitious goals which we constantly meet or exceed, resulting in our brand reaching high NPS and brand recognition levels in Poland and France. We are there for our merchants and customers when they need us, offering fast deliveries even during busy periods, such as the end-of-year holiday season.

2. **Innovation culture.** InPost is well known for continuous innovation; we will continue to surprise and change the market with our new products and functionalities, increasing the involvement of employees across all levels of the organisation.

3. **Keeping up the pace.** As the e-commerce market is still growing, we continue to be agile and remain at the forefront of change to support e-sales in all possible ways.

4. **Continuous operational improvement.** With growing volumes, international expansion and new products, we continue to optimise and automate our operations to reduce the costs and provide a seamless experience.

5. **Strong data usage and best-in-class mobile applications.** A structured data organisation for enabling growth, creating new solutions, delivering operational improvements, as well as for reporting and monitoring, with a dedicated, growing mobile team and new InPost Pay business unit.

6. **Efficient collaboration and communication across markets.** Well established working streams across the Group and Group functions are key to communicating and delivering InPost's promise.

7. **Nurturing talent and appreciating people who are the core value of InPost.** Continuous investment in succession planning and leadership development at all levels of the organisation, with dedicated leadership and development programmes, is key to scaling up and efficient implementation of Group strategy as well as allowing us to quickly adjust to changing market conditions.

8. **Creating sustainable value for the shareholders with profitability above industry levels.** Strong financial focus on continuous company value improvement, clear reporting and sustained investments.

9. **ESG strategy integrated with the business.** ESG is underpinning our business model and is a cornerstone of our success being part of InPost's mission.

Market trends

Global e-commerce sales are expected to reach USD 60 trillion in 2030 thanks to increasing growth rates and younger generations' entrance into the market, improved Internet access, and new sectors conducting business online[1]. In order to remain competitive, we must react to the opportunities and challenges presented by these changes.

The most prominent e-commerce market trends are listed below:

1. **Mobile commerce.** With the increasing use of smartphones and other mobile devices, mobile commerce is becoming an increasingly important part of the ecommerce landscape, including new digital payment technologies.

2. **Smart commerce.** Customers expect a fast, free and trackable delivery. Our delivery service relies more and more on technological innovation, which in turn increases supply chain efficiency. E-commerce companies are investing in voicebots, chatbots, advanced analytics and AI for customer self-service, as well as live-chat and agent assistance.

3. **Personalisation.** E-commerce businesses are leveraging data and artificial intelligence to deliver highly personalised shopping experiences to customers.[2]

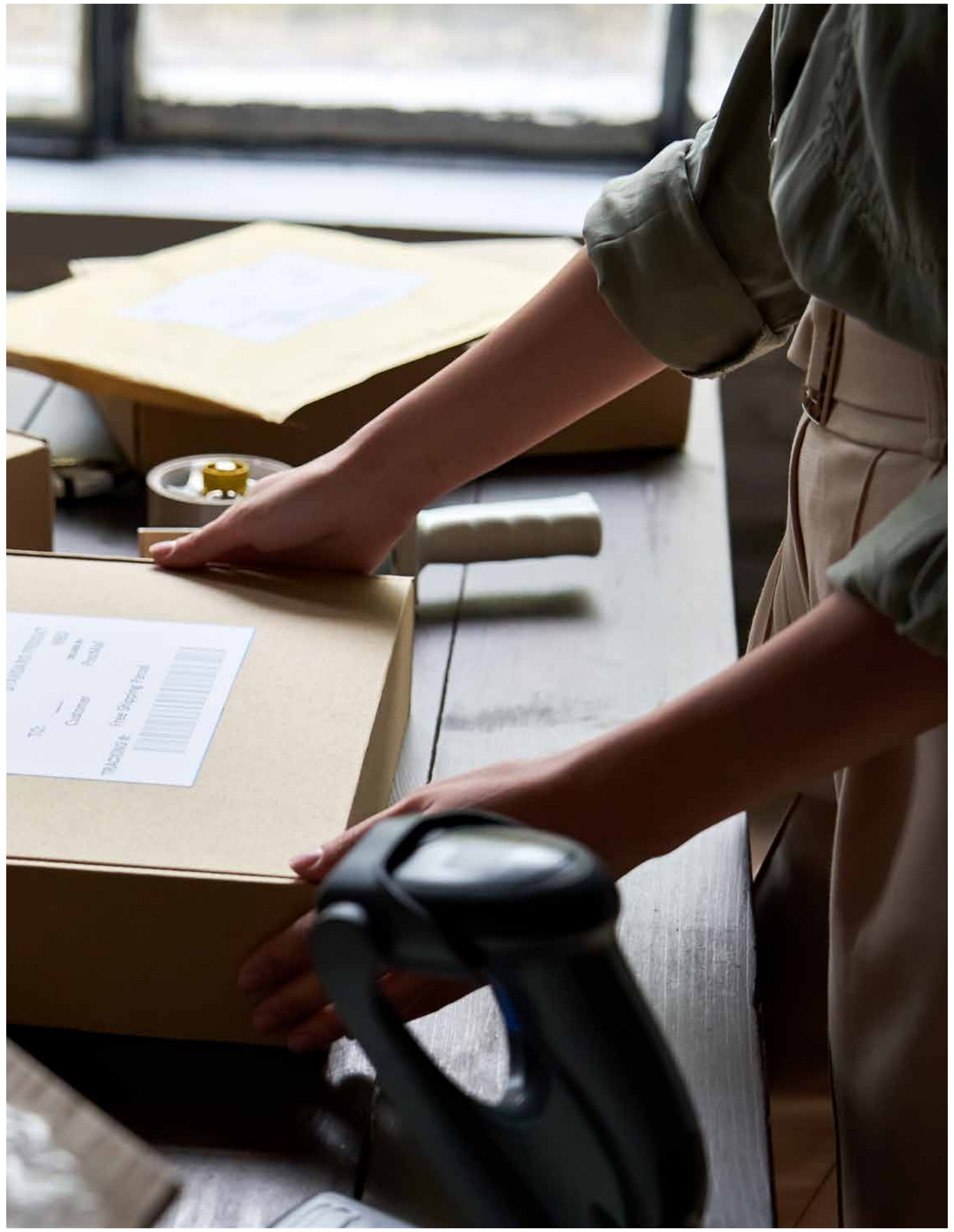
4. **Omnichannel commerce.** The integration of physical stores with online channels is gaining importance, as retailers strive to provide customers with a seamless shopping experience across all channels.

5. **Sustainable and socially responsible commerce.** Consumers are becoming increasingly concerned with the environmental and social impact of their purchases, and e-commerce businesses are responding with sustainable and socially responsible practices. IBM reports that 77% of consumers consider sustainability and environmental responsibility to be at least "moderately important" brand values[3], while 53% of people actively seek out companies and brands that offer ways to offset their impact on the environment.[4]

6. **Transparency.** Increasing regulatory pressure from the EU and other entities which seek to increase the transparency of processes and production, impose market regulations to protect consumers as well as confront climate change. This also includes the ability for an organisation to safeguard customer data, their ability to enact effective cybersecurity, and the safe use of AI.[5]

These trends are constantly evolving, and it's important for e-commerce businesses to stay up-to-date on the latest developments in order to remain competitive.

1 Transition to E-Commerce: Industries Most Ready to Expand into Digital Trade, Euromonitor International, 2022
2 https://ecommerce-europe.eu/wp-content/uploads/2022/06/CMI2022_FullVersion_LIGHT_v2.pdf
3 2022 sustainability consumer research: Sustainability and profitability | IBM
4 Communities: Eco-Conscious - Jun 2022 (turtl.co)
5 The 2022 Global State of Cross-Border Commerce. Leverage the five elements essential to cross-border success in the US and EMEA. A Rapyd Research Report, 2022



Future outlook

In 2023, we have three key focus areas: 1) exceeding market volume growth in Poland while rebuilding margins, 2) improving profitability in Mondial Relay, improving operational performance and gaining more B2C market share, 3) resolving logistics challenges in the UK to enable B2C market share growth and continue to grow well ahead of the market.

So far in Poland we have seen the e-commerce market slowing and we expect mid to high single digit growth in market volumes during 2023. As in previous years, we aspire to grow ahead of our competitors and keep gaining market share. In terms of profitability, we continue to see the cost inflation, however contrary to 2022, we believe that the positive impact of the repricing process and of volume growth will result in an expansion on the adjusted EBITDA margin in 2023.

In France, we are focusing on improving our operational efficiency, especially in terms of KPI delivery and gaining B2C market share. Given continued visible consumer weakness, we anticipate mid to high single to low double-digit volume growth of the e-commerce market in 2023. We expect Mondial Relay's volumes to grow ahead of the market. In terms of profitability, we anticipate a step up in EBITDA margin to low to mid-teens in the near-term.

In the UK, our priority for 2023 is to resolve logistics bottlenecks, and consequently improve the quality and reliability of our service. This will act as a key lever to build engagement amongst consumers and merchants, ultimately allowing us to gain market share in the B2C segment and improve margins in the mid to long term. We expect adjusted EBITDA in the United Kingdom to reach a breakeven by the end of 2023 on a run rate basis, and 2024 to be profitable on a full year basis.

For the whole Group, we expect total capex to account for PLN 1.1 - 1.2 billion in 2023, with international markets accounting for higher share of our capex investment.This, compared with high operating cash flow conversion in Poland, should result in positive free cash flow in the full year 2023, and a net debt to EBITDA ratio improvement at the end of the year.

Current and future market trends are supportive for the InPost business model due to the growing trend of e-commerce and the need for convenient, efficient and sustainable delivery options. Already having one of the most environmentally and socially sustainable business models of any scalable last-mile solution, InPost promised to make considerable progress in the future. In our decarbonisation strategy we committed to being NET-ZERO by 2040, validated by Science Based Target initiative (SBTi). This is the highest possible target among European logistics companies. [Read more in We are committed to decarbonisation]

For more detailed information about the InPost strategy, KPI and planned actions please see section 'Our Strategy'.

Business review

InPost has become a pan-European business, and our international activities are growing dynamically. 2022 was a year of further expansion not only in Poland, where we achieved double digit growth in volumes and revenue, but also in eight selected European countries. Three of them (the UK, France, Spain) are among the top four largest e-commerce markets in Europe. Our revenues from international markets increased in 2022 by 151% and comprised 41% of the Group's revenues. In terms of volume, international markets already account for one third of the total InPost Group parcels delivered in 2022.

> As we have expanded beyond Poland, we have developed international structures and processes to maintain seamless communication and synergy across the Group. We have the resources and tools to unlock the cross-border potential and cooperate with merchants internationally."
>
> **Michael Rouse,**
> CEO International

Poland

In 2022, we continued to strengthen our position in Poland, reaching 43% market share. Almost 17m people have used our automated parcel machines, meaning that over half of the adult population in Poland are InPost's customers.

The e-commerce market and online penetration both continue to grow in Poland, with certain market categories emerging during the pandemic, such as online food delivery and new international e-commerce companies entering the market. The most popular online shopping categories are fashion, as well as electronics and media. As about half of the Polish population is yet to make their first online purchase, Poland has the potential to remain one of Europe's most attractively growing e-commerce markets. Just over a third of online purchases are made on online devices, with mobile apps preferred over online browsers. Cross-border is still developing, accounting for only 8% of shopping. Finally, Poland is characterised by fast deliveries because of its logistics and familiarity with parcel locker services.

In 2022, InPost's revenues in Poland grew by 21.6% and our volume of parcels reached a record number of 508m. Of those, 424m were OOH deliveries and 84m were to-door deliveries. We continue to benefit from the flywheel effect, which is central to our strategy. We have added greater convenience by providing more APMs – up 17% on last year. At the end of 2022, there were 19,306 APMs in Poland, while 59% of the total population lives within a 7-minute walk from the nearest locker.

Increased network-density and enhanced productivity helped achieve economies of scale – driven by productivity improvements of our scalable last mile model. Now we have almost 10m InPost mobile app users (+23% YoY). Such a huge success is credited to the continuous improvement of our app by adding new functionalities to it. Our mobile application is ranked number one among peers with a 5.0 rating in AppStore, with over 700 thousand reviews.

In 2022, we significantly increased merchant adoption in Poland. We added many new well-known and trusted partners, such as Zalando. At the end of last year we had over 47,500 merchants, giving us a share of more than 40% of the B2C market in Poland. We will continue to strengthen our competitive advantage to support long-term sustainable growth and maintain our industry-leading position.

According to a recent Kantar survey, 93% of e-shoppers indicate that InPost APMs are their most frequently selected delivery method. Our reputation in Poland is fuelling a growth in new contracts, alongside an increased focus on direct sales. We continue to facilitate cross-border e-commerce on an international scale. For example, we have tightened our cooperation with global customers, including OLX and Amazon.

> We have noted that as many as 83% of customers decide to purchase a product if an InPost APM is available as a delivery option. This number shows that our services play a role in enabling merchants in Poland to grow their businesses, which motivates us to make our app even more consumer-oriented by developing new functionalities. With our merchants in mind, we continue to use technology to deliver the best customer experience and contribute to win-win situations in Polish e-commerce."
>
> **Izabela Karolczyk-Szafrańska,**
> Chief Marketing Officer

Poland at a glance

59%
of total population coverage within 7 minutes walking distance

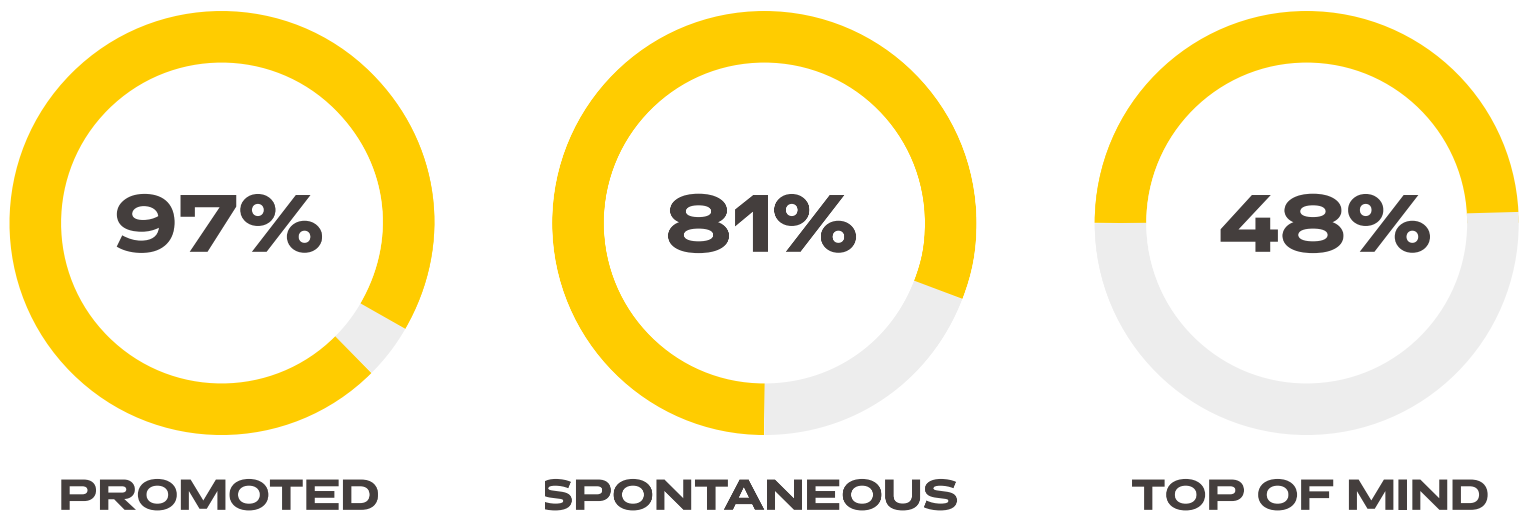
85%
of non-rural population coverage within 7 minutes walking distance

17m
APM users

APM
19,300+

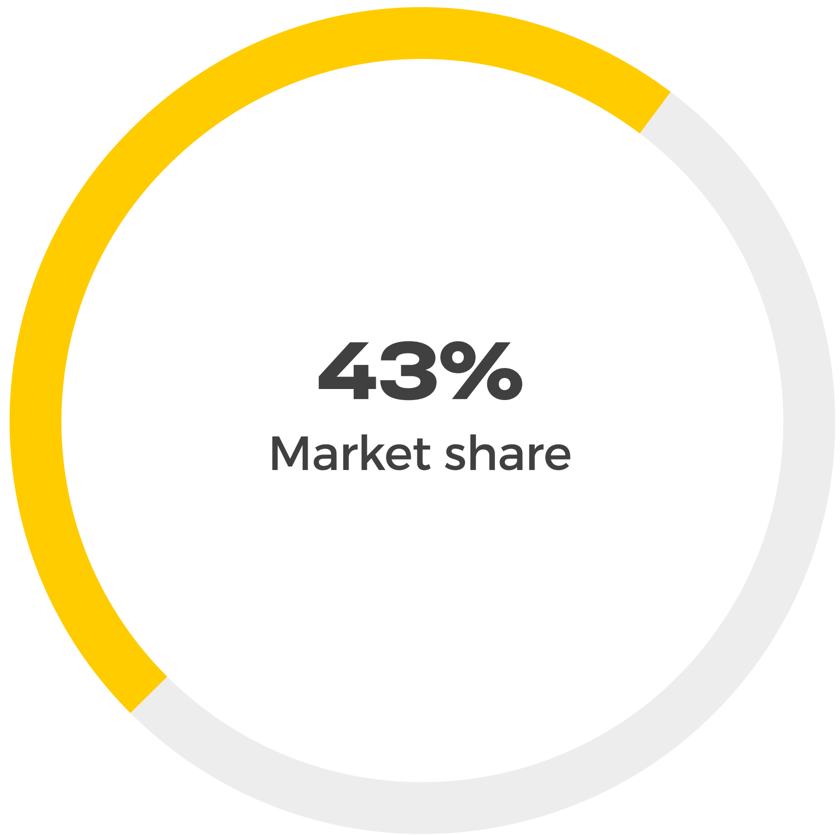
PUDOs
3,600+

AWARENESS



NPS

81 APM NPS (collecting and sending)	**62** InPost NPS (as a company)	**67** Branches	**2** Sorting hubs
44 PUDO NPS (sending)	**59** Courier NPS	**6** Other sorting facilities	**3m** Lockers



Kantar survey for InPost “Brand image”, December 2022

France

In 2022, we continued integrating Mondial Relay, a French leader in e-commerce delivery acquired by InPost in July 2021. It is a very strong fit for our business, significantly accelerating our progress towards our vision to become the leading automated, environmentally-friendly out-of-home solution for e-commerce in Europe. Mondial Relay operates in France, Spain, Portugal, Belgium, the Netherlands and Luxembourg. Mondial's scale in out-of-home markets allowed us tap into a sizeable existing merchant base that is already very familiar with the consumer benefits and attractions of out-of-home collection vs to-door delivery. As of 2022, the e-commerce market in France was estimated to be worth around €100 billion. The majority of online sales in France are generated by the retail sector, including fashion and beauty, home and garden, and electronics. In terms of deliveries, the French market is served by a combination of local and international carriers, with home delivery being the most popular option for consumers. However the use of Pick-Up Drop-Off points has been growing rapidly in recent years. Overall, the e-commerce market in France is considered to be mature and highly competitive, with many established players and a large number of new entrants seeking to capture a share of the market. We expect Mondial's large merchant base will embrace the improvements in speed, reliability and consistency that we look to bring to consumers with the existing PUDO network that will only be enhanced with the introduction of automated lockers.

Our growth in France is fuelled by a rapidly expanding customer base, increasing merchant adoption and the acceleration of our APM roll-out. In total, we handled 171m packages throughout the year, out of which the majority still comprises the PUDO segment. Nevertheless, we are dynamically expanding our APM network, from 313 in 2021 up to 2,417 at the end of last year. We are committed to further roll outs, as the French market offers significant potential for us to capture both an increased share on rising consumer satisfaction as well as the improved economics of APMs vs PUDO. Median dwell time in the parcel locker is only 8 hours in France, compared to 23 hours in PUDOs. In the third quarter of 2022, we launched our mobile application and it has already had over 325,000 downloads.

The initial ramp-up curve in utilisation and adoption is more promising than we have seen in Poland. After a successful brand refreshment, we noted record high brand awareness at the level of 84%. In 2022, our logistics capabilities significantly improved by opening new hubs and depots.

The development of out-of-home services in France helps reduce the carbon footprint of the parcel and significantly cuts associated urban traffic. We will continue to increase our network density in France in 2023 and, by leveraging our base merchants and technology, we will drive additional parcel volumes and performance improvement.

In the past year, we saw a strong increase of the utilisation rate of our automated parcel machines, driving very positive feedback from consumers with a better usage experience. French consumers' uptake of APMs has convinced us that automated OOH solutions are a key asset of Mondial Relay in a market with still a limited number of competitors offering this service. Also, the significant environmental benefit vs door to door delivery will drive further adoption in a country very sensitive to carbon footprint. In general, we are transforming Mondial Relay from a logistics partner to a service company focused on consumers and their needs. These changes are reflected in the brand relaunch that happened in 2022."

Quentin Benault,
CEO Mondial Relay

France at a glance

32%
of total population coverage within 7 minutes walking distance from an APM or PUDO

30
Depots

5
Hubs

308,600+
lockers

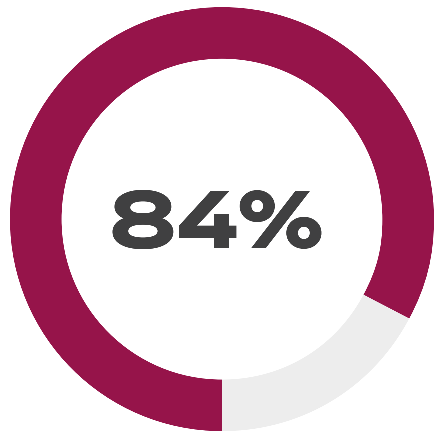
Volumes
170.6m
parcels in 2022

APMs
2,400+

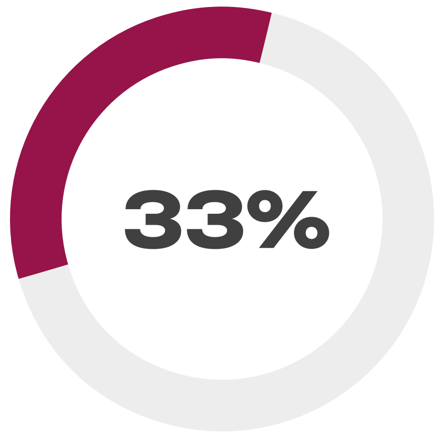
PUDOs
12,000+

merchants
43,300+

AWARENESS (2021)



OF TOTAL AWARENESS



TOP OF MIND

United Kingdom

The total volume of the addressable market is estimated at 2.5 billion parcels annually. The UK market is a global leader in the area of e-commerce, with 84% of online users and an average online spending of EUR 4,115 per person[1]. The shift towards online shopping resulted in an increase in demand for home delivery and contactless payment options. The UK e-commerce market is expected to grow in the coming years, with increasing numbers of consumers turning to online shopping for convenience, better prices, and a wider range of products. The rise of mobile commerce and the growth of new technologies, such as AI and VR, are also expected to play a major role in shaping the future of e-commerce in the UK.

To meet the needs of UK customers and following market trends, we quickly began to develop our network of APMs and sign partnership agreements with merchants. We have concentrated our efforts around Greater London, Manchester, and Birmingham, with a focus on facilitating returns which have traditionally been an economically costly part of merchant business, and a frustrating experience for consumers.

In 2022, in the UK we achieved a significant milestone of over 4,800 APMs deployed, enabling us to offer UK-based merchants a more attractive proposition. So far, 47% of the population in London, Manchester and Birmingham lives within 7 minutes' walking distance to one of our out-of-home pick-up points.

In 2022, we also started adding PUDO points to our offer with great locations. Our pick-up points in the UK are in high-traffic urban areas with easy access, usually in the popular store chains like Tesco or Lidl. We are very proud to have launched cooperation with trusted brands like WH Smith, Sainsbury and JLP. These alliances support our network expansion plans in 2023 and beyond.

Last year, we significantly increased our reach of the instant returns service, which is now live with more than 200 fashion focused retailers including Asos, Boohoo and JD Sports. This label-less service allows consumers to return items via InPost APMs – 24 hours a day, 7 days a week.

As we further increase our locker density and as customer appreciation grows for the control and convenience our lockers provide, we anticipate expanding our services in the UK with our existing and new merchants, which has the potential to generate strong growth for the business over the coming years.

The logistics industry in the UK is in a difficult position due to staffing shortages. The OOH deliveries offered by InPost are an excellent solution to this challenge thanks to their exceptional efficiency."

Michael Rouse,
CEO International InPost S.A.

1 2021 E-commerce Payments Trends Report: UK Country Insights: Data provided by WPL via Statista, 2021.

United Kingdom at a glance

22%
of the total UK population lives within 7 min walk from InPost APM

38%[1]
of core cities population lives within 7 min walk from InPost APM

2m
Users already used one of two services (Locker-to-locker, Returns)

46%
Locker-to-locker and Returns customers used the service more than once since go-live

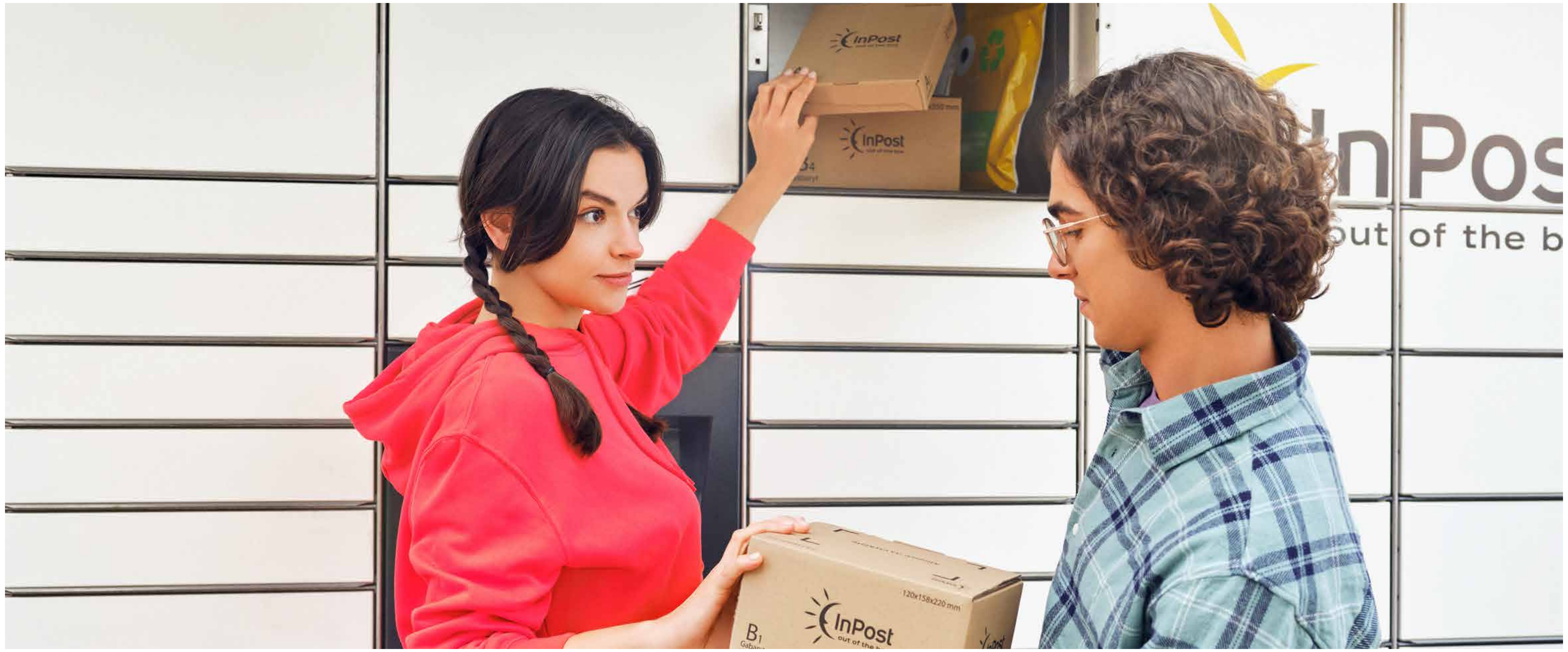
274,200+
lockers

Volumes
20.5m
parcels in 2022

NUMBERS

APMs
4,800+

merchants with instant returns
200+



[1] Core city - Population over 175,000

Other markets

Our other markets are Spain, Portugal, Benelux and Italy. These are responsible primarily for our cross-border volumes that reached 10% of total Mondial Relay volumes in 2022 (up by 17% yoy). In these markets we increased our OOH points from 6,753 at the end of 2021 to 11,747 at the end of 2022. The vast majority of OOH points are PUDOs (10,366 at the end of 2022), however we are expanding our APM network in these countries; with an increase from 459 APMs in 2021 to 1,381 in 2022. We look forward to introducing other key European markets to our highly sustainable differentiated last-mile solution.

> We are taking an organic approach to Spain, Portugal and Italy. We are focusing on building distribution, and our brand. 2022 proved the importance of cross-border development, as is reflected by our cooperation with Vinted.
>
> **Nicola D'Elia**
> Managing Director Southern Europe at InPost

Financial review

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

Segments in Poland:
- APM segment - delivery of parcels using automated parcel machines;
- To-door segment - delivery of parcels using door-to-door couriers.

International segments:
- Mondial Relay - segment includes Delivery to APMs and to PUDO points in France, Spain, Belgium, the Netherlands, Portugal and Luxembourg;
- International Other - includes Delivery to APMs and to PUDO points in the United Kingdom and Italy.

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

Revenue and other operating income PLN million	2022	2021	Change YoY	Change YoY %
Poland	**4,200.2**	**3,453.4**	**746.8**	**21.6%**
APM segment	3,179.4	2,624.4	555.0	21.1%
To-door segment	896.0	731.5	164.5	22.5%
Other	138.3	100.5	37.8	37.6%
Inter-segment elimination	(13.5)	(3.0)	(10.5)	350.0%
International	**2,878.9**	**1,148.8**	**1,730.1**	**150.6%**
Mondial Relay	2,671.3	1,080.0	1,591.3	147.3%
Other	246.3	68.8	177.5	258.0%
Inter-segment elimination	(38.7)	0.0	(38.7)	na
Total	**7,079.1**	**4,602.2**	**2,476.9**	**53.8%**

Financial review

REVENUE AND OTHER OPERATING INCOME

Revenue and other operating income increased by 53.8% (PLN 2,476.9m) from PLN 4,602.2m in 2021 to PLN 7,079.1m in 2022. The increase was driven mainly by the full year effect of the consolidation of Mondial Relay, acquired in June 2021. In the second half of the year Mondial Relay revenues grew by 32.0% compared to the previous year, which is the result of strong increase in volumes. Revenue in Poland increased by 21.6% (PLN 746.8m) from PLN 3,454.5m to PLN 4,200.2m, which was also driven by the number of parcels delivered. Other revenue accounted for PLN 124.8m, which a 24.2% increase in comparison to the previous year.

APM SEGMENT IN POLAND

Revenue and other operating income for the APM segment comprises 75.7% of Poland's segment revenues and grew by 21.1% (PLN 555.0m) from PLN 2,624.4m in 2021 to PLN 3,179.4m in 2022. This increase was mainly driven by an increase in parcel volumes in the APM segment by 19.5% from 354.8m to 424.1m. This volume growth was mainly the result of:

1. the increase of the e-commerce market in Poland;
2. wider adoption of merchants;
3. the expansion of our APM network;
4. more frequent shopping by our customers.

TO-DOOR SEGMENT IN POLAND

Revenue and other operating income for the to-door comprises 21.3% of the Polish segment and increased by 22.5% (PLN 164.5m) from PLN 731.5m in 2021 to PLN 896.0m in 2022. This increase was driven by parcel volumes in this segment on the back of an acceleration of e-commerce penetration in Poland, as well as the efforts of the Group to contract new key and strategic merchants for APMs that also have a to-door offer at their checkout.

MONDIAL RELAY

Revenue and other operating income from Mondial Relay segment increased by 147.3% (PLN 1,591.3m) from PLN 1,080.0m in 2021 to PLN 2,671.3m in 2022. The increase was driven by the full year effect of the consolidation of Mondial Relay. In the second half of the year Mondial Relay revenues grew by 32%, which is the result of an increase in the number of serviced parcels. Total Mondial Relay volumes reached 213.1 in 2022 and increased by 21.1%, compared to 2021.

OTHER INTERNATIONAL

Revenue and other operating income for the Other International segment increased by PLN 177.5m from PLN 68.8m in 2021 to PLN 246.3m in 2022. This increase was mainly driven by higher sales in the UK and – to a lesser extent – Italy. In this segment our volumes increased by 177% from 8.4m to 23.4m, mainly as a result of implementing a new strategy for the UK market. We launched new services that raised overall volumes and have seen increased interest in consumer base, mainly by allowing customers to send parcels between APMs.

DEPRECIATION AND AMORTISATION

Depreciation and amortisation increased by PLN 362.6m in 2022, up 59.5%, from PLN 609.7m in 2021 to PLN 972.3m in 2022. This increase was primarily the result of the expansion of the Group's APM network as well as the full year effect of Mondial Relay acquisition.

RAW MATERIALS AND CONSUMABLES

Raw materials and consumables increased by 133.5% (PLN 119.1m) from PLN 89.2m in 2021, to PLN 208.3m in 2022. This increase was primarily driven by the full year effect of Mondial Relay acquisition as well as increased costs of consumables (e.g. energy costs, packaging, envelopes, courier uniforms) connected with the expansion of the Group's APMs and logistics network.

EXTERNAL SERVICES

External services increased by 64.5% (PLN 1,553.4m) from PLN 2,407.6m in 2021 to PLN 3,961.0m in 2022. This increase was mainly driven by the full year effect of Mondial Relay acquisition. The growth excluding Mondial Relay was caused by the increased use of external parcel delivery services to handle greater parcel volumes. As a percentage of revenue and other operating income, external services costs increased from 52.3% in 2021 to 56% in 2022. Fuel prices are directly impacting logistics services costs, and these represent 83% of overall external services costs in 2022.

TAXES AND CHARGES

Taxes and charges decreased by 30.6% (PLN 3.0m) from PLN 9.8m in 2021 to PLN 6.8m in 2022. The decrease was driven by Mondial Relay rise of real estate taxes paid in 2022 by PLN 4.0m.

PAYROLL

Payroll increased by 35.9% (PLN 177.0m) from PLN 493.1m in 2021 to PLN 670.1m in 2022. This reflected the growth in headcount , increase in salaries as well as the full year effect of Mondial Relay acquisition. The increase in payroll costs was offset by lower Share Based Programmes of PLN 73.7m.

Financial review

SOCIAL SECURITY AND OTHER BENEFITS
Social security and other benefits increased by 71.2% (PLN 71.5m) from PLN 100.4m in 2021 to PLN 171.9m in 2022. This increase was primarily driven by the full year effect of the Mondial Relay acquisition and the increases in employee salaries and benefits accompanied by higher costs of personnel training observed on all markets.

OTHER EXPENSES
Other expenses increased by 156.0% (PLN 47.1m) from PLN 30.2m in 2021 to PLN 77.3m in 2022. This increase was driven by the full year effect of the Mondial Relay acquisition as well as the volume increase - especially on the Mondial Relay markets – which resulted in higher insurance costs of the parcels delivered.

COSTS OF GOODS AND MATERIALS SOLD
Costs of goods and materials sold increased by 190.2% (PLN 27.2m) from PLN 14.3m in 2021 to PLN 41.5m in 2022. This increase was driven by sales of packages to merchants on the Polish market, as well as increased fulfillment activities of the Group in Poland.

OTHER OPERATING EXPENSES
Other operating expenses grew by 19.2% (PLN 2.9m) from PLN 15.1m in 2021 to PLN 18.0m in 2022. This increase was mainly the result of lease contract terminations which resulted in the liquidation of lease assets amounting to PLN 7.1m.

IMPAIRMENT (GAIN) LOSS ON TRADE AND OTHER RECEIVABLES
Net impairment gain on trade and other receivables increased by 53.1% (PLN 3.4m) from PLN 6.4m in 2021 to a loss of 9.8m in 2022. This increase was driven by individual clients that, as assessed by the Group are unable to repay their receivables, which was partially offset by lower expected credit loss calculated based on the collective approach, due to the automation of the client's debt collection process, which led to lower DSO (days sales outstanding).

TOTAL OPERATING EXPENSES
Total operating expenses grew by 62.5% (PLN 2,361.2m) from PLN 3,775.8m in 2021 to PLN 6,137.0m in 2022. This increase was primarily the result of the full year effect of the Mondial Relay acquisition, growth of the Group's business as well as overall inflationary pressure, which led to increases in external services and payroll costs, as described above.

OPERATING PROFIT
Operating profit grew by 14.0% (PLN 115.7m) from PLN 826.4m in 2021 to PLN 942.1m in 2022. This increase was primarily driven by the full year effect of the Mondial Relay acquisition, which added PLN 77.2m to the operating profit for the first half of the year, as well as overall revenue increase.

FINANCE INCOME
Finance income grew by PLN 16.2m, to PLN 32.3m in 2022, from PLN 16.1m in 2021. The increase was the result of a PLN 32.0m FX gains driven by the consolidation translation of PLN denominated borrowings on InPost S.A. level, whose functional currency is EUR, offset by FX losses driven by unfavourable exchange rates between the British pound and the euro on the one hand, and PLN on the other.

FINANCE COSTS
Finance costs increased by 135.6% (PLN 175.9m) from PLN 129.7m in 2021 to PLN 305.6m in 2022. This increase was the effect of:

1. higher interest costs of PLN 158.9m, resulting from the APM network expansion (higher IFRS 16 lease balances);
2. the full year effect of bonds issued in July 2021 for the purpose of Mondial Relay acquisition, which amounted to PLN 43.1m for the first half of 2022;
3. and increase of WIBOR rates, which resulted in an increase of PLN 88.1m of loan interest costs.

Financial review

PROFIT BEFORE TAX
Profit before tax decreased by 6.2% (PLN 44.0m) from PLN 712.8 in 2021 to PLN 668.8m in 2022 because of negative net financial costs described above.

INCOME TAX EXPENSE (LOSS)
Income tax expense decreased by PLN 9.2m to PLN 212.3m in 2022, from PLN 221.5m in 2021. This change was primarily due to the increase in unrecognized deferred tax assets from the losses incurred in the UK.

PROFIT FROM CONTINUING OPERATIONS
Profit from continuing operations decreased by PLN 34.8m to PLN 456.5m in 2022, from PLN 491.3m in 2021, as a result of the factors described above. Loss from discontinued operations amounted to PLN 0.1m in 2022, as compared to a profit of PLN 0.3m in 2021. The decrease resulted from the liquidation of subsidiaries in Brazil and Malaysia, and deconsolidation of a subsidiary in France (these are the revenues and costs resulting from the discontinuation of these activities in 2016 and 2017).

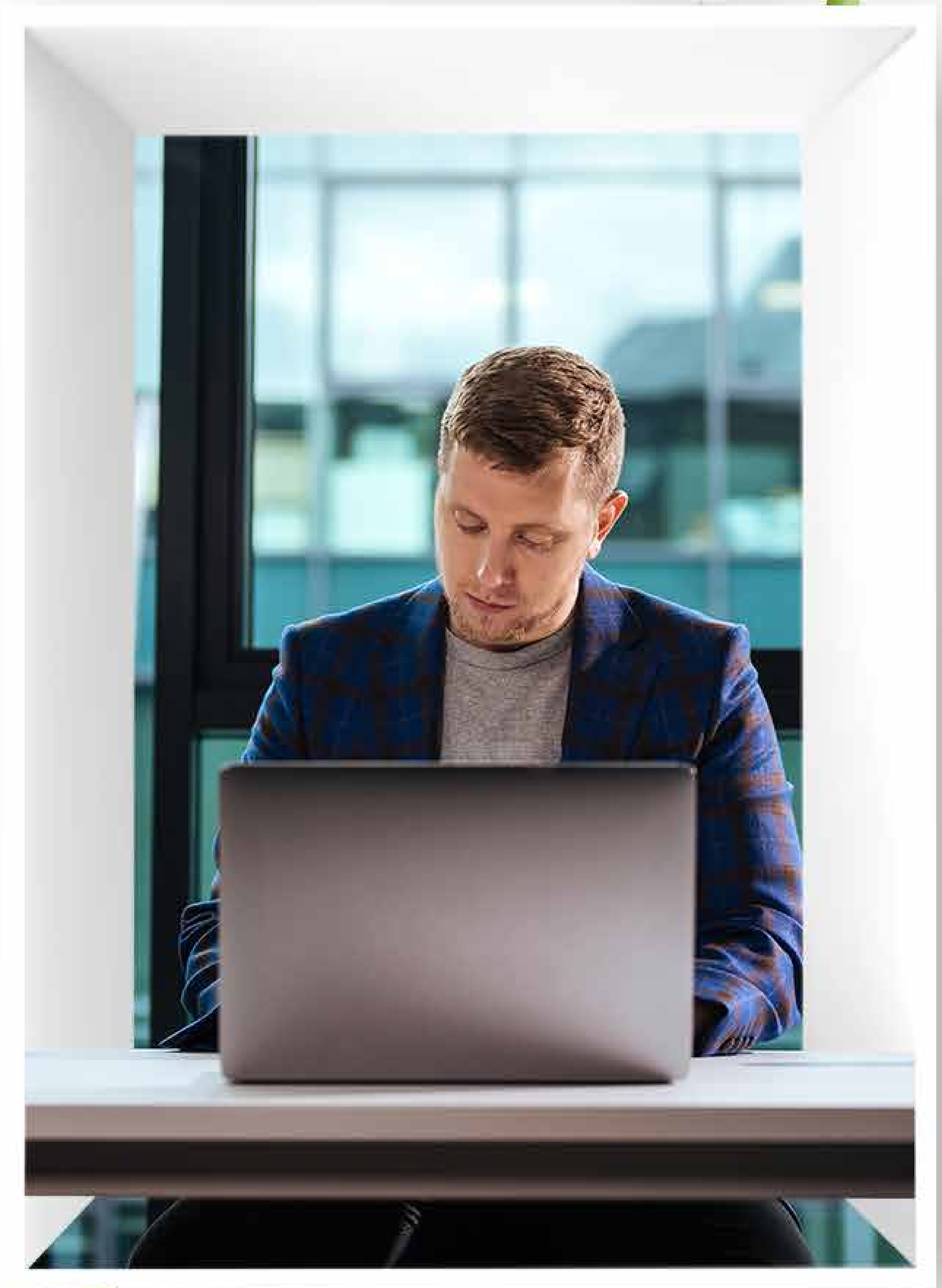
NET PROFIT
Net profit decreased by 7.2% (PLN 35.2m) from PLN 491.6m in 2021 to PLN 456.4m in 2022 due to the factors described above.

OPERATING EBITDA AND ADJUSTED EBITDA
Operating EBITDA grew by 33.3% (PLN 478.3m) from PLN 1,436.1m in 2021 to PLN 1,914.4m in 2022, primarily as a result of the growth in revenue, which was offset mainly by an increase in operating costs, as described above.

Adjusted EBITDA is calculated as operating EBITDA plus costs related to the recognition of the incentive programme, IPO costs, M&A costs and Mondial Relay restructuring costs. Adjusted EBITDA increased by 20.6% (PLN 335.0m) from PLN 1,626.4m in 2021 to PLN 1,961.4m in 2022.

OPERATING EBITDA MARGIN AND ADJUSTED EBITDA MARGIN
Operating EBITDA Margin decreased by 4.2pp to 27.0% in 2022, from 31.2% in 2021. Adjusted EBITDA Margin decreased by 7.6pp to 27.7% oin 2022 from 35.3% in 2021. This decrease was partially driven by the Mondial Relay acquisition, which is operating a lower margin PUDO delivery network in comparison to a high margin APM network, in Poland, and overall margin decrease due to the inflationary pressure observed in 2022.

Corporate governance



Introduction

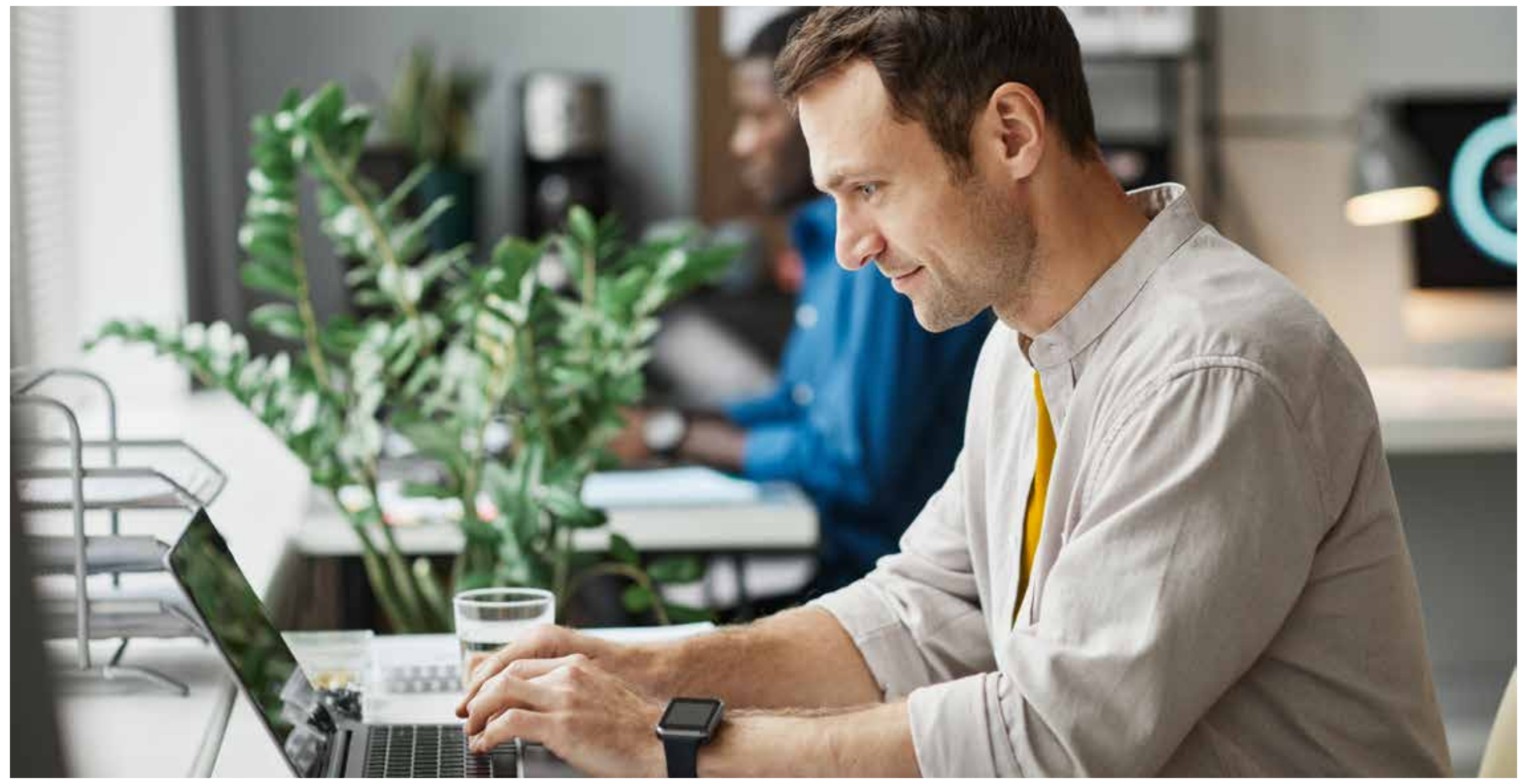
In 2022, we continued to enhance our corporate governance to ensure better functioning of the Group and minimise the risks associated with conducting our business activities. We were able to integrate our new markets, develop compliance processes, and strengthen structures across the Board. This would not have been possible without the Management Board that is committed to sustainable long-term value creation, which is additionally monitored and supported by the Supervisory Board to ascertain the high quality of its activities and especially their impact on people and the environment. We have continued to integrate compliance into our enterprise to further solidify our value-driven corporate culture and ethics, including in the area of ESG. This has had a significant impact since the joining of our new companies to InPost Group. As a result, they now conduct their business based on shared values and rules of conduct.

As an organisation present in many markets, we function in a complex legal system. The framework for InPost Group's governance is determined by Luxembourg Law and Articles of Association. Being a company listed on Euronext Amsterdam, we have also voluntarily applied the regulations of the Dutch Corporate Governance Code. Cases of deviation from the Code can be found here.

> The Management and Supervisory Boards work hand in hand to ensure that the highest standards of the governance system are maintained. We thrive for constant improvement in order to address the challenges set by increasing business complexity as well as growing geographical and cultural diversity.
>
> **Adam Aleksandrowicz,**
> CFO InPost SA

GRI 2-12

> The primary role of the Supervisory Board is to provide rigorous and effective oversight of InPost on behalf of all stakeholders. As the Board, our primary role is to demonstrate effective leadership through the comprehensive and effective control of the company. We are strongly committed to actively implementing and enforcing relevant corporate governance principles. Through this, we can deliver strategic direction by developing and reviewing the governance policies, practices, and procedures according to an integrated governance, risk and compliance framework. We also assume an active role in the implementation of InPost's strategy, both business and ESG.
>
> **Mark Robertshaw,**
> Chairman of the Supervisory Board



The composition of the Supervisory Board and Management Board is presented in the Governance Structure section.

Governance structure

GRI 2-9, 2-12, 2-13, 2-14

The management structure at InPost S.A. follows a two-tier board system comprised of the Management Board and the Supervisory Board. The Supervisory Board activities and those of its committees are detailed in the Supervisory Board report. The activities of the Management Board are supported by additional teams.

THE EXECUTIVE COMMITTEE

The Executive Committee was established in January 2021 to support members of the Management Board (InPost S.A) in key decision-making activities within the Group. It consists of members of the Management Board of Integer.pl S.A. responsible for operations, finances and commercial activities.

MANAGEMENT TEAM (POLAND) AND CODIR (MONDIAL RELAY, FRANCE)

The Management Board of InPost S.A. is supported by the knowledge and experience of key managers from the Group's two largest markets: the Management Team (Poland) and CODIR (France). Their role is to develop, unify and implement the company's strategy. These teams comprise Senior Executives from areas such as HR, Sales, Marketing, Brand & Consumer, Industrial, Network, Legal, Fresh, Fulfillment, Data, Finance, Operations, and IT (Tech), reporting directly to the CEO and other Board Members. The Management Team (Poland) and CODIR support long-term strategic plans and make decisions related to daily business activity, managing company results. Tasks include providing two-way communication between teams and executives, communicating company strategy across the organisation, and participation in strategic discussions to develop key initiatives and innovations. By improving communication between the different departments and encouraging cross-functional collaboration, these teams can enhance company performance by reaching at the best possible decisions. Other responsibilities of the Management Team (Poland) and CODIR include project ownership and resource allocation. Members of these teams meet to discuss strategies to be adopted according to projects, and to ensure the company's day-to-day management.

SUPPORTING FUNCTIONS

Compliance and adherence to the principles of governance within the Group are ensured by continuous cooperation between teams responsible for legal matters, data protection, compliance, risk management, internal audit, and IT security. The Teams collaborate with each other, as well as with the Management Board and Supervisory Board committees. Their activities are described in the Governance and Management Approach sections.

Governance structure

COMPOSITION OF THE MANAGEMENT BOARD

Name	Rafał Brzoska	Adam Aleksandrowicz	Michael Rouse
Age	45	51	50
Nationality	Polish	Polish	Northern Irish
Position	Chief Executive Officer Chairman of the Management Board	Chief Financial Officer Management Board member	Chief Executive Officer International Management Board member
Term	2021 - 2025	2021 - 2025	2021 - 2025

COMPOSITION OF THE SUPERVISORY BOARD

Name	Mark Robertshaw	Michael Roth	Nick Rose	Ranjan Sen	Ralf Huep	Marieke Bax	Cristina Berta Jones
Age	54	56	42	53	61	62	46
Nationality	UK	German and US	UK	German	German	Dutch	Romanian
Position	Chairman	Member	Member	Member	Member	Member	Member
Independent	✔	✔	–	–	✔	✔	✔
Audit Committee	✔		✔	–	–	✔ Chair	–
Remuneration, Appointment and Selection Committee	✔	✔	✔ Chair	–	–	–	✔ (left in the middle of the year)
ESG Committee	–	–	–	–	✔	✔	✔ Chair
Term	2021 - 2024	2021-2024	2021-2025	2021-2025	2021-2023	2021-2025	2021-2025

Supervisory Board report

GRI 2-10

The Supervisory Board is the highest non-executive body at InPost. Its functioning and decision-making activities are governed by the Articles of Association, Luxembourg law, and the principles and best practice provisions of the Dutch Corporate Governance Code. It has also adopted the Supervisory Board Rules, which have been in effect since their listing date. The rules control the Board's decision-making processes and working methods, describing duties, tasks, composition, and procedures.

The Supervisory Board has adopted or approved the following policies and charters that constitute its functions:

- Supervisory Board Profile;
- Supervisory Board Rotation Schedule;
- Charter of the Audit Committee;
- Charter of the Remuneration, Appointment and Selection Committee;
- Charter of the ESG Committee (appointed in 2022);
- Bilateral Contracts Policy.

All listed documents are available on the corporate website.

Supervisory Board members are nominated in consideration of key factors, such as diversity, a wide range of competencies and experience relevant to InPost's profile, and the individual's impact on the company. The detailed list of criteria for nomination is presented in the Supervisory Board Profile. The composition of the Supervisory Board is as described in Supervisory Board.

GRI 2-9

INDEPENDENCE

The Supervisory Board meets the requirements of the Code with regard to the independence of the Chair and its members. However, shareholders have agreed on an option within the rules by which two members of the Supervisory Board (Nick Rose and Ranjan Sen) do not qualify as independent, as they have been appointed after nomination by AI Prime (Luxembourg) Bidco S.a r.l., (AIP).

STAKEHOLDER REPRESENTATION

The composition of the Supervisory Board is such that the combination of experience, expertise and independence of its members enables the Supervisory Board to properly carry out its duties. The Supervisory Board should have a diverse composition in terms of nationality, gender and age which accounts for the fair balance. The principles of composition are further set out in the Diversity Policy.

GRI 2-15

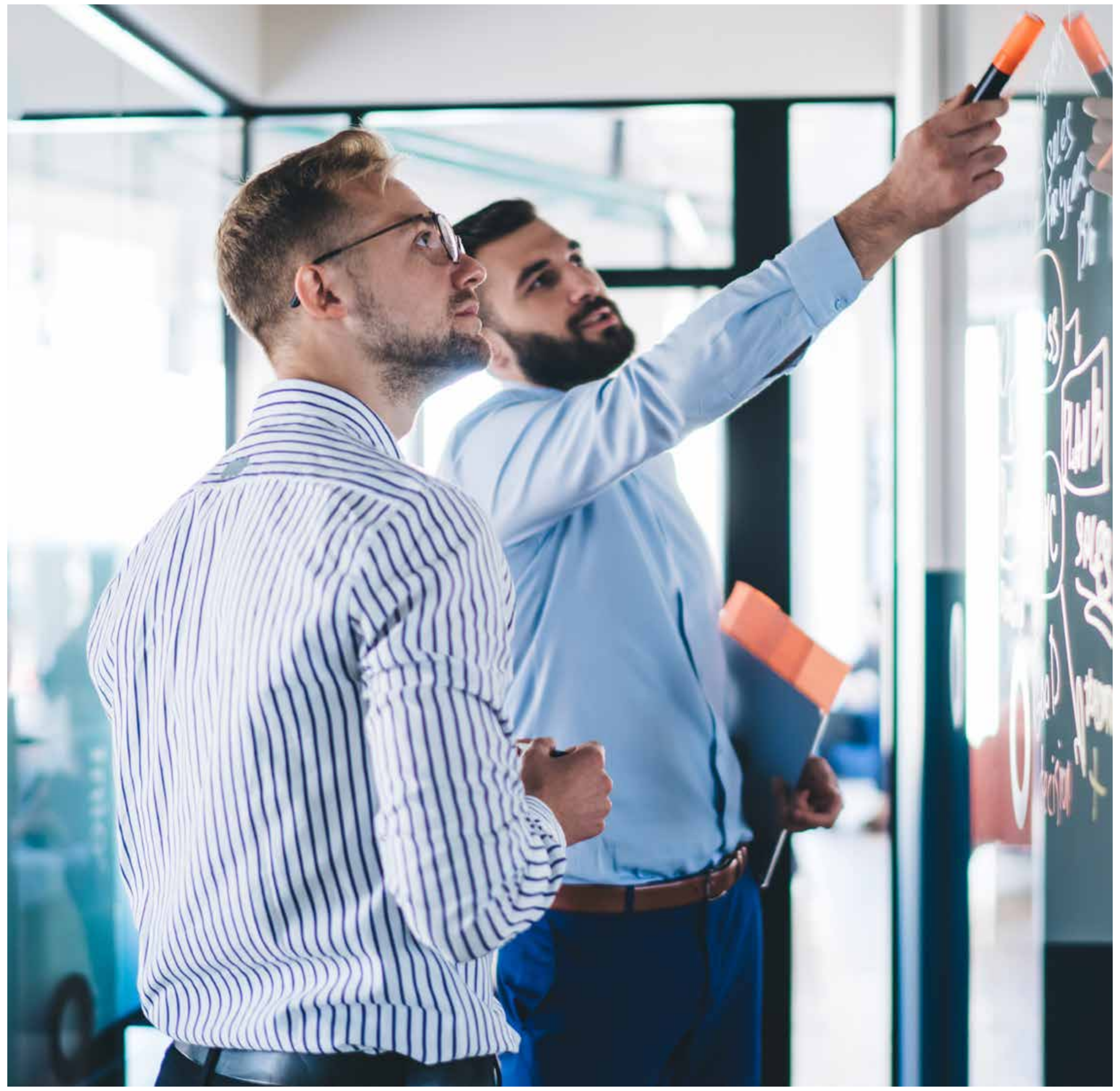
InPost addresses issues concerning conflicts of interest within the Supervisory Board and Management Board in the company's Articles of Association. The topics addressed within include the obligation to disclose the conflict and refrain from decision-making in relation to the transaction where such a conflict occurs. The Supervisory Board Rules and Management Board Rules define procedures for handling potential or existing conflicts and introduce a list of prohibitions aimed at preventing such conflicts.

General rules for preventing and handling conflicts of interest among Staff Members are included in the Anti-corruption Policy (adopted by the Management Board). The Compliance Officer monitors all cases of potential or existing conflicts, and the Staff are obliged to complete trainings regarding conflicts of interest.

In 2022, no conflicts of interest were reported.

GRI 2-17

For the Supervisory Board it is important that the collective knowledge and skills of its members in the area of sustainable development are assured. To that end, certain members of the Supervisory Board attended the INSEAD corporate governance two-day course as well as various governance and sustainability updates organised by accountancy and law firms. Furthermore, the latest changes to the Dutch Code were discussed during a Supervisory Board meeting.



Supervisory Board report

ATTENDANCE AND MAIN TOPICS

The Supervisory Board held 13 meetings in 2022. Almost all Supervisory Board members attended all meetings (Marieke Bax was absent three times, and Cristina Berta Jones once). With the exception of one meeting, all meetings were held in the presence of the Management Board. Topics discussed included trading updates, quarterly results, and the impact of developments in the macro-economic environment on the Company's performance, the 2021 annual report (including 2021 financial statements), Mondial Relay's value creation plan, the installation of the ESG Committee and the Company's ESG strategy, the Company's 3- to 5-year plan (including new strategic initiatives), various M&A updates, and the 2023 budgets. In addition, the 2022 self-assessment and the performance of each committee were addressed.

ANNUAL GENERAL MEETING

The Annual General Meeting took place on 19 May 2022. The Management Board presented on the performance and activities of the company. The independent auditor provided a presentation of the objectives and shared results of the audit. Furthermore, it was clarified that the auditor's "non-audit" fees related primarily to their assistance with the Company's IPO. The meeting also concerned the allocation of the loss to the next financial year. The Management Board explained the expected mid-term profitability of the French market compared to the Polish market, the discharge of the Management Board and Supervisory Board, and the approval of the 2021 remuneration report. In addition, the importance of ESG and support for Ukraine were flagged as a key part of the Company's DNA. Finally, the meeting authorised the Management Board to repurchase 10% of the Company's own shares for a period of 5 years, as part of the implementation of a future LTI plan. The Annual General Meeting in 2023 is scheduled for 17 May.

GRI 2-18

EVALUATION OF THE SUPERVISORY BOARD

The Supervisory Board conduct an annual evaluation of itself, its members and committees. The evaluation focuses on the substantive aspects, interactions and events which occur and could further provide valuable lessons, and the composition of the Supervisory Board is reviewed in terms of competencies, expertise and profile.

The Chairperson is responsible for organising the annual evaluation and assessment of the Management Board.

A self-assessment has already been conducted in 2022, which was reported in the previous annual report. Another self-assessment will be conducted in 2023.

Committees

AUDIT COMMITTEE REPORT
The Audit Committee consists of the following members: Marieke Bax (Chair), Mark Robertshaw and Nick Rose. In 2022, the Audit Committee held six meetings, both in person and online, with an average attendance rate of 100% for each member.

The committee advises the Supervisory Board and prepares decision-making on matters such as the supervision of the integrity and quality of financial reporting, as well as the effectiveness of internal risk management and control systems. This also contains the application of information and communication technology, including cyber security risks. Moreover, the committee is monitoring how the Management Board strives for the long-term value creation of InPost Group. The composition of the committee is such, so as to represent the business know-how, financial, and audit expertise relevant to InPost.

The draft minutes of the AC are made available to the members of the Supervisory Board prior to the SB meeting. The Chair AC reports on the main points of discussion and the resulting recommendations at the subsequent Board meeting.

A detailed description of the framework for the functioning of the Audit Committee is found in the Audit Committee Charter.

In advance of the Committee meetings, the Chair holds informal preparatory meetings with the Group CFO, the Director Internal Audit and the external auditors in both Poland and Luxembourg. The Chair also seeks the concerns and/or issues to be discussed from the other AC members to ensure the AC is on task.

The Group CFO, the Internal Audit Director, the Finance Director and other relevant executive directors (depending on the relevant agenda subject matter) attended the AC meetings.

The discussions both around the AC, as well as the actual AC meetings, can be characterised as open and constructively critical.

ACTIVITIES DURING 2022
The Audit Committee focused on financial performance during the year, the development of working capital and cash flow, potential scenarios going forward, risk management, and financing. Top of mind were the developments in Ukraine, the energy crisis and highly inflationary environment, which required additional awareness, in particular on cashflow development.

At each meeting, the Audit Committee also discussed the quarterly update on the IT implementation processes, information security and cyber security and (from mid-2022) the report from Internal Audit, which contains internal audit results plus management follow-up on recommendations plus progress and outcomes of whistleblower investigations.

Cyber risk and measures to increase cyber resilience have the continuous attention of the AC, in particular given InPost's responsibility towards the ultimate customers who rely on its APM system for the delivery of their parcels. The company is well aware of the ever-changing risk environment in this respect.

In addition, the AC regularly discussed developments with regard to risk, including the Risk Heatmap, compliance with key policies, including the Whistleblower Policy and potential incidents reported under this policy,

The AC also closely follows changes of key finance people at operating company and Holding level with the aim of further developing an international and robust finance function.
During the course of 2022, the Chair AC was actively involved in the exit interview of the previous Finance Director and the hiring processes of both the Internal Auditor and the new Deputy CFO. Particular attention was paid to diversity related aspects in the further development of the financial function.

A fully-fledged internal audit function was established in 2022. [Read more in: Internal audit function]. Upon the approval of the Internal Audit Plan, the new Director Internal Audit was off on a good start from mid-2022 onwards and has managed to garner respect and constructive traction within the company. The initial reports results from Q3 onwards were reviewed by the AC, plus a roadmap for the further development of the internal audit, including additional resourcing, was set. InPost aims to continuously improve internal audit, both in its various country organisations and at the Group level.

Internal Audit works closely with the Compliance function. Key areas of AC focus were the enhanced internal communication and raising awareness about the Code of Conduct and the Whistleblower Policy. The compliance Officer reported the results of the notifications under this Policy and the efforts regarding compliance and ethics training. [Read more in: Applied solutions: Whistleblowing and Education]

Committees

During the year, the AC also focused on the intensification of risk management and business continuity activities. At the start of 2022, the AC recommended the development of a new Corporate Risk Register and Enterprise Risk Management system. In order to further professionalise its approach to risk management, InPost appointed a Group Risk Manager, who implemented the current approach to risk assessment, a revised risk matrix, remediation plans and allocation of risks to risk owners. At the end of 2022, the Risk Committee was appointed under the Management Board. [Read more in: Risk management]

Considerable time was spent both internally and with the auditors on the subject of ESG reporting and future assurance requirements. The E, multiple parcel APMs, drop-off which in itself reduces CO_2 emissions, the S, as witnessed by the company's immediate response to reduce the human suffering as a result of the Ukrain situation, and the G, given the attention to good governance at all levels, shows that ESG is at the heart of InPost's mission and strategy. As such the Board during 2022 set up an ESG Committee, of which the Chair Audit is a member.

Other activities of the Audit Committee involved the unification of security tools and discussions about the standardisation of processes to decrease complexity and streamline systems. It also supported the digital transformation to align IT systems within the Group, especially those between France and Poland. Further digitalisation of business processes will be supported by a focus on IT and automated control in the coming years. As the ongoing development of IT, including ERP and logistics systems, has an impact on financial processes, the Audit Committee will continue to supervise the implementation of a new core financial reporting system.

The AC performed its annual evaluation based on the best practices questionnaire. AC members discussed potential areas of further improvements in line with its supervisory responsibilities. Among the continued areas of focus were compliance and the prevention of fraud, as well as continued focus on cyber resilience. Moreover the further agenda will also include the issue of further development of relevant ERP KPI's and ESG assurance, as well as the quarterly reporting on the ERP implementation process, which has already been started. The AC Chair position has been created as a member of the ESG Committee, which was constituted during the course of 2022.
The AC also held a separate session with the auditors (PwC Poland and Luxembourg) in order to discuss their observations on the audit process and the general control environment.

AUDIT COMMITTEE AND THE AUDITORS
After the approval of the 2021 financial report at the AGM, the AC discussed and adopted the external auditor's letter of engagement and the audit plan for 2022. The Audit Committee assessed the performance of the external auditor and the cooperation with the management. Both were considered satisfactory with potential for further improvement.
A mutual plan with action points was drawn up and reviewed during the year. Both PwC and management were positive on progress on the plan with much improved communication and efficient cooperation.

The Audit Committee discussed PwC's (interim) management letter in much detail both after H1 reporting and during its meeting with the auditors in December 2022. Observations as to IT controls, new system implementation, management override of control, goodwill impairment testing, and fraud were discussed in detail. Given the increased internationalisation of the company, the AC also reviewed the challenges related the relevant markets.

The Audit Committee assured itself of the independence of the external auditor and the non-audit services provided by the external auditor, in line with the relevant policy.

The Audit Committee wishes to thank both the Management and the PwC for their efforts and cooperation with the Committee.

The full 2022 reporting year was reviewed in the first quarter of 2023. The management letter of the external auditor highlighting key internal control observations plus the audit results report of the external auditor were also discussed, and special attention was paid to the reported key audit matters.

The Committee issued positive opinions on the Annual Report and on the financial statements to the SB.

Committees

INTERNAL AUDIT FUNCTION
Established by the Management Board, the Internal Audit Department, closely monitors the effectiveness and quality of internal controls. It is an independent and objective assurance department guided by a philosophy of adding value and improving the operations of the Group. It assists the Group in accomplishing its objectives by bringing a systematic and disciplined approach to evaluation and improving the effectiveness of the organisation's risk management, internal control and governance processes.

Internal Audit's responsibilities are defined by the Audit Committee as part of their oversight role. The Internal Audit Director reports functionally to the Audit Committee and administratively to the Group Chief Financial Officer. The Head of Internal Audit communicates and interacts directly with the Audit Committee, including in executive sessions and between Audit Committee meetings as necessary.

The scope of Internal Audit activities encompasses, but is not limited to, the assessment of the design and effectiveness of the organisation's governance, risk management, and internal control processes and systems in relation to its goals and objectives. The internal audit plan is developed based on prioritisation of the audit universe using a risk-based methodology, including the input of senior management and the Audit Committee. The internal audit department prepares a written report after every audit engagement, which is distributed to the appropriate parties.

GRI 2-9, 2-13, 2-14

ESG COMMITTEE
The ESG committee gathers, reviews and summarises data from broad areas of the business, and presents it to the Supervisory Board. While the Supervisory Board makes the final decisions on ESG-related matters, the ESG committee oversees their implementation. The ESG committee comprises Chairperson Cristina Berta Jones, and members Ralph Huep and Marieke Bax. Its responsibilities are defined in its Charter.
In 2022, the ESG committee met twice, once with the Chairperson and once with all members present. The core issues addressed in the meetings were the implementation of the ESG strategy, with special focus on decarbonisation, and the engagement programme for stakeholders. The committee succeeded in determining key initiatives, including approving decarbonisation goals validated by SBTi, and the launch of the next stages of the engagement programme. In 2023, the committee is planning to monitor initiatives within the Group, including non financial reporting, developing education and communication related to ESG in markets, and the connection of remuneration with ESG goals, along with further operationalisation of the decarbonisation strategy.

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

REMUNERATION, APPOINTMENT AND SELECTION COMMITTEE
The Chairperson of the Remuneration, Appointment and Selection Committee is Nick Rose. Other members included Cristina Berta Jones, Mike Roth, and Mark Robertshaw. In 2022, the Committee met four times. Nick Rose attended three out of four meetings, and Mike Roth and Mark Robertshaw attended all four. Cristina Berta Jones left the committee after accepting the role of ESG committee Chair.

Key topics	How often was each key topic covered during the year?
Bonus awards and bonus targets	up to 75% of meetings
Remuneration policy for top 10 Group executives below the Management Board	up to 75% of meetings
Redesign of the long-term incentive plan	Every other meeting

Key initiatives established by the committee were the initiation of discussion on changing the KPIs for LTIP and the initiation of the remuneration benchmark and change to the remuneration scheme. In 2023, the Committee is planning to review potential changes to the metrics used in the short term and long-term incentive plans; review performance of key executives against their 2022 STI bonus targets; agree STI bonus targets and LTI targets for key executives; review the executive top talent and succession pipeline for key roles; and connect remuneration to the achievement of ESG-related targets.

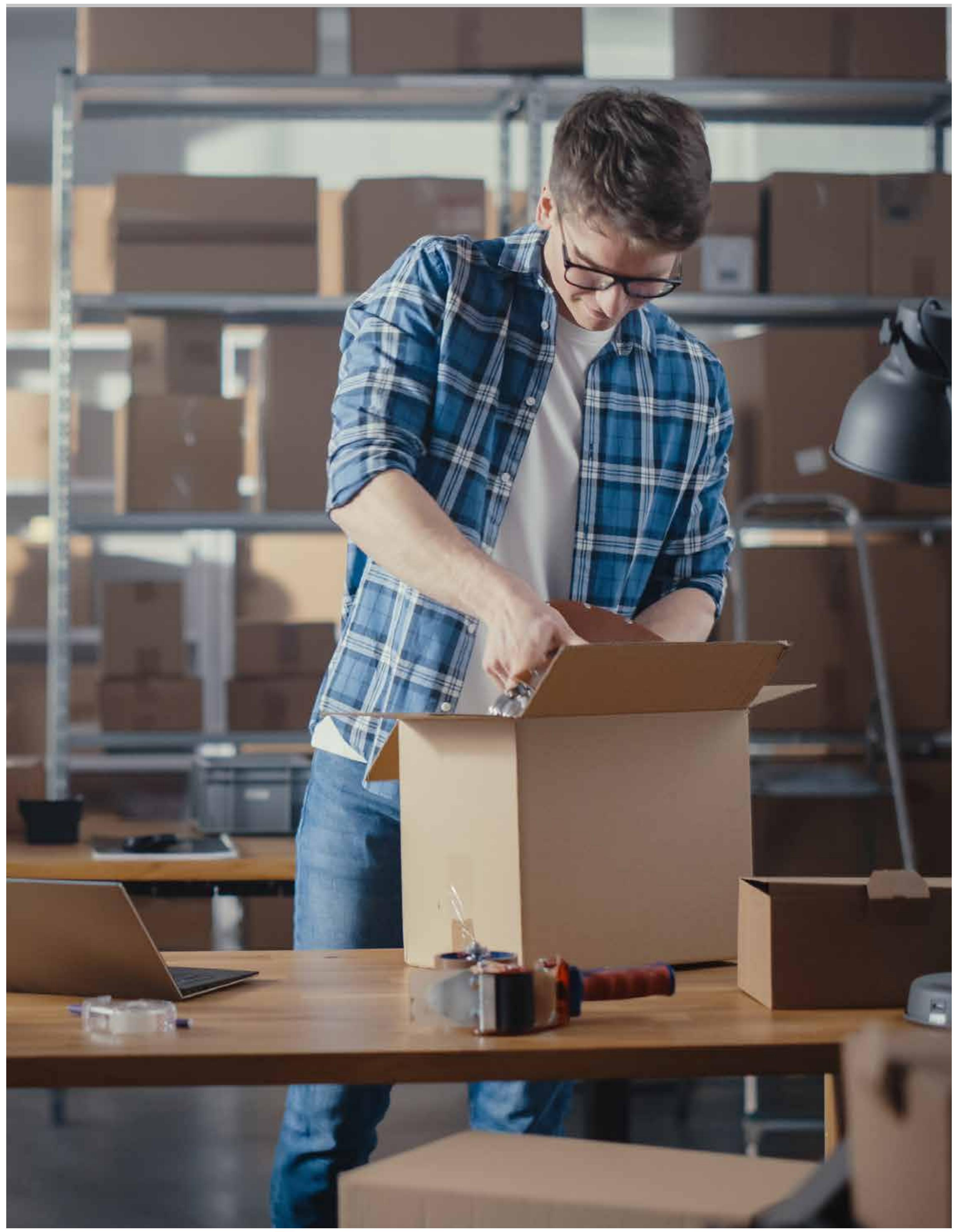
Remuneration report

> A fundamental part of the Committee's role is to determine InPost's remuneration strategy and policies covering base salary, as well as short-term and long-term incentives (STIs and LTIs). InPost's remuneration philosophy is unchanged from previous years: we are a results -oriented company and we explicitly seek to link total compensation to company performance. To this end, the fixed element of the Management Board's remuneration (base salary) is currently set at lower quartile levels compared to companies of similar size and market capitalisation, whereas the variable elements of remuneration are set so as to have the potential to deliver top quartile total remuneration if stretching and ambitious targets are met.
>
> **Nick Rose,**
> Foreword from the Chair of the Remuneration, Appointment and Selection Committee

GRI 2-20

REMUNERATION POLICY

InPost's Remuneration Policy aims to provide a remuneration structure that will allow the Company and its subsidiaries to attract, reward and retain highly qualified Management Board and Supervisory Board members, and provide them with competitive remuneration aligned to delivering superior company performance. It is aligned with the long-term goals of the Group. The scope of duties and responsibilities include assisting the Supervisory Board in supervising the Management Board with respect to the Company's compensation programmes (including the remuneration of the Company's other senior management and other personnel); making proposals for the remuneration of individual members of the Management Board and Supervisory Board; assisting the Supervisory Board with the selection and appointment procedures for the members of the Management Board and Supervisory Board and other senior management, and creating succession plans for senior management. The remuneration of the Management Board and Supervisory Board members is determined in aggregate by the General Meeting, with due observance of the Remuneration Policy. The Supervisory Board (on the advice of the Remuneration, Appointment and Selection Committee), within the limits of the aggregate remuneration approved by the General Meeting and with due observance of the Remuneration Policy, determines the individual remuneration of the members of the Management Board and the Supervisory Board.



Remuneration report

COMPOSITION OF THE REMUNERATION, APPOINTMENT AND SELECTION COMMITTEE
The Chairperson of the Remuneration, Appointment and Selection Committee is Nick Rose. Other members in 2022 included Cristina Berta Jones, Mike Roth, and Mark Robertshaw. In 2022, the Committee met four times. Nick Rose attended three out of four meetings, and Mike Roth and Mark Robertshaw attended all four. Cristina Berta Jones attended the two in the first half of 2022 and then stepped down from the committee after accepting the role of ESG Committee Chair.

AREAS OF FOCUS FOR THE REMUNERATION, APPOINTMENT AND SELECTION COMMITTEE
In 2022, key activities of the Committee were:

- In Q1 2022, conducting a review of the 2021 performance out-turn vs management's short term incentive targets;
- In Q1 2022, setting management's STI targets for the full year 2022;
- In Q1 2022, setting 3 year performance targets for the 2022 LTI awards;
- During the course of the year, granting LTI awards for new senior joiners at the broader InPost executive levels;
- Initiating a review towards the end of 2022 on potential changes to the metrics for the STIs and LTIs going forward.

In 2023, the Committee intends to perform similar activities to those in 2022: reviewing 2022 out-turn performance vs management's short term incentive targets; setting STI targets for the full year 2023; setting 3 year performance targets for the 2023 LTI awards; and (as required) granting LTI awards for any new senior executive joiners. In addition, towards the latter part of the year, the Committee intends to review LTI performance metrics informed by the experiences of the first three year cycle of LTIs awarded post the IPO in early 2021.

EVALUATION OF THE MANAGEMENT BOARD
As part of providing the appropriate level and quality of governance and oversight, the performance of the Management Board for the financial year 2022 was evaluated by the Remuneration, Appointment and Selection Committee with the results of that evaluation then being reported to and discussed by the wider Supervisory Board. In addition to reviewing performance vs collective and individual objectives, consideration was also given during the year to the performance of the Management Board in terms of broader factors associated with building InPost's long-term success for all stakeholders, including business strategy and execution, company culture and the importance of ESG as a fundamental component of the DNA and differentiation of the business.

SEEKING TO ALIGN INPOST'S REMUNERATION POLICY WITH DUTCH CORPORATE GOVERNANCE BEST PRACTICES
Following engagement with shareholders and also with organisations which represent the interests of institutional and retail shareholders overall, InPost, in what is now our second year since IPO, remains committed to continuously taking on board feedback on aligning with the best practices of the Dutch Corporate Governance. There are a series of changes to the Remuneration Policy that we are already putting forward to the 2023 AGM, to bring InPost in-line with best practice guidelines for Dutch listed companies. One aspect of this is to clarify how fees to Supervisory Board directors will be paid. At the time of IPO, the company's remuneration policy stated that up to 25% of Supervisory Board fees may be paid in the form of InPost shares. However, over the two year period since IPO, the company has not made any payments to Supervisory directors in shares and will now propose to amend the wording in the remuneration policy to be presented at the AGM in May 2023 so as to make clear that Supervisory Board director fees will be solely in cash and that no portion may be payable in company shares. Furthermore, the Remuneration, Appointment and Selection Committee is pledged to provide ex-post disclosure of the key management incentive targets to provide greater transparency of the metrics and thresholds being used in the variable compensation targets of the Management Board, and you will see in this Remuneration Report that we do so with regard to the largest component of the 2022 short incentive programme. We are also actively looking to incorporate ESG metrics into management compensation, which we are already starting to do in the 2023 STI programme.

In terms of other changes envisaged, it has been now 2 years since InPost's IPO and we believe that towards the end of 2023, it will be a good time to take stock of the remuneration structures of the business with particular regard to the performance metrics we use for STIs and LTIs. At that point, we will be coming towards the end of the first full cycle of LTI awards that were made in early 2021. A particular topic to address is the fact that EBITDA has a high weighting in the STI and to date has been the sole metric for the LTI; we are committed to implementing a more balanced series of metrics going forward.

Remuneration report

GRI 2-19, 2-20

The Remuneration Policy (adopted by the General Meeting on 20 January 2021) defines the approach to clawbacks, as being that variable remuneration may be reduced, or members of the Management Board may be obliged to repay (a part of) their variable remuneration if certain circumstances apply. The Supervisory Board can also adjust the value of any variable remuneration component awarded in the previous year, in response to pre-defined circumstances. The Company may recover from a member of the Management Board any variable remuneration awarded on the basis of incorrect financial or other data. The Management Board members may have service and/or employment agreements with the Company or any other member of the Group, which are valid for an indefinite period and contain provisions for a severance payment of 50% of the annual salary. The agreements may contain a notice period of up to 6 months and non-competition undertakings which, if breached, result in penalties of up to 9 months in annual salary terms and the requirement to pay back any severance payments. The Policy does not provide for sign-on bonuses or recruitment incentive payments.

REMUNERATION OF THE MANAGEMENT BOARD

The remuneration of Management Board members consists of an annual base salary, a potential pension provision, an annual and deferred bonus plan, and long-term incentives. Remuneration comprises fixed and variable elements. The Supervisory Board has determined the weighting of these variables and the proportion of short and long-term awards in such a way that the fixed pay is at lower quartile levels, compared to other similar companies, while the proportion of remuneration that is performance-based is higher than in other similar companies. This remuneration structure reflects the Group's performance-oriented and entrepreneurial culture and focus on the strategy of profitable growth. The interests of the Management Board members are aligned with the Company's shareholders.

GRI 2-19

Fixed pay +	Variable +	LTIP
Base salary	Annual bonus up to 200% of an annual basic salary	200% of the sum of an annual base salary and prior year's annual bonus (incl. shares)
Annual Bonus and Long Term Incentives	Including: 60% for meeting the Group's financial targets 40% for meeting individual targets Min. 50% paid in Company shares	Cap of 600% of an annual base salary

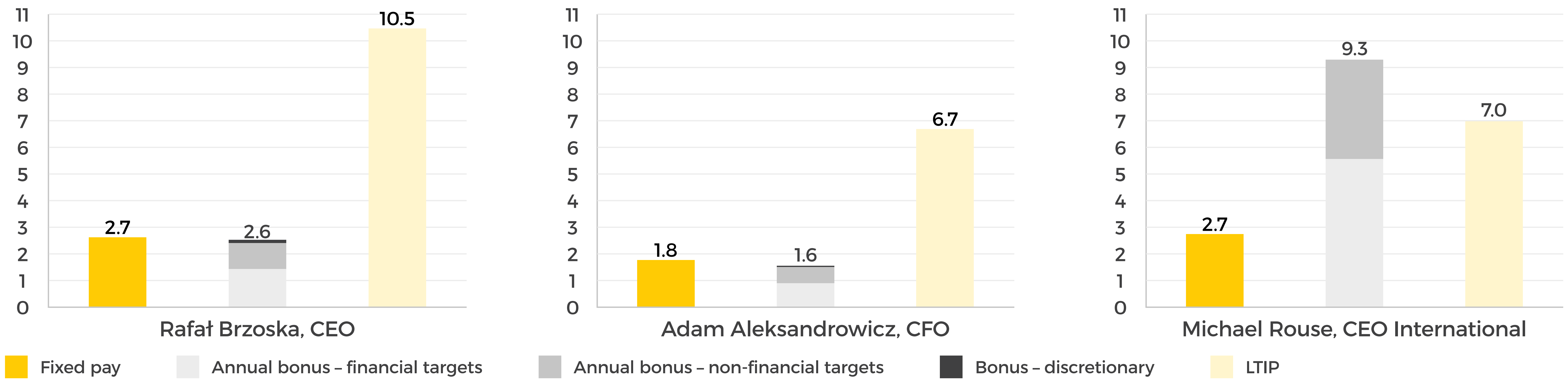
Management Board – remuneration 2020-2022 (PLN m)

Name	Position	Remuneration type	2022	2021	2020
Rafał Brzoska	Chief Executive Officer	Fixed	2.7	2.6	1.1
		Variable	2.6	2.6	0.8
		LTIP	10.5	16.2	-
Adam Aleksandrowicz	Chief Financial Officer	Fixed	1.8	1.8	1.1
		Variable	1.5	1.5	0.8
		LTIP	6.7	10.8	-
Michael Rouse	Chief Executive Officer International	Fixed	2.7	1.0	-
		Variable	9.3	0.2	-
		LTIP	7.0	7.5	-

The value of LTIP grants / remuneration presented in the table above is presented at maximum theoretical value as if all maximum performance targets were achieved or exceeded and reflects the value at price per share prevailing as at grant date in line with IFRS2 requirements. Carrying value of those LTIP grants given vesting rules and current Company share price is materially lower than the values presented in the table above.

The Remuneration, Appointment and Selection Committee approved a special bonus award for the CEO and the CFO for the implementation of the ESG strategy plan, which has been finalised in Q1 2022.

Management Board - remuneration [mPLN]



Remuneration report

In line with our commitment to provide an ex-post assessment of performance vs management targets, in this year's annual report we are including an assessment of how the largest component of the annual bonus payments of the Management Board for 2022 relates to the performance targets set at the beginning of the year. As context, the maximum bonus potential for Management Board members is up to 200% of base salary with on target performance set at 100% of base salary. It is important to note that InPost's Management Board members' salaries have been set at a lower quartile level, relative to companies of a similar size, which reflects our philosophy of seeking to keep fixed costs well controlled and for the management's total compensation potential to be driven primarily by superior business performance. The annual bonus for 2022 comprised a 60% weighting on Group EBITDA and a 40% weighting on specific and, wherever possible, quantifiably measurable individual objectives. Group EBITDA for on target performance was set at PLN 1,965m, which would represent a 21% year on year growth, with a min and max range of PLN 1,867m and PLN 2,210m respectively. At the minimum threshold level, 60% of the EBITDA related aspect of the bonus would become payable with nothing payable at any EBITDA levels below the minimum threshold. Achieving or exceeding the maximum end of the Group EBITDA range would result in 200% of the EBITDA related aspect of the bonus being payable. For 2022, Group EBITDA came in just below the on-target level at PLN 1,961m meaning that 59% of base salary was paid out for this metric. The remaining 40% of the bonus weighting for the Management Board members was based on tailored and specific objectives relative to individual priorities and accountabilities. These tailored targets included the growth of InPost's Polish parcel volumes relative to the growth of the Polish market; the growth of InPost's international parcel volumes relative to the growth of other key international markets; the EBITDA profitability of InPost in specific individual countries.

The combination of the Group EBITDA targets along with specific individual targets resulted in the following 2022 bonuses awarded to Management Board members, expressed as a percentage of their 2022 yearly salary: Rafał Brzoska – 107%, Adam Aleksandrowicz – 110%, and Michael Rouse – 83%. The practice we have adopted in the annual report is to report the cash payments made to Management Board members by year. Therefore, bonuses awarded for performance in 2022 will be reflected in the compensation data section of InPost's 2023 annual report. In 2022, there was a special bonus of PLN 7.2m paid to Michael Rouse related to specific objectives that had been set for him in 2021, prior to joining the Management Board. They were predicated on the successful integration of the Mondial Relay business according to agreed milestones and targets for the first several months following acquisition. We recognize that this 2021 bonus to Mr. Rouse, paid in 2022, is a significant amount, but would also note that it relates to a large and complex integration of a sizeable multi-national business and is a one-off payment which will not be repeated going forward.

Michael Rouse was promoted to the InPost Management Board in 2021, and in last year's annual report we indicated that we would align Mr. Rouse's compensation structure with InPost's stated remuneration policy for Management Board members. Therefore, in 2022, Mr. Rouse agreed to a reduction in his base salary and was his bonus arrangements were aligned with those of the CEO and CFO.

PAY RATIO

The Code requires Dutch stock-listed companies to consider and disclose pay ratios between the CEO and other employees within the Company. In general, such ratios are dependent on the industry and may vary depending on the location and organisational model within the company. InPost is located across diverse geographical areas, and there is a high variation in pay within the Company, as InPost's workforce encompasses a wide range of skill sets, a factor that may not be present in other companies. Finally, pay ratios may be volatile over time, as they may vary with currency fluctuations. They are also largely dependent on the Company's annual performance, which impacts the total annual remuneration of the CEO, more than most employees, given the greater variable component in the CEO's remuneration. The 2022 pay ratio according to the Dutch Corporate Governance Code was 38.9 for the CEO (33 for 2021). The pay ratio is based on annual fixed and variable remuneration and does not include any unvested LTIP awards. In accordance with the provisions of Luxembourg law, besides the remuneration of the Management Board and the Supervisory Board, we monitor the annual change in remuneration in relation to the results achieved by the company and the average remuneration in full-time equivalents of the company's employees (other than directors).

	2022	2021	2020	2019	2018
Adjusted EBITDA [PLN m]	1,961.4	1,626.4	993.7	351.8	113.5
Average remuneration on a full-time equivalent basis [PLN]	5,980	5,208	4,650	4,420	3,218

Remuneration report

REMUNERATION OF THE SUPERVISORY BOARD

The Remuneration Policy, with respect to the members of the Supervisory Board, has been designed to ensure that the Group attracts, retains, and appropriately compensates a diverse and highly qualified group of Supervisory Board members. The remuneration of Supervisory Board members reflects the responsibilities of the roles and the time spent on them. Members of the Supervisory Board are also eligible for reimbursement of reasonable expenses incurred while performing their duties, including any applicable taxes.

Supervisory Board – remuneration 2020-2022 (PLN m)[1]

Name	Position	2022	2021	2020
Mark Robertshaw	Chairman	1.0	1.0	-
Marieke Bax	Chairman of the Committee and Member	0.6	0.5	-
Cristina Berta Jones	Chairman of the Committee and Member	0.4	0.3	-
Nick Rose	Chairman of the Committee and Member	-	-	-
Mike Roth	Member	0.5	0.3	0.3
Ranjan Sen	Member	-	-	-
Ralf Huep	Member	0.4	0.3	-

1 Average exchange rate for FY2022 – for P&L and cash flows as disclosed in Financial Statements

GRI 2-19

Supervisory Board – remuneration scheme

Chairperson	Chairperson of each of the Committees	Member
EUR 220,000 annual fee	EUR 25,000 annual fee	EUR 75,000 annual fee

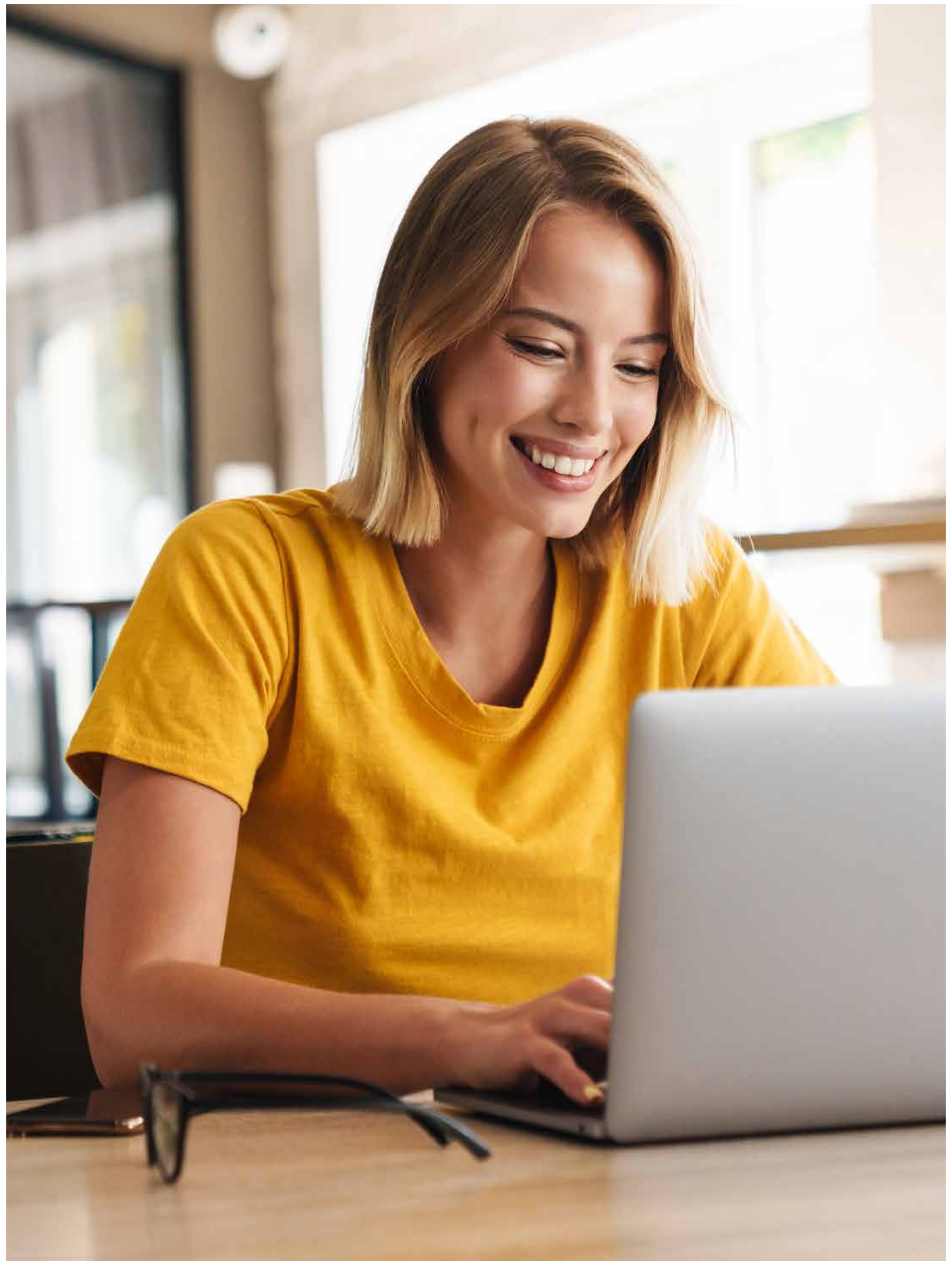
In the case of Marieke Bax, over and above her role as Chair of the Audit Committee, Ms. Bax provides additional input and advice to the Supervisory Board and to the Company with regards to the best practices of the Dutch Corporate Governance, for which she receives an additional annual fee of PLN 93k.

Risk management

We treat risk management as an integral part of our long-term value creation. For this reason, we have designed a step-by-step process for its implementation. This year we borrowed from the highest standards in shaping corporate governance within the scope of Risk & Continuity Management, taking the final step in the implementation of procedures and tools that were launched in 2020. The Management Board established the Risk Committee (RC), a team whose members bring extensive know-how and experience to the table. The Management Board has approved documentation and overall framework for an integrated system of Enterprise Risk Management (ERM) based on the policies and methodology for Corporate Risk Management.

COMPOSITION OF THE RISK COMMITTEE
The RC team includes representatives from different business areas – the complementarity of their perspectives combined with years of experience seeks to deliver the highest possible effectiveness of the risk management process.

- **Chairman of the Committee.** Vice President of the Management Board, Group CFO;
- **Deputy Chairman.** Director of Legal, Compliance & GDPR, Group General Counsel;
- **Secretary of the Committee.** Head of Risk and Business Continuity Plan Team;
- **Members.** Engineering Director of Global Security, Director of the Courier Operations Division, Director of Financial Transformation and Process Improvement, Head of the Business Process Improvement Office.



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

Risk management

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

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

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

The implemented comprehensive ERM made it possible to avoid significant failures in the area of risk management and internal control systems in 2022 and to minimise their occurrence in the following years.

Having ESG as one of InPost's strategic priorities and keeping in mind the fact that ESG risks should be analysed in a longer-term perspective, the process for this group of risks, especially those related to climate, is slightly different. ERM includes positively verified ESG risks, but also those which could possibly occur in case of a change in parameters, both internally and externally. It contains the continuous monitoring of ESG risks, which include factors such as a variety of newly emerging and planned regulations, rapidly changing market requirements, climate change analysis and its effects.

The main product of the ERM system is the Corporate Risk Register, which covers both strategic risks and dispersed aggregated risks of key importance to the implementation of InPost Group's strategy.

Risk management

RISK MANAGEMENT PROCESS AT INPOST

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

Supervisory Board of InPost S.A.

The primary function of the Supervisory Board is to oversee the ERM System at InPost Group. It receives cyclical (quarterly) ERM reports, and is authorised to report new risks and provide recommendations regarding the functioning of the ERM system.

Management Board of InPost S.A.

The Management Board of InPost S.A. is the main recipient of management information generated by the ERM system at InPost Group. Tasks related to the continuous supervision of the ERM System in the group are entrusted to the Risk Committee. The Management Board is the recipient of cyclical (quarterly) ERM reports. It is authorised to report new risks and provide recommendations regarding the functioning of the ERM system.

Management Board of each InPost Group entity

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

Risk Committee

Appointed by a resolution of the Management Board of InPost S.A., the Risk Committee functions within the scope of the rules and regulations which have been defined for it in relation to the ongoing supervision of the ERM system at InPost Group. The Risk Committee is the recipient of updated information about all relevant changes in the corporate risks of the Group as well as cyclical (quarterly) reports within the scope of ERM. It is authorised to report new risks and make recommendations regarding the functioning of the ERM system.

Risk Manager for InPost Group

The Group Risk Manager is appointed by a resolution of the Management Board of InPost S.A. It is the owner of the ERM process at the level of InPost Group, and coordinates all activities related to the implementation of the ERM Policy and Methodology

Company Risk Manager

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

Risk Owner

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

Internal Audit

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

Key Control Team

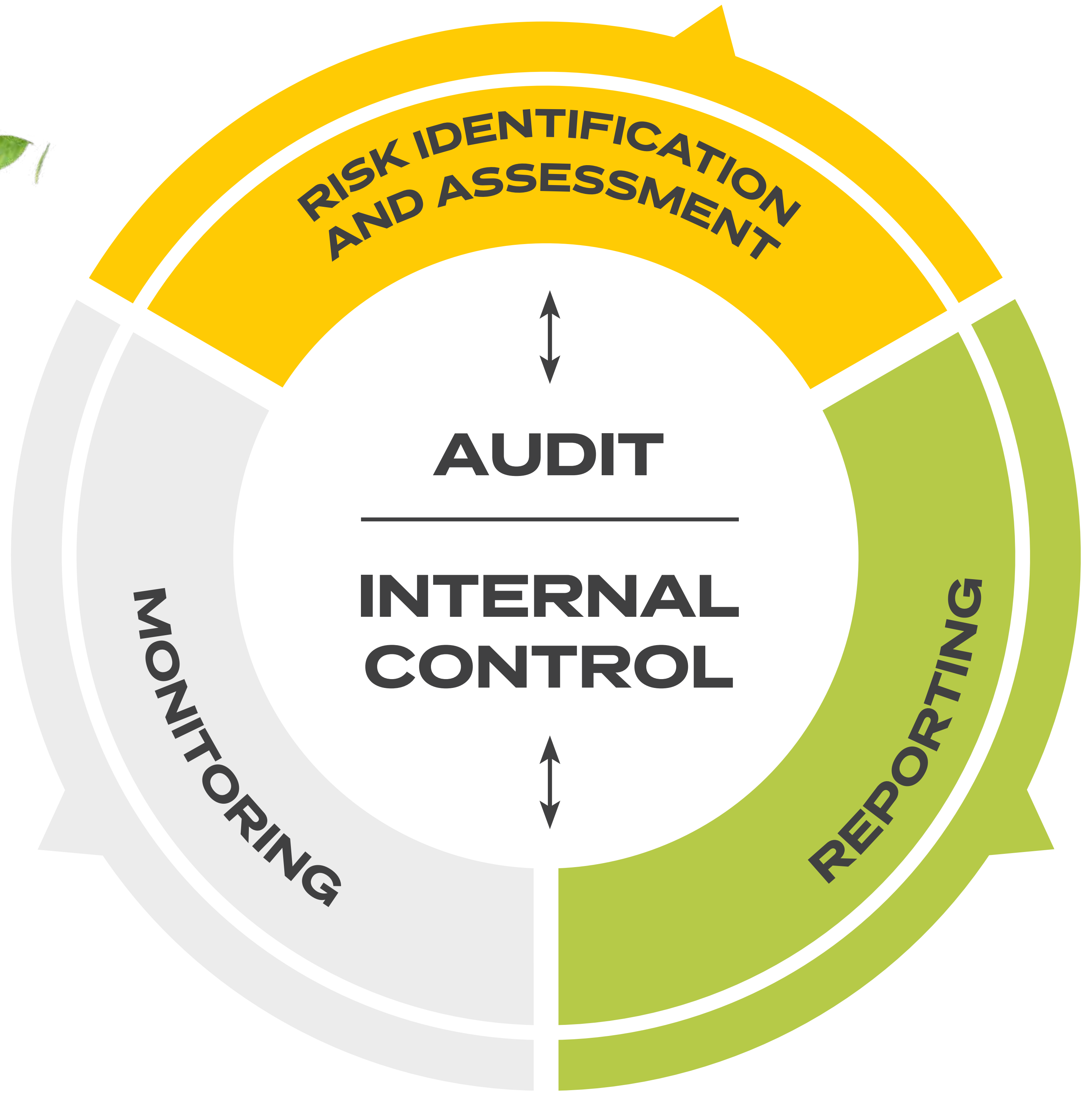
In the ERM process, this team provides the Group Risk Manager with information on risks that may be covered by the ERM system and have been identified as a result of control activities. It obtains information about the risks included in the InPost Group Risk Register and mitigation actions assigned to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

Risk management

The sequence of the ERM process is based on three key steps:

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

- Risk assessment
- Definition of mitigating actions
- Designation of Key Risk Indicator and definition of Risk Appetite
- Definition of Disaster Recovery Plan (for highest-grade risks)



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

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

■ Supervisory Board ■ Management Board ■ Risk Committee ■ Risk manager ■ Risk owner

[GRI 2-25]

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

With the support of the entity's Risk Manager or the Group Risk Manager, the notification of a potential risk is verified in the context of the Corporate Risk Register and the impact of the materialisation of the potential risk on the entity's and InPost Group's operations. If the verification is positive, a business owner is assigned to the risk, and then, with their participation, the risk is subjected to a multidimensional assessment (on a 4x4 matrix). The following points are estimated as part of the evaluation:

1. probability of materialisation (% indicator)
2. the effect of materialisation
   a. financial (expressed as a sum)
   b. reputational (described in a scenario)
   c. environmental (described in a scenario)
   d. in terms of employee health and safety (described in a scenario)

In the process of identifying and assessing climate risks, InPost additionally relies on the support of external experts and uses the results of scenario analyses to seek to assess risks in the 2025, 2030, and 2050 timeframes. After the assessment, each risk is given an appropriate rating, which positions it on the Company's and Group's corporate risk matrix.

Risk management

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

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

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

RISK MATRIX

In 2022, a few significant global events affecting InPost's operations were recorded. The most substantial include:

1. The escalation of war in Ukraine.
2. Reduced supply and increase in energy prices..
3. Decreased supply on the labour market and pressure to increase salaries.
4. Increase in inflation, interest rates and decrease in consumer spending.
5. Persistent problems with the functioning of global supply chains, mainly from Asian countries, as a result of the COVID-19 pandemic.

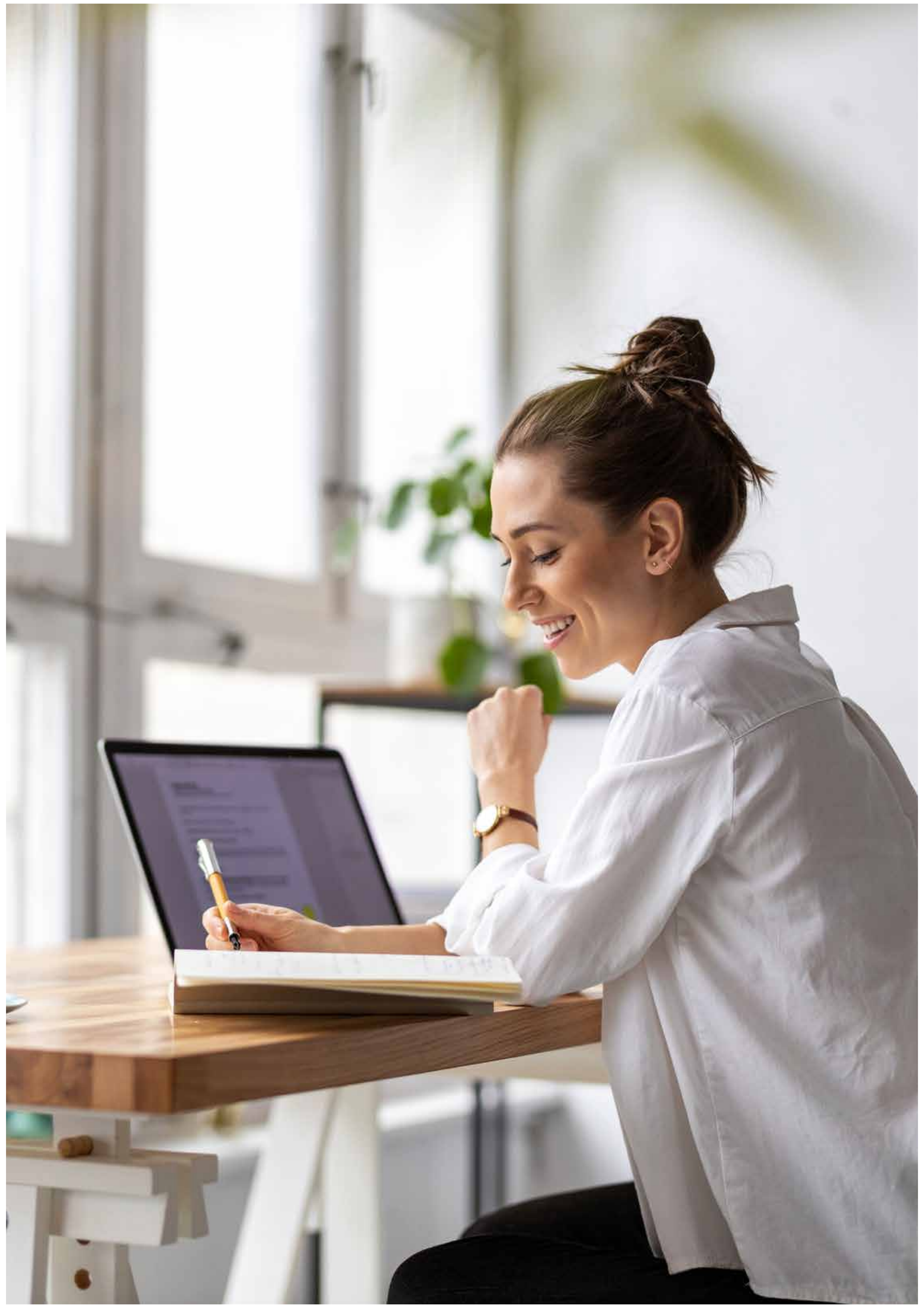
These events led to an escalation of risks related to security, including, above all, information security (risk of cyberattacks, data disclosure). Increased unrest on international markets caused by the war in Ukraine led to the emergence of new market threats (global decline in GDP growth and demand, including demand on the e-commerce market), resulting in the escalation of financial risks (increase in interest rates, fluctuations in exchange rates, credit risk increase). Our response to those risk and mitigation steps taken are presented below.

By the end of 2022, the Register comprised 23 risks, 2 of which were classified as critical, 5 key, 12 medium and 4 low.

PROBABILITY				
4	0	1	1	2
3	0	1	0	1
2	0	3	2	2
1	1	1	2	6
	1	2	3	4

EFFECT

Risk management



MARKET RISKS

The most relevant new challenges for InPost's activity in 2022 included risks resulting from changes in the macroeconomic environment of the Group, especially in terms of inflation.

In 2022, a regularly updated analysis of financial conditions enabled appropriate and timely adjustment of to financial plans and cash flow forecasts to reflect the prevailing market situation. A broader commentary on the mitigation actions taken by InPost in response to financial risks is included in the section Financial statement.

InPost takes active measures to address changes in the e-commerce market. In 2022, new programmes and initiatives were implemented, the main goal of which was to boost InPost's parcel volumes through increased share of wallet with key e-merchants. Volume agreements signed with customers allow us to offer prices that are favourable to them, while ensuring a certain level of volume to InPost. Data from previous years shows that such a solution is a win-win both for customers and InPost itself.

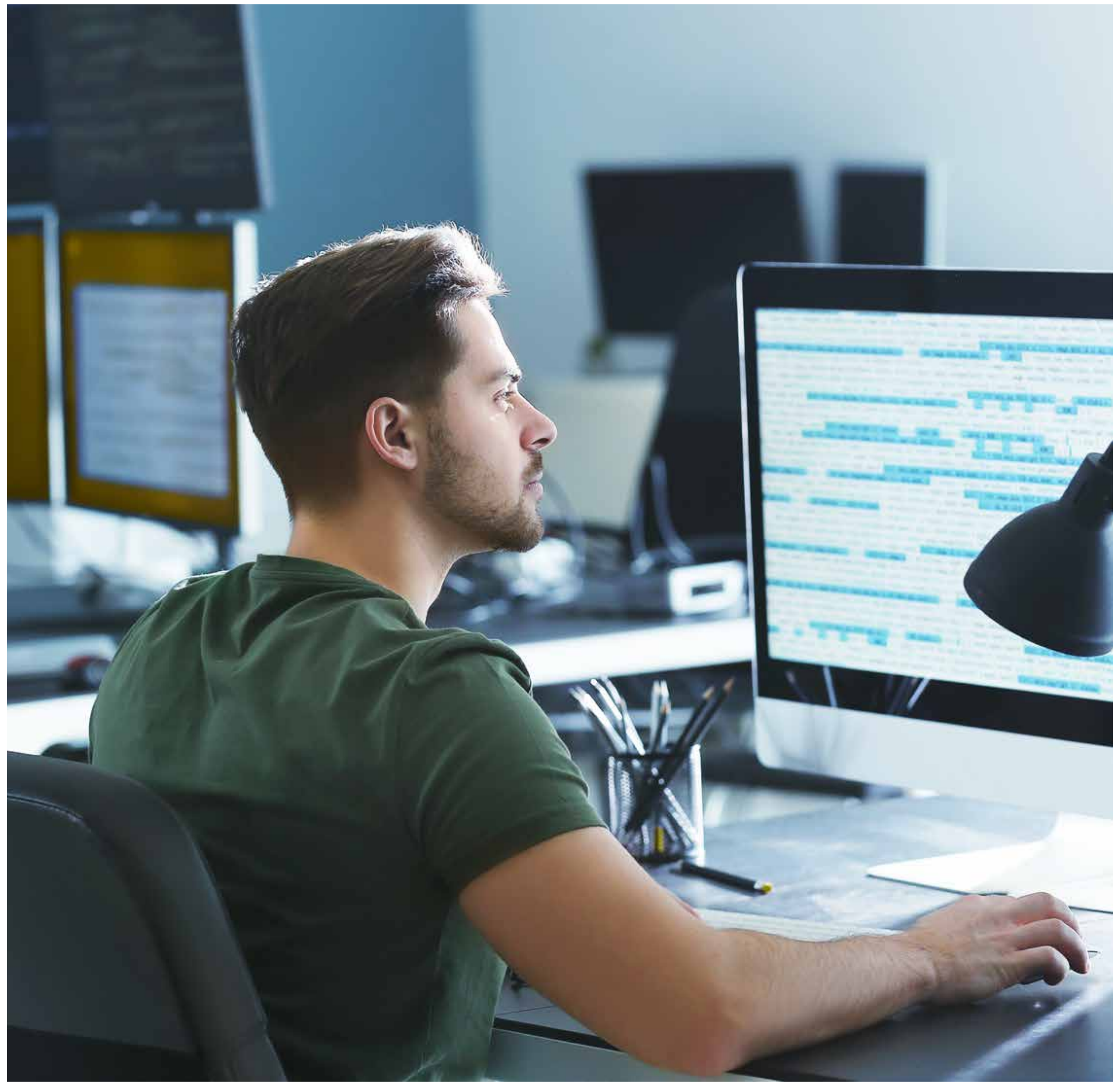
Risk	Rating	Mitigating action
The risk of an increase in debt servicing costs due to a significant increase in interest rates	Critical risk	• Monitoring of macroeconomic context • Change of interest period from 3 to 6 months • Analysis of methods for hedging interest rate risk (derivatives) • Continued testing of sensitivity of operating cash flows and debt interest service cover ratio
The risk of a significant decrease in demand and revenues due to unfavourable changes in the e-commerce market caused by the macroeconomic situation	Critical risk	• Weekly market analyses and demand forecasting – a joint initiative of the Operations, Data Science and Sales departments • Adjusting the product offer to the changing expectations of the market and consumers • Structured programmes for grouping initiatives – searching for new fields of expansion • Repricing – a programme adjusting price lists to changing market conditions
The risk of a sudden increase in the number and value of overdue receivables, difficult to recover from InPost merchants	Medium risk	• Verification of the customer's creditworthiness and commercial history before signing the contract • Debtor blocking system • Internal control and launching work on tightening the credit risk management process • Ensuring proper bad debt insurance coverage (where possible)

Risk management

IT AND DATA SECURITY RISKS

The risk of an attack (internal or external) on InPost's IT systems and infrastructures ranks high on our risk register, as the overall risk of cyberattacks has been increasing globally linked to the ongoing war in Ukraine. This risk is central to the continuity of the Group's operational processes (BCM risk).

In 2022, requirements were developed and implemented in the process related to risk management among IT suppliers. The training programme for employees was also redesigned to increase awareness of IT threats. Since 2022, regular phishing tests are also carried out within the entire organisation, which allow to identify vulnerabilities and increase InPost's resistance to potential cyberattacks. A security system has also been implemented to monitor movements, deviations and possible network threats in real time.



Risk	Rating	Mitigating action
The risk of attack (external or internal) on IT systems or infrastructure	Key risk	• Preparation of Disaster Recovery Plans (DRP) • Use of switching tests • Implementation, testing and fine-tuning of the security system • Vulnerability audits and penetration tests • IT Sec training; On-boarding of new employees with elements of IT Sec
The risk of data compromise (including personal data)	Key risk	• IT Sec security systems • Implementation of a permissions and access management system – limiting access to information • Training to increase employee awareness • Procedures, instructions, internal regulations in the field of personal data protection • Internal and external audits • Introduction of the Register of Data Processing Activities, which is an inventory of all personal data processing activities, including their legality • Performing regular data protection impact assessments • Securing assets (such as computer hardware and other resources) used to process personal data in a manner appropriate to the conducted risk analysis (adequate to threats) • Establishment (described and formalised) of an information security management structure

Risk management

REGULATORY RISKS
On 15 September 2022, provisions of the Polish Postal Law, to which InPost is also subject, changed. Under the new rules, postal operators are obliged to indicate a "guaranteed delivery time" and pay compensation when it is not met.

In 2022, we started adapting our internal regulations to changes in the Postal Law (in effect as of 2023), the amended regulations for Paczkomat 24/7 InPost services and delivery services to locations (APM and D2D) came into force.

At the end of 2022, we communicated changes in customer regulations (in effect as of 2023) resulting from the introduction of the acts implementing into the Polish legal order the so-called "Omnibus", "Goods" and "Digital" Directives", i.e. the requirement of warranty for digital products and services via a mobile application and new requirements regarding consumer withdrawal. It is also worth noting that in mid-2022 InPost launched a new type of APM in Poland (i.e. Screenless APM). The functions it provides require further update on customer regulations.

InPost has also identified the risk related to the changes introduced in 2020 within Polish Construction Law. Its amendment became the basis for municipalities to recognise APMs as buildings subject to real estate tax. The materialisation of this risk may result in the need to settle tax liabilities covering 5 years back from the date of obtaining a tax interpretation unfavourable for InPost and the need to pay tax in subsequent years.

With regard to tax interpretations, InPost is supported by external advisors. Currently, two decisions of the Local Government Board of Appeal and 15 individual interpretations have been obtained which are favourable for the InPost and indicate the correctness of InPost's position in the interpretation of tax regulations in the area of real estate tax. There are currently 6 unfavourable decisions in this regard, and InPost has appealed against them.

Risk	Rating	Mitigating action
The risk of adapting InPost's regulations to changes in the Postal Law – setting a "guaranteed delivery date"	Medium risk	• Internal consultations and analyses regarding the determination of the guaranteed delivery date • Consultations and legal analyses conducted by an external law firm
The risk of unfavourable interpretation of tax regulations – taxation of APMs with real estate tax	Key risk	• Providing detailed explanations in response to inquiries from municipalities (tax authorities in the field of real estate tax) • Commissioning technical and legal expertises, collecting favourable positions of construction supervision authorities issued in other proceedings (in the field of construction law), which may help justify InPost's position • Active participation in ongoing tax proceedings, cooperation with reputable tax advisors in this respect; using available channels of appeal in ongoing tax proceedings

Risk management

HUMAN RESOURCES RISKS
Risks in the area of Human Resources are assessed as medium. Changes in InPost's external environment affecting these risks include: the escalation of the war in Ukraine and the resulting reduced supply of available employees on the Polish market, as well as low supply and high demand for quality specialists. The second half of 2022 indicated that the labour market is changing due to the economic slowdown and an increase in layoffs. In 2023, it is expected that employers, especially in IT, rather than employees will be dictating the hiring process.

The factor determining the increase in the valuation of HR risks is the growing pressure to increase wages in the labour market as a result of higher inflation, along with the construction of other networks of machines for sending and delivering parcels by competitors who strive to attract operational employees from InPost Group. Both risks may result in disruptions in the continuity of business processes and increase the costs of conducting business (in the event of a response to wage pressure).

In 2022, the HR team undertook a number of activities and initiatives that allowed the reduction of the employee turnover rate compared to previous years. The main efforts were focused on the implementation of training and development programmes that shape the career paths of InPost employees. The level of employee satisfaction is also monitored on an ongoing basis, and the results of the research are implemented in the organisation as part of new pro-employee initiatives. All activities executed in 2022 are presented in detail in Sustainability report, [Read more in: We are committed to the development of our employees and Diversity is what lets us grow].

Risk	Rating	Mitigating action
The risk of lack of access and high turnover of operational employees	Medium risk	• Monitoring the level of satisfaction of employees of the Temporary Employment Agency with work • Increasing the number of employees based on employment contracts or mandate contracts • Providing competitive working conditions
The risk of high turnover of qualified employees in the support area	Medium risk	• Ongoing monitoring of employment and turnover by the HR team (trends, market research, information from recruitment) • Study of the turnover rate on an annual basis • Exit interviews, exit monitoring, 'people out of the box' programme, development programme for Strategic Leadership Programme successors • Increase in expenditure on training and the number of training hours per employee • Building a talent pipeline – assessing the potential of employees – building development plans and succession plans • Strengthening the role of HRBP to work with managers responsible for the efficient functioning of their areas • Non-competition agreements for key employees • Bonus scheme and LTIP (ESG section) [Read more in: Remuneration of the Management Board] • Providing attractive career development paths/ policies [Read more in: We grow along the way]

Risk management

SUPPLY CHAIN RISKS

The COVID-19 pandemic and the escalation of war in Ukraine have been causing disruptions in the global supply chains, which may lead to a reduction in the expansion dynamics of the APM network (due to reduced production capacity), and, in extreme cases, to a temporary suspension of equipment production (BCM risk).

These disruptions and the increase in energy prices have resulted in the risk of a significant rise in the prices of strategic components manufacturing components for APM production, products and services used in InPost's operations, driving higher operating costs.

In 2022, the level of supply of components and materials was regularly monitored, while maintaining assumed stock levels. In the event of their unavailability, intervention purchases were made in advance, as part of an extensive network of brokers. Activities are being carried out within the internal R&D department aimed at developing easy-to-manufacture, and thus more accessible replacements for parts and components critical to APM production. Preventive actions in this area allow us to operate without delays, despite the prevailing market conditions.

The mitigation actions taken in 2022, as part of ERM, allowed InPost to significantly reduce the Group's global exposure to risk. Thanks to constant monitoring and an ongoing response to operational events occurring in particular risks, it was also possible to avoid interruptions to the continuity of the Group's critical business processes (APM production, IT services).

Risk	Rating	Mitigating action
The risk of significant delays or suspension of deliveries of subassemblies/ components/materials used in the production of APMs	Medium risk	• Ongoing search for new suppliers / diversification of the supplier base • Cooperation with brokers • Maintaining optimal warehouse stock ensuring continuity of production • Extension and strengthening of market monitoring of individual purchasing categories by the Strategic Purchasing area, by Purchase Department
The risk of significant increases in the prices of strategic components (APM), products and services	Medium risk	• Constant monitoring of the market + searching for less expensive suppliers guaranteeing the expected quality and service • Cooperation of the Purchasing Group with external companies in order to strengthen the merchant power on the market (including joint tenders and market analysis) • Search for alternative technological solutions to currently used components (R&D). R&D solutions are presented in the section R&D at InPost Group

Basis of corporate governance

We take an honest, fair, ethical and transparent approach to all of our activities. Anti-discrimination, human rights, anti-corruption, anti-bribery and whistleblowing are only a few of the topics that we are mindful of in our daily tasks. We have already successfully implemented policies and structures supporting these activities in different countries with positive results. We are continuously evolving and perfecting our comprehensive compliance system, which comprises procedures, solutions and company roles.

GRI 2-23, 2-24

POLICIES IN PLACE

InPost Group's policies define the vectors and standards of conduct in different areas of our activities. Each of these documents is based on the values we have adopted, which are also required from all representatives of our team and stakeholders along the entire chain. The policies comply with international law (Universal Declaration of Human Rights, ILO International Labour Standards and Ten Principles of the UN Global Compact) and are in line with the highest standards. Moreover, InPost's policies provide for the application of due diligence and the precautionary principle.

Each document has been approved by the Management and Supervisory Boards and is publicly available on the company's website, while for Polish employees it is also available on the company's intranet (available in Polish, English and partially in Ukrainian – for Anti-harassment and Anti-discrimination Policy and Whistleblower Policy).

As we grow, we continue to develop new policies and perfect existing ones. The updated version of Supplier Standards of Conduct provide conditions and tools which enable due diligence in the supply chain, including respecting human rights. Our new social policies make up the framework of social engagement and interaction with the environment and wide group of stakeholders [Read more in: Stakeholder management]. In 2023 we also plan to implement and expand the Diversity, Equity and Inclusion Policy (DEI Policy, which will replace the Diversity Policy) to ensure equal treatment of each individual at every stage of interaction with the Group [Read more in: Diversity is what lets us grow]. An important part of the Policy is recruitment. The hiring process is designed and conducted to prevent discrimination, and the Group adheres to a merit-based hiring approach at all levels. All participants of the recruitment process are encouraged to leave feedback and are made aware of the possibility to report any cases of an unprofessional behaviour. Discrimination during employment is strictly prohibited, and the Compliance Officer and HR office monitor all potential instances of discrimination.

All the policies have been developed in close consultation with members across different markets, ensuring that the scope of each policy takes local needs into account.

InPost Group Policies and compliance system

- Code of Conduct
- Anti-Corruption Policy
- Anti-harassment and Anti-discrimination Policy
- Insider Trading Policy
- AML/CTF Policy (Polish subsidiaries, including InPost sp. z o.o. as obliged institution under Polish Anti-Money Laundering Act)
- Whistleblower Policy
- Diversity Policy

GRI 415-1

All employees, contractors and temporary staff are obliged to report irregularities to the Compliance Officer, who is responsible for monitoring concerns raised, conducting preliminary investigations in cooperation with representatives of other departments involved, providing trainings, monitoring relations between staff members, and ensuring that all employees across InPost act in value with the Group. InPost policies provide guidance for practical scenarios of most common cases regarding corruption, conflict of interest, or contacts with Politically Exposed Persons (PEPs) in an accessible way. Although we are involved in the communities in which we live and operate, it is Group policy not to make any cash or in-kind contribution to any political organisation, directly or indirectly through a third party. Hence, in 2022, InPost did not make directly nor indirectly any financial and in-kind political contributions.

Implemented in 2022

- Supplier Standards of Conduct

Implemented in 2023

- Stakeholder policy

To be implemented in 2023

- Social Engagement Policy
- Diversity, Equity and Inclusion Policy

InPost's approach to human rights overlaps with the EU Taxonomy minimum safeguards compliance criteria outlined in Art. 18, along with the documents it refers to: UN Guiding Principles for Business (UNGPs) and Human Rights and OECD Guidelines for Multinational Enterprises. So far, we have adopted and embedded a commitment to respect human rights in our publicly available policies (Code of Conduct; Supplier Standards of Conduct; Diversity). We have also developed a Diversity and Inclusion Policy, which will be implemented soon. The next steps towards improving due diligence processes to comply with EU taxonomy, CSRD and CSDDD are described in the section: Developing standards in cooperation with business partners.

GRI 205-3

In our activities, we do not tolerate violations of the law, and we look to our stakeholders to maintain integrity. Stakeholders used whistleblowing reporting to share their questions and raise concerns. We had almost 6 inquiries related to anti-corruption[1] which proved that employees showed caution when approaching situations with a risk of corruption. We also observed 11 reports of conduct in Poland which were not in line with our company values, while 6 of them were not confirmed or deemed unsubstantiated.

There were five confirmed violations of the Company's values, including three material incidents and two incidents below the materiality threshold. One material incident related to anti-harassment policy (described in detail under GRI 406-1) and two material incidents related to anti-corruption policy when the contracts with business partners were terminated due to violations classified as fraud. Of the two incidents related to anti-corruption policy, one case involved embezzlement of funds from collections by a courier providing services for one of the carriers and the other involved irregularities in time recording and the occurrence of fictitious employment in one of the branches. Both incidents have been resolved and the receivables have been settled. Corrective measures have been taken, involving the verification of persons performing courier duties and their authorisations, strengthening the system of internal control over the hiring process, production planning and performance monitoring as well as introducing random controls in this regard.

Moreover, a communication prepared in cooperation with the Compliance Officer was issued to all employees, reminding them of the compliance policies in place and encouraging them to report alleged irregularities via available communication channels. A series of compliance-related trainings for employees was conducted in November and December 2022. All incidents reported by the Internal Audit Department, the CFO, and those included in quarterly reports are submitted to the Audit Committee. Due to the sensitive information contained in these reports, they are available for review only by auditors within the company's legal department.

GRI 205-1

As part of the process of identifying and assessing corporate risks carried out in 2022, no corruption risk was identified in any of the areas of InPost's operations. Exposure to corruption risk is monitored and, if identified, will be covered by the ERM process. However, due to two identified corruption cases in 2022, a decision was made to conduct an extensive corruption risk assessment based on surveys addressed to the management. The study will be carried out after risk management structures are established in the entire InPost Group.

GRI 2-27

However, we have not recorded confirmed cases of non-compliance with laws and regulations, which would result in the need to pay any material fines[2]. With regard to the proceedings and fines below the assumed materiality threshold, InPost Paczkomaty sp. z o.o. was charged with the following fines: PLN 91,740.70 for the occupation of the road lane by APMs in connection with ten administrative proceedings conducted (this amount has been paid by the company) and PLN 107,500.00 for the installation of APMs in a conservation area without the required conservation permit (the decision concerned 43 APMs and has been appealed to the Minister of Culture and National Heritage). The total amount of penalties imposed on the Company equals PLN 199,240.70. There were no public corruption lawsuits against the organisation or its employees in 2022.

> Trust and open dialogue are the foundation of a well-functioning compliance system. That is why in 2022, our support for employees in solving dilemmas in the field of ethical conduct was even stronger than in the previous years. Several training sessions, webinars and day-to-day communication resulted in an enormous increase in compliance awareness amongst employees. And what is crucial – we have their trust that the system works."
>
> **Arleta Adamus,**
> Group General Counsel, Group Compliance Officer

1 GRI Standard defines corruption as: abuse of entrusted power for private gain, which can be instigated by individuals or organisations. Note: Corruption includes practices such as bribery, facilitation payments, fraud, extortion, collusion, and money laundering. It also includes an offer or receipt of any gift, loan, fee, reward, or other advantage to or from any person as an inducement to do something that is dishonest, illegal, or a breach of trust in the conduct of the enterprise's business. This can include cash or in-kind benefits, such as free goods, gifts, and holidays, or special personal services provided for the purpose of an improper advantage, or that can result in moral pressure to receive such an advantage.

2 Fines with a value equal to or exceeding approx. EUR 30,000 are considered material (exchange rate EUR/ PLN 4.77).

Basis of corporate governance

GRI 2-25, 2-26

APPLIED SOLUTIONS: WHISTLEBLOWING AND EDUCATION

In order to respond effectively to matters of compliance, we have been refining our system and developing structures and procedures which cover all our markets, fitting solutions to wherever necessary. We provide clear ways to report and mitigate non-compliance for all stakeholders in our value chain.

The effectiveness of the system is improved by increasing compliance, HR and a legal presence across our markets. Both functions act as primary local points of contact for resolving issues and providing clarification. We are expanding our teams, providing them with the best tools to do their job by organising training sessions and educational materials relevant to the scopes of the policies we have adopted. In 2022, we conducted a series of workshops which aimed to engage representatives of the different markets in which we operate and increase awareness about how we can fulfil our professional responsibilities according to the rules and values we have defined for our business.

Finally, there can be no effective compliance system without a well-functioning mechanism for raising complaints or concerns. We believe in whistleblowing based on accessibility, anonymity, confidentiality and non-retaliation. All stakeholders – both internal and external – can use a wide range of channels, available 24/7, to provide feedback or raise concerns about unethical or illicit behaviour.

Whistleblowers can provide information by:

- e-mail: compliance@inpost.pl or compliance@inpost.eu;
- traditional post addressed to the Compliance Officer;
- the SpeakUp whistleblowing platform available as a mobile app or via the website.

All channels of communication are available 24/7. In addition to Polish and English, in 2022 we added the ability to make reports in any of the languages used across the organisation: French, Italian, Portuguese, Spanish, German, and Dutch (the Netherlands and Belgium).

GRI 2-16

Whistleblowing reports are analysed through a case-by-case approach by the Compliance Officer who informs the Audit Committee of new material report, submitting quarterly a written summary of actions taken and the results of the investigation. All material concerns are reported quarterly to the Audit Committee. Staff members are obliged to report alleged irregularities to the Compliance Officer or, if an alleged irregularity regards the functioning of one or more members of the Management Board or the Compliance Officer directly to the Chairman of the Supervisory Board. The Supervisory Board can independently initiate a preliminary investigation when the Management Board or the Compliance Officer are involved in alleged irregularities. A detailed description of the procedure for verifying reports and the resulting proceedings can be found in the Whisteblower Policy.

GRI 406-1

In the reporting period a total of four incidents relating to anti-harassment policy were reported in Poland, of which one was confirmed and classified as material. An anonymous worker reported an alleged incident of unequal treatment by their leader. An internal investigation confirmed the irregularities. The person in respect of whom the report has been filed was instructed by his supervisor that their behaviour was incompatible with the organisational culture and constituted a violation of the anti-harassment and anti-discrimination Policy and their contract was terminated. The whistleblower was provided with information summarising both the results of the investigation and remedies undertaken by the Company and had not come back with any remarks. The proceedings were closed and the incident is no longer subject to action.

The Company, as part of corrective measures and in order to prevent similar violations in the future, issued email communication to all employees, reminding them of existing compliance policies and encouraging them to report suspected violations. Training on whistleblower policy was conducted in December 2022.

GRI 205-2

The efficiency of the compliance system is increased thanks to the exchange of knowledge, best practices and solutions used in different markets. A great example is the mechanism related to anti-corruption and anti-bribery implemented in Mondial Relay. The Policy is not only available on the intranet and communicated formally to staff representatives, but it also was discussed during all-staff meetings held on a monthly basis. Each employee had an opportunity to familiarise themselves with a series of examples explaining the Policy and to directly ask questions or raise concerns.

Basis of corporate governance

GRI 205-2

	Percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to	Percentage of employees that have received training on anti-corruption
InPost Group	**96.5%**	**58.2%**
Management Team (n-1)	82.2%	73.3%
Middle Management	98.5%	75.6%
Other employees	96.0%	52.1%
Management Board	66.7%	66.7%
Supervisory Board	100.0%	42.9%

COMMUNICATION AND TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES

List of trainings conducted in Poland in 2022:

	Type of training and test taken	Participants
1.	Training on Compliance Policies in InPost Group dedicated to Staff	2,124 participants completed the training and the test
2.	Training on Compliance Policies (including Anti-corruption policy) dedicated to the Management Team, conducted by the Compliance Officer	13 participants, out of 14 Management Team Members (93%)
3.	Training on Anti-Corruption Policy in InPost Group dedicated to the Supervisory Board Members	3 out of 7 Supervisory Board Members completed the training and the test (43%)
4.	Training on Anti-Corruption Policy in InPost Group dedicated to Staff. The target group included employees with daily computer access who, due to their responsibilities, may be at risk of corrupt behaviours. The training included a presentation containing substantive issues and a test.	3,360 out of 3,619 enrolled participants completed the training and the test (93%).
5.	Training on Whistleblower Policy in InPost Group dedicated to Staff. The target group included employees with daily computer access. Other employees had an opportunity to familiarise themselves with the communication on whistleblowing rules and channels posted on the bulletin board in each branch. The training included a presentation containing substantive issues and a test.	3,283 out of 3,636 enrolled participants completed the training and the test (90%).
6.	AML e-learning was provided to employees	An invitation to complete the training was sent out to the targeted employees, of whom 362 attended the training (88%). The course was passed by 93% of those who took the training.

Regardless of the above, the Legal Department conducted individual training sessions with 10 employees of DAS (The Administration and Sales Support Department), 3 Project Managers and one global sales manager. In addition, a mandatory element of the onboarding process for new members is also a mandatory online training on Compliance Policies.

Due to the fluctuating number of employees over time, the company is unable to indicate with complete accuracy the percentage of people trained in relation to the number of employees currently employed. The Company directed the trainings primarily to the staff members who, considering the scope of their responsibilities, may be at risk of corrupt behaviours.

In 2023, we plan to conduct a larger number of trainings and cover even more employees.

Basis of corporate governance

GRI 2-6, 2-24, 3-3

DEVELOPING STANDARDS IN COOPERATION WITH BUSINESS PARTNERS

Our policies are the tools we use to improve our cooperation with business partners. They support risk management, business continuity, protection of employees and workers' rights, as well as concern for ESG within the value chain. Currently, the system that regulates our relations with external stakeholders is based on two documents: Code of Conduct and Supplier Standards of Conduct. However, we acknowledge the need to extend our due diligence procedures to all groups of business partners, and as a result we plan to add the Business Partner Code of Conduct which will be adjusted to the needs of smaller entities with limited resources to comply to the complexity of due diligence procedures imposed by EU regulations, yet of paramount importance to our operations. The management of current scope of due diligence procedure and its designed extension lies in the Purchase department.

In 2022, we made strides to complete the Supplier Standards of Conduct and communicate it to the people we cooperate with. We updated the content by adding ESG-related provisions, including those ensuring protection of human rights. An increasing number of contracts with suppliers contained supplier compliances clauses. We also published the document on the Company's website and the pages of our local companies in corresponding languages. We communicated the Supplier Standards of Conduct to the top 20 suppliers of products in each country and received a signature confirming their approval. We were also unique in providing access to the SpeakUp platform for reporting irregularities, making us stand out among other companies in the industry. The issues that can be reported include both irregularities related to suppliers, their employees and contractors. Finally, we conducted internal training to ensure the Supplier Standards of Conduct was implemented correctly.

Activities planned for 2023 will continue to perfect the Supplier Standards of Conduct and support the Business Partner Code of Conduct, which will enable the fulfillment of CSRD and SCDDD requirements:

Risk analysis and categorisation of suppliers

We intend to conduct a risk analysis and categorise suppliers according to the obtained results. They will include an analysis of purchase expenditure within InPost Group, the creation of purchase categories and the risk level assessment associated with a product or service. We also plan to establish the rules for regular verification and risk assessments for new purchase categories.

Implementation of the Supplier Standards of Conduct across all categories

We plan to implement the Code in all purchase categories and defining tools to verify its effectiveness. We will define procedures regarding initial and subsequent supplier evaluation in the scope of minimum safeguards and compatibility with the Supplier Standards of Conduct.

Support for Suppliers in Implementation

In order to ensure that the Supplier Standards of Conduct are adopted, we want to provide support to suppliers in its implementation. This will be done by establishing a process to obtain consent from new suppliers, along with being granted full consent from existing suppliers across all markets. To simplify the process, we intend to develop tools to obtain consent, its archivisation, and the evaluation of suppliers through questionnaires, monitoring and reporting. We would also like to prepare materials for both suppliers and merchants, which will help answer questions related to the content of the Supplier Standards of Conduct or to present the rules in an approachable manner through FAQs, playbooks, and short videos which will be uploaded to the InPost websites.

Definition and implementation of Business Partner Code of Conduct

We aim to describe and implement the Business Partner Code of Conduct. To achieve compliance, we want to define strategies for implementing the Business Partner Code of Conduct, such as obtaining consent, training and communication. In order to facilitate its implementation, we plan to prepare processes, procedures, materials and the tools necessary, such as training couriers in Operational Departments. We will also describe repercussions in the case of irregularities or adverse events related to the Business Partner Code of Conduct.

Basis of corporate governance

The structures within the company are growing and we are becoming a more complex entity. However, we continue to monitor the integrity of our employees, suppliers, and business partners with utmost care. We only choose to work with ethical companies and those who fulfil our criteria for our cooperation and social criteria. This also encompasses temporary staffing agencies. In 2022, we made a decision to cease cooperation with temporary work agencies and suppliers from Russia and Belarus. Since the questionnaires were first sent out on 1 April 2022, no supplier has responded that they cooperate with these countries. In addition to this questionnaire, new suppliers are also screened using the Know Your Customer verification process.

Tax strategy

GRI 207-1

TRANSPARENT STRATEGY ON TAX GOVERNANCE

We conduct all of our business according to our Tax Strategy, which has been in effect since 2020. The strategy is aligned with InPost's organisational values and business strategy and is closely monitored by the Management Board. The key objectives of the tax strategy include compliance with local tax laws and taking the opportunities presented by reliefs, exemptions and deductions, to which the company is entitled by law. In practice, this includes full compliance with the most up-to-date tax laws through the implementation of optimised procedures and processes, while minimising ambiguity and tax risks. All tax consequences are considered when making business-related or economic decisions.

When approaching tax-related matters, we are aided by both people and technological solutions. Compliance is achieved by employing knowledgeable, trusted tax specialists, providing trainings for employees responsible for decisions related to taxes, and seeking the assistance of external tax advisors and software. The Group acknowledges the role of technology for tax-relevant data management by using specific programmes developed by a reputable external company to ensure the proper calculation and verification of tax settlements.

InPost is fully compliant with the DAC 6 Directive, as well as ATAD2 and CFC Directive and we conduct all of our reporting activities in a timely and regular fashion.

TAX COMPLIANT BEHAVIOUR

Our approach to taxes is reflective of the due diligence we apply in our business. InPost Group submits its tax returns and pays its taxes in a timely manner, and we believe that taxes should be paid in the communities where our economic activity occurs. The tax strategy takes the spirit of the law into account by stating that it does not engage in aggressive tax planning, and it limits its cooperation with entities located in tax havens. The Group mitigates tax risk by adopting an interpretation of tax law that minimises the risk of litigation with tax authorities if ambiguous interpretations of tax law occur. These actions are an indication of our commitment to fulfil legal obligations.

GRI 207-3

In our relationship with tax authorities, InPost aims to stay grounded in mutual respect and trust by focusing on transparency and clarity in the fulfillment of tax obligations. We engage in direct cooperation with tax authorities and consider employing their expertise on ambiguous tax matters.

We keep stakeholders accountable and informed of our tax strategy in our organisational guidelines. Specifically, all individuals within the company who engage in tax-related activities are obliged to follow the Code of Conduct. According to its provisions, lobbying and political activities are forbidden, including in tax-related matters. We also maintain transparency towards our stakeholder groups and communicate our tax policy openly, with consideration for their values and interests. You can read more about how we stay in touch with our stakeholders in Stakeholder Management section.

In order to be more transparent, the company provides data on current corporate income tax payments, accrued corporate income tax, profit before income tax, accumulated earnings and FTEs on a country-by-country basis.

GRI 207-4 **Country-by-country reporting**

Country of tax jurisdiction	Name of the resident entity	Primary activities	Number of employees
Luxembourg	InPost S.A., InPost Technology S.a r.l	Holding company. IT services.	3
United Kingdom	InPost UK Ltd.	Logistics and courier services.	99
France	Mondial Relay SASU, Integer France SAS	Holding company. Logistics and courier services.	1,411
Italy	Locker InPost Italia S.a r.l.	Logistics and courier services.	65
Poland	InPost Sp. z o.o., InPost Paczkomaty Sp. z o.o., Integer.pl S.A., Integer Group Services Sp. z o.o., InPost Technology S.a r.l. Branch in Poland	Holding company. Logistics and courier services. IT services (branch).	4,289
Belgium	Mondial Relay Branch in Belgium (BE)	Logistics and courier services.	72
Netherlands	Mondial Relay Branch in Netherlands (NL)	Logistics and courier services.	12
Spain	Mondial Relay Branch in Spain (ES)	Logistics and courier services.	197
Portugal	Mondial Relay Branch in Portugal (PT)	Logistics and courier services.	15
Total			6,163

Tax strategy

GRI [207-4]: Country-by country reporting in million PLN													
Country of tax jurisdiction	Revenues from third-party sales		Revenues from intra-Group transactions		Profit/loss before tax*		Tangible assets other than cash and cash equivalents*		Corporate income tax paid on a cash basis		Corporate income tax accrued on profit/loss*		Reasons for the difference between corporate income tax accrued on profit/ loss and the tax due if the statutory tax rate is applied to profit/loss before tax.
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
Luxembourg	0.0	0.0	6.0	0.0	(1,527.1)	(95)	38,286.1	39,635.0	0.0	0.0	0.0	0.0	
United Kingdom	175.4	66.3	0.0	0.0	(246.7)	(129.4)	469.9	281.9	0.0	0.0	0.0	0.0	
Poland	4,168.0	3,421.6	2380.7	2,373.5	1,300.1	1,171.6	6,404.5	5,762.7	148.9	201.9	214.4	219.8	
Italy	32.0	2.34	64.9	0.0	(28.1)	(23.6)	151.6	29.9	0.0	0.0	0.0	0.0	
France	2,160.3	1,091.7	150.5	11.9	66.0	24.8			46.2	41.1			
Belgium	248.1	-	56.9	-	39.6	-			20.3	-			
Netherlands	40.7	-	18.8	-	(6.3)	-	3,862.0	3,295.1	0.0	-	36.4	38.9	
Spain	214.9	-	84.6	-	12.7	-			4.2	-			
Portugal	20.8	-	5.9	-	(5.3)	-			0.0	-			
Other European countries	0.0	0.0	0.0	0.0	(0.1)	(3.4)	0.0	0.02	0.0	0.0	0.0	0.0	
Rest of the world	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
TOTAL	**7,060.2**	**4,581.9**	**2,768.3**	**2,385.4**	**(395.0)**	**944.5**	**49,174.1**	**49,004.6**	**219.6**	**243.0**	**250.8**	**258.7**	

Methodology: in 2021 data was not collected seperately for Belgium, the Netherlands, Spain and Portugal
*Standalone data, don't reconcile to consolidated data

Tax strategy

GRI 207-2

TAX GOVERNANCE AND RISK MANAGEMENT

We have established pathways of communications and oversight within the Group to maintain seamless tax governance, risk management and controls. The Supervisory Board and Management Board communicate regularly about strategy, deciding on approaches to minimise tax risks. Quarterly reviews and updates to the tax strategy are conducted by Management, ensuring that the most recent, relevant information is included. They also ensure the tax strategy is aligned with the Group's Code of Conduct. The Supervisory Board discusses and reviews the Group's compliance with the tax policies and frameworks it has established. The Management and the Tax and Accounting Departments, supervised by the Chief Financial Officer, are responsible for the accurate settlement of the Group's tax obligations, and all processes within tax governance are monitored by internal controls and external audits. All employees are bound by the Code of Conduct and Whistleblower Policies, including policies on how the Group approaches taxes. Employees who make decisions related to taxes are trained in response to new tax laws, and additional specialists are engaged when necessary.

Proper tax risk management, including the use of the assistance of reputable tax advisors, is extremely important from the point of view of properly securing the Group's tax position. It has become even more important, especially in the last few years, when we can clearly observe unstable and continuously changing tax environment in some of the jurisdictions we operate (e.g. Poland, Luxembourg, France), imposing more and more new obligations on taxpayers, not only in the scope of tax payments but also in the scope of tax reporting. It significantly burdens accounting departments and often, due to ambiguous formulated obligations, increase the risk of error, and thus the risk of fines related to incorrectly fulfilled obligations.

Detailed tax procedures, i.e. the procedure preventing violations of the provisions concerning withholding tax payments, the procedure on formal conditions for verifying contractors in terms of preventing VAT fraud, the procedure on mandatory disclosure rules on tax schemes, transfer pricing policy rules in intercompany transactions, and other procedures adopted and implemented within the Group have been developed as a consequence of the tax strategy and the rules of conduct indicated above. They enable persons responsible for tax settlements in the Group to properly perform their duties. This safeguard decreases the risk of error regarding taxes and the exposure of the Group to the consequences of irregularities in their tax settlements.

The first step in taking action is the identification of tax risks. The risk of unfavourable interpretation of tax regulations is included in the ERM system and is monitored and managed according to the company's internal system, ensuring the transparent, current, and relevant flow of information. In the event of decisions that are unfavourable for the Group, its companies strive to provide detailed explanations in response to inquiries from tax authorities regarding tax regulations. This action serves to maintain satisfactory cooperation with tax authorities, dispel any doubts they may have, and prevent the initiation of tax proceedings. In order to justify the credibility of the position presented by the Group, supporting evidence is collected, including technical or academic expert opinions, legal opinions, or favourable positions of other authorities issued in other proceedings.

The main principles of task risk management in the Group are active participation in ongoing tax proceedings, written responses to the arguments of the tax authority, cooperation with trustworthy tax advisors, as well as the use of available legal remedies in tax proceedings. Key tax risks are described in the risk management section, under Regulatory Risks.

The final entity monitoring taxes at InPost is the Audit Committee. Its role is to review internal controls and risk management procedures within the scope of taxation, confirming their adequacy and effectiveness. It also analyses and assesses tax risks, reflecting our cautious approach, and aiming to minimise the likelihood of disputes in case of ambiguous regulations. Moreover, the Audit Committee discusses financial statements and procedures for AC year planning, interim financial and audit results, and the evaluation and compliance of InPost's Code of Conduct, Tax Policy, and risk management evaluation.

In addition to ensuring that the procedures are compliant with tax laws and regulations, the Audit Committee verifies the results of the assessment of financial and accounting processes as well as key control procedures and proposed corrective actions. It examines reports and recommendations of regulatory or control authorities regarding the Group's operations with the provisions of law and monitors the removal of any deficiencies if such a situation has occurred. The Audit Committee also monitors the Management Board with regard to the Group's tax policy as well as compliance with the recommendations and follow up to feedback given by external and internal auditors. It oversees guidelines and policies with respect to risk management, including major financial risk exposure and the steps taken to monitor, mitigate and control such risks.

Share Information

The Company's issued share capital amounts to EUR 5,000,000 divided into 500,000,000 shares of EUR 0.01 each (the "shares"). The shares have been created in compliance with Luxembourg law. All shares are fully paid and registered. At the year-end 2022, the total number of ordinary shares used was 500,000,000. The Company's shares have been listed on Euronext Amsterdam since 27 January, 2021. The Company adopted the Insider Trading Policy, which outlines the rules applying to trading in InPost securities, to ensure proper treatment of Inside Information and to avoid insider trading or market manipulation. It applies to all employees, incidental insiders, permanent insiders and managers of InPost Group. It promotes compliance with the Market Abuse Regulation and Luxembourg Market Abuse Law. In compliance with the Insider Trader Policy.

SHAREHOLDER STRUCTURE

The Luxembourg Transparency Law, the Luxembourg Transparency Regulation and Dutch Financial Supervision Act require investors who hold a share interest or voting interest exceeding (or falling below) certain thresholds to notify their interest with the Commission de Surveillance du Secteur Financier ("CSSF") in Luxembourg, the Company and the Authority for the Financial Markets ("AFM") in the Netherlands. Based on this information, to the company's knowledge, shareholders holding more than 5% in the capital are as follows.

SHAREHOLDER STRUCTURE

	Shares	% of shares	Voting rights	% of voting rights
Advent International Corporation	230,111,829	46.02%	230,111,829	46.02%
A&R Investments Ltd (1)	62,268,198	12.45%	62,268,198	12.45%
The Capital Group Companies Inc	31,313,553	6.26%	31,313,553	6.26%
GIC Private Limited, Singapore	25,045,941	5.01%	25,045,941	5.01%
Other	151,260,479	30.26%	151,260,479	30.26%
TOTAL	**500,000,000**	**100.00%**	**500,000,000**	**100.00%**

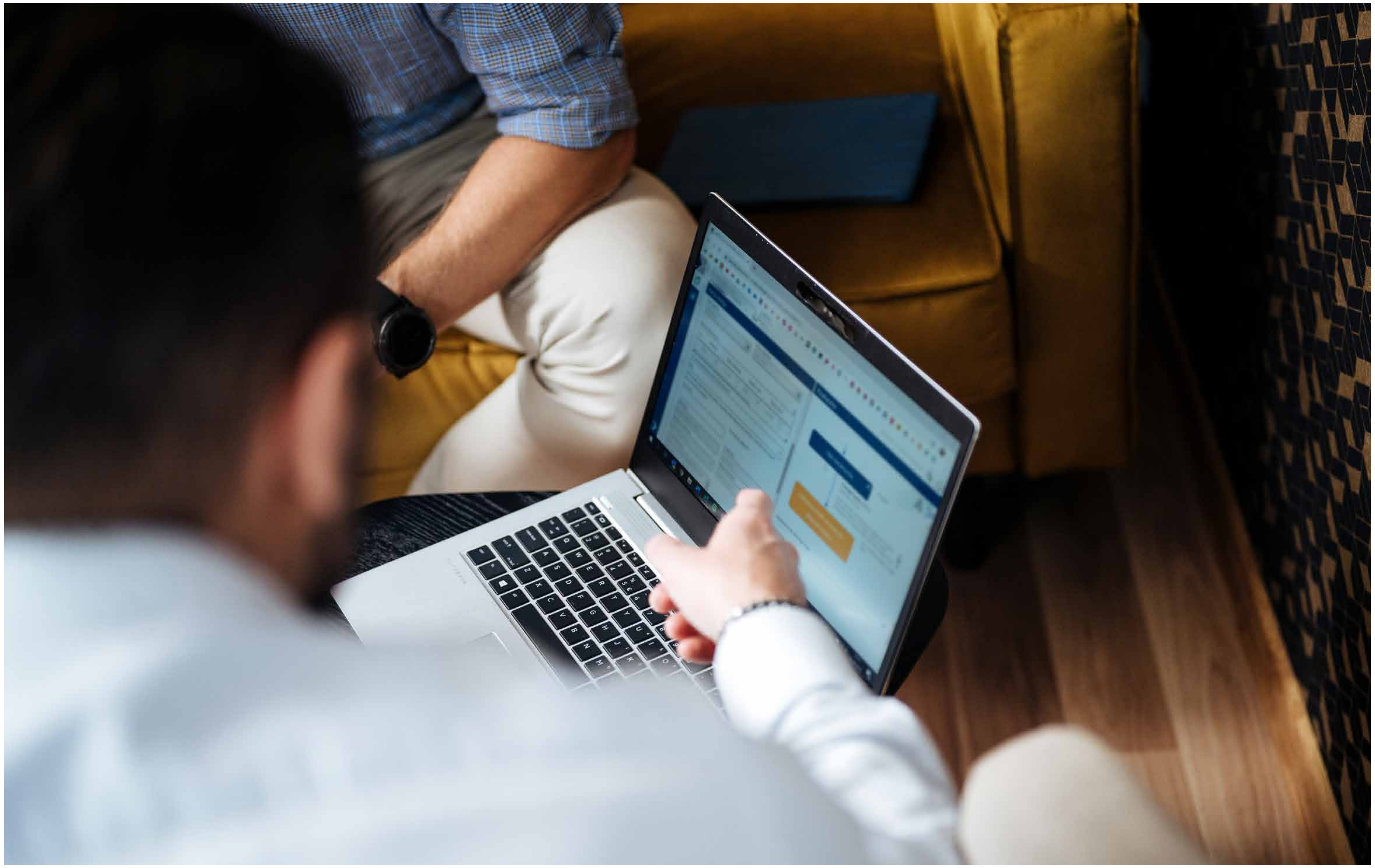
1. A&R Investments Limited ("A&R") is a Maltese limited liability company established indirectly with the participation of Rafal Brzoska, who currently holds a direct 2.27% shares in the company. 96,98% of its shares are held by the Life & Science Foundation, which was established and is operating under the laws of the Principality of Liechtenstein

Shares owned by Management, Supervisory Board and Executive Committee members:

Name	Role/link with designated person	Number of shares
Rafał Brzoska	CEO InPost S.A	62,321,598
Mark Robertshaw	Chairman of the Supervisory Board InPost S.A.	3,296,595
Michael Rouse	CEO International InPost S.A.	249,434
Ralf Huep	Member of the Supervisory Board	220,000
Adam Aleksandrowicz	CFO InPost S.A.	31,864
Damian Niewiadomski	Member of the Executive Committee InPost S.A.	28,181
Dariusz Lipiński	Member of the Executive Committee InPost S.A.	15,285
Marcin Pulchny	Member of the Executive Committee InPost S.A.	9,755
TOTAL		**66,172,712**

Share Information

In June 2022, from the 14th to the 16th, the Company acquired 500,000 shares to fulfil employee incentive schemes. The shares' nominal price was EUR 0.01, and the average purchase price was EUR 5.17 per share. Over the course of the year, the Company distributed 141,956 shares to qualified employees through the incentive programmes.
As of December 31, 2022, the Company held 358,044 treasury shares, equating to 0.07% of the share capital.
In 2022, no dividends were paid or proposed for payment. The Company will consider paying a dividend in the medium term, while maintaining financial flexibility, to invest in its growth, both organically and inorganically.



Sustainability report

Sustainability progress

"InPost Group is fully committed to meeting expectations regarding key ESG areas: accessibility, sustainable consumer habits, equal work opportunities, workplace health and safety, and the development of green technologies and procedures in the production of parcel lockers and logistics. In response to the needs of customers, investors, local communities, and employees, we are fulfilling our sustainable development agenda. We treat each step taken as another tool for the Group's integration - only a year has passed since the implementation of the ESG strategy, and we can already boast of our first successes in this field. The most significant achievement has been the development of a decarbonisation strategy covering all the markets in which we operate. We have set a clear path, thanks to which we will consistently reduce our emissions along the entire value chain."

Izabela Karolczyk-Szafrańska,
Chief Marketing Officer

ESG

as a top priority – ESG Committee appointed by the Supervisory Board

Support

for Ukraine – approx. PLN 23.4m total support (InPost, Rafał Brzoska Foundation, Omenaa Foundation)

Development of sustainable services:

- ECOreturns – over 46,408 kg of products donated and over 60% of them gained a second life
- Screenless AMPs – convenience and energy saving by 53% in central module, lower CO_2 emissions

Decarbonisation strategy

- highest possible target among European logistics companies – NET-ZERO by 2040 validated by Science Based Target initiative (SBTi)
- data-driven 1.5°C decarbonisation pathway – Scope 1-3 carbon emissions calculated across all markets in line with GHG Protocol
- reduction targets approved by SBTi

Strengthening human capital

- employee engagement monitored in (Poland and France)
- at least 50% employee engagement according to the Kincentric methodology (51% In Poland, 50% at the Group level)

2022 highligths

Investment in the EV fleet

- largest last-mile EV fleet in Poland – 463 cars at the end of 2022
- last-mile micro electromobility pilot programme with cargo bikes
- 221 charging stations in Poland (branches/publicly available)

Development of the InPost Green City Programme

- over 40 partner cities in Poland
- launch of the programme in France

ESG at a glance

2022 was an important year for us when it comes to ESG, with major events taking place. To highlight how important sustainable development is to us, we launched ESG Committee by the Supervisory Board. Its members will use their knowledge and experience to support both the Supervisory and Management Board in managing progress to fulfill our ambitious ESG commitments. To further strengthen governance, we included ESG factors in the newly built ERM system to make sure that ESG risks, especially those climate-related, are well managed and we have included long-term scenarios in our business planning.

Secondly, we built the Decarbonisation Strategy. We based it on solid CO_2 emissions calculations (done for all markets, with estimations for Portugal, Italy, UK and Netherlands, due to their scale) and we transformed the data into ambitious reduction targets. They were submitted for verification of the SBTi and gained its approval.

This was the first full year since the launch of the ESG strategy, so the majority of our activities have been conducted at the local level, adjusting their scale to the maturity of each market. We have simultaneously built structures enabling the growth and inclusion of developing markets to fulfil our commitments in the coming years. We have managed to implement many projects across markets, thanks to which we will gradually expand the scale of our positive environmental, social and economic impact.

ESG at a glance

Pillar	Thematic area	Commitment by 2026	Status 2022
IN_Client **WE CHANGE the lifestyle of tomorrow**	We create innovative and sustainable services	We define the direction of changes in the industry by implementing at least two sustainable consumer solutions in e-commerce per year.	2 services launched (ECOreturns, Screenless APMs)
	We improve the quality of life in cities	InPost is the first choice of customers (industry leading NPS on all markets).	NPS 62 (leading in PL)
	We are part of local communities	We are a key player in local communities by creating community involvement programmes reaching 2m beneficiaries.	Beneficiaries: 350,000
IN_Planet **WE DELIVER low-carbon e-commerce**	We are committed to decarbonisation, especially through the continuous improvement of operational efficiency	We commit to reducing absolute Scope 1 and Scope 2 GHG emissions 42% by 2030 from 2021, the base year. We commit that 69% of our suppliers by emissions covering categories who purchased goods and services, capital goods, and upstream transportation and distribution, and will have science-based targets by 2027. We commit to reaching NET-ZERO GHG emissions across the value chain by 2040. We commit to reducing absolute Scope 1&2 GHG emissions by 95% by 2040 from a 2021 base year. We commit to reducing absolute Scope 3 GHG emissions by 90% by 2040 from from 2021, the base year. **Apart from SBTi:** We commit to achieving climate neutrality by 2025 in Scope 1 and 2 (unreduced emissions in Scope 1 and 2 will be compensated).	Reduction targets set and validated by SBTi NET- ZERO target set Scopes 1-3 emissions calculated (InPost Group)
	We support a second life of products and raw materials	By 2024, we will ensure that 100% of packaging in our own operations will come from recycled materials and it will be possible to process them in recycling plants.	Share of recycled polymailers: 78% (PL) EcoBox launched (PL)
IN_People **WE MOTIVATE our employees and business partners**	We are committed to the development of our employees	The level of commitment of our employees will be above 50% (according to the Kincentric methodology).	InPost Group: 50% (PL and FR)
	We support the growth of business partners	We will hire 1,000 employees and couriers by implementing equal opportunity programmes on the labour market.	Les Papillons Blancs (FR): 15 workers
	Diversity is what lets us grow	We create a workplace that supports the development and exchange of experiences thanks to the diversity of InPost Group (100% of employees will be informed that they can participate in international projects).	International IT and mobile app teams Secondments from PL in FR and UK to facilitate business integration

Pillar I - In_Client

Summary

How we contribute to SDGs

Our ambition

We are changing the lives of our customers and their environments by driving sustainability and being a source of positive energy.

Outlook

APM deployment supported by AI analysis and data processing has the potential to broaden the scope for personalisation and development of services, improving convenience for our stakeholders.

3 GOOD HEALTH AND WELL-BEING	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	11 SUSTAINABLE CITIES AND COMMUNITIES
By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	Develop quality, reliable, sustainable, and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries acting in accordance with their respective capabilities	Support positive economic, social, and environmental links between urban, suburban and rural areas by strengthening national and regional development planning	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management
• 1,019 (+1,295%) APMs with air quality sensors YoY (PL)	• Audit for APM accessibility for people with mobility limitations – 80% with adequate manoeuvring space, 87% with adequately layered pavements. Guidelines for new deployments in place.	• +463 EV cars (+90% YoY PL) • +221 EV charging stations with 433 sockets (+850%YoY PL) • first installations of APMs with solar panels in PL and ESP	• +33% APMs deployment in rural areas (PL) • 20% of population coverage within 7 min walking distance in rural areas (PL) (+3 p.p. YoY) • +1.85% PUDOs deployment in rural areas (FR)	• InPost Green City Programme launch in France • 44 cities in Poland in InPost Green City Programme

We create innovative and sustainable services

Outcomes
powered by us

Stakeholders
we respond to

Currently involved
territories

GRI 207-2

OUR IMPACT
Our stakeholders perceive us not only as a trustworthy (73%) and constantly developing company (85%). They describe us also as innovative and developing new technologies (83%) and, what is really important for us, taking care of the environment (66%) and socially responsible (64%). We don't take those opinions for granted – we transform their needs into new services that enable them i.e. by reducing their carbon footprint, giving a second life to different products or supporting groups in need. In doing so, we want to meet expectations they have for us – they want us to keep being innovative (59%), but also to become the green transformation leader (39%) that shapes consumer habits (32%)[1].

OUR ACTIONS
Innovation is one of the main drivers of our company. For this reason, we understand the need to develop it further and share our results with stakeholders. To ensure the continuous flow of new ideas and to give employees the possibility to hone their skills and create tools and services which support the company's ESG strategy, we have created an internal incubator: the Innovation Lab. Its first edition was dedicated to the development of sustainable services for customers, including those in the areas of circular economy, decarbonisation, prevention of food waste, increasing well-being, as well as combatting technical and technological exclusion (such as elderly persons or people with disabilities). In the first edition, 20 applications were submitted, 2 of which have been positively evaluated for further development. The initiative will be repeated on a quarterly basis.

The work of our R&D and mobile teams is also in full swing. The innovations emerging from these teams serve to improve the convenience of parcel machine usage, combine their service with the InPost App, and unite offline and online solutions in a coherent and effectively managed ecosystem (screenless APMs, Eco-returns). As a result, parcel lockers themselves are gaining new functionalities, which are in turn translating into a consistent reduction of their environmental footprint (see next page).

The introduction of each innovation is accompanied by an educational campaign aimed at consumers. These campaigns allow a given service, such as Eco-returns, to gain traction and trigger the flywheel effect. The result is that merchants have become partners of the service, thus further increasing outreach through their respective channels

Being a responsible business partner, we are working on solutions that will support merchants in their activities aimed at sustainable development, especially in decarbonisation. Not only is this one of the actions resulting from our own decarbonisation strategy, but also a response to emerging challenges related to consumer expectations and the regulatory environment. The first tool to help merchants monitor and report their carbon footprint will be developed by the end of 2023.

At the same time, we are creating industry coalitions aimed at transforming the e-commerce industry. In France, we became part of the Charter of Commitment to Reduce the Environmental Impact of E-commerce. In this document the 32 largest companies in the industry have declared to take action, focusing primarily on reducing packaging and CO_2 emissions. On the French market, we have also taken part in the ADEME study "How can we reduce the impacts of parcel transport?" and "Le Grand Défi" – a programme that unites business, territories and civil society around a common objective: to formulate 100 concrete proposals for action to accelerate the transition of the economy towards a sustainable model for all.

1 All data from Materiality analysis, InPost research, January 2023.

ESG in action

We are redefining the APM

SCREENLESS:

- APM without screen – function of remote opening of lockers through the application;
- Energy saved by 53% in central module;
- 38 devices in Poland;
- In Q1 2023, solar powered machines will be rolled out across Poland.

DEVELOPMENT OF INPOST FRESH:

- Development of the eGrocery segment – giving consumers the convenience of grocery shopping thanks to APM or home delivery;
- Over 500,000 InPost Fresh app users vs 86,000 LY (+619% YoY).

SILVER GENERATION INCLUSION:

- OK Senior (Silver passport campaign) – familiarising members of the older generation with the technology in APMs – how to use the device and application;
- Educational campaigns implemented in Poland together with National Institute of Senior Economy;
- 250 training participants in PL.

ECORETURNS:

- APM as a device supporting the circular economy;
- Possibility of giving a second life to selected products such as small electronics, books, shoes, clothes, toys;
- Cooperation with Fundacja Odzyskaj Środowisko (Regain the Environment Foundation) and e-commerce partners;
- 12 709 parcels shipped in 2022 = 46,408 kg, from which 880 kg of items were donated to partner charity institutions.

ECORETURNS BREAKDOWN BY RECOVERY CATEGORY

Category	% donated	kg donated	% reuse	kg reuse	% materials recovered
Electronics	36%	20,017	39%	7,806	59%
Textiles	35%	16,525	75%	12,394	23%
Toys	6%	1,244	50%	627	46%
Books	9%	6,337	52%	3,266	46%
Shoes	14%	2,285	85%	1,943	13%
Total	100%	46,408	58%	26,036	40%

Source: Regain the Environment Foundation report, data for 2022

We improve the quality of life in cities

Outcomes
powered by us

Stakeholders
we respond to

Currently involved
territories

OUR IMPACT

As a result of investments in the development and optimisation of the network, almost 60% of our customers have only 7 minutes' walking distance from the nearest parcel locker or PUDO[1]. This proximity and convenience mean that as many as 70% of them pick up parcels on the way to the shop or coming back home from work[2], which translates into the possibility of using more ecologically friendly forms of transport, reducing CO_2 emissions – as many as 54% of users go to the parcel lockers on foot or by bike[3]. We are expected to act too: consumers believe in our impact on sustainable and safe courier transport, decreasing waste or improve accessibility to logistics services[4].
These needs are being met thanks to the growth of our APM/PUDO network and – as a result – a wider and more sustainable offer for both merchants and customers.

1 Data for Poland, InPost, Q4 2022
2 Study of the method of collecting parcels from the APM, online survey, commissioned by InPost in Poland, 01.2023
3 Ibidem.
4 All data from Materiality analysis, InPost research, January 2023.

OUR ACTIVITIES

We believe that our activities directly impact our customers' quality of life. Primarily, we have improved the convenience of and time saved thanks to the development of our APM/PUDO network. Additionally, we have invested in tools to tackle urban challenges – including those related to climate change – focusing on sustainable and resilient cities. Their effectiveness is determined by a systemic approach, which we are implementing along two pathways.

On the one hand, we are implementing our own investments:

- Last-mile optimisation to reduce urban congestion. We have launched a pilot programme for micro-electromobility (cargo bikes);
- Adaptation of surroundings for already deployed APMs and creation of layout guidelines for new parcel lockers in Poland, in line with the needs of people with disabilities (reduced mobility and other types of disabilities);
- The growth of EV fleet and the network of charging stations at InPost depots and selected public spaces.

We conducted an audit of the accessibility of APMs in Poland for people with disabilities in 2022. Its guideliness were written in collaboration with the Poland without Barriers Foundation. To make sure that the results of the analysis were of the highest quality, we trained couriers to properly assess the machines. Each APM was evaluated against 13 factors which determined if this particular machine provides full access to people with reduced mobility. We studied the vicinity of the parcel machine to check whether: adequate manoeuvring space is provided (80%); the pavement is adequately surfaced (87%) and smooth (80%); there are no obstacles in the form of posts or benches (75%), and; there are no stairs in the way (72%). Based on the audit results, guidelines for new deployments (valid at the Group level) have been set, and we are going to systematically adapt the surroundings of the existing devices to improve the results.

On the other hand, we are developing strategic cooperation with municipal governments. The InPost Green City Programme is developing dynamically in Poland, and this year it was also launched in France. A conference held under the patronage of the Polish Embassy in Paris and the Polish-French Chamber of Commerce not only highlighted the launch of the InPost Green City Programme in France, but was also attended by officials from the Polish city of Łódź, who talked about how the programme fits into the city's strategy for improving the quality of life for residents. We now plan to build on strategic partnerships between selected Polish and French cities with the purpose of exchanging experiences and taking joint actions with regard to combating climate change and engaging residents in pro-environmental initiatives.

The InPost Green City Programme is characterised by flexibility and an individual approach to the needs of partner cities. We offer each of them a tailor-made package from a pool of verified solutions, selecting them based on the network of parcel lockers, while also looking at data from air quality sensors. Our greatest focus is on infrastructure and promoting sustainable transport [Read more in Leadership in tackling climate change]. As part of the InPost Green City Programme, InPost will implement individual projects, in cooperation with local governments, aimed at improving air quality and serving local communities, e.g. pocket parks, tree planting, etc.

We are also extending our cooperation with cities in the UK (London, Birmingham and Manchester). This year, parcel lockers were installed in 75 public places (subway stations, libraries) – twenty more locations than a year ago. We strongly believe in building alliances with entities that manage public transport in large urban areas. Based on a very successful partnership with Transport for London we can say that locating the machines in the close vicinity of popular public transportation routes it is a great way to reduce emissions related to parcel deliveries. That is why in 2022 we signed agreements with entities in Barcelona (Transport Metropolitans de Barcelona, TMB), Manchester (Transport for Great Manchester, TfGM) and Rome (ATAC S.p.A). The first APMs arrived at metro stations where millions of passengers (annual figures of approx. 425m in Barcelona, 1.5bn in Manchester and 300m in selected lines in Rome) can benefit from convenient service with lower CO_2 emissions.

ESG in action

We are rolling out the InPost Green City Programme

INPOST GREEN CITY PROGRAMME EXPANSION IN 2022:
- 44 cities in Poland;
- 5 partner cities in France as a target for 2023.

AIR QUALITY SENSORS:
- Mounted on the roofs of parcel lockers;
- Information from sensors available in the application and inpost.pl website;
- 421 devices in PL within the programme.

ANTI-SMOG PAVING STONES:
- 19 cities in Poland, 48 locations.

SMALL ARCHITECTURE (BIKE RACKS, BENCHES):
- approx. 20 installations in PL.

EDUCATIONAL FESTIVALS

SCIENTIFIC SCHOLARSHIPS

Air quality sensors

Anti-smog paving stones

Sound reduction

Small architecture

InPost Green City Programme expansion in 2022

We are part of local communities

Outcomes
powered by us

Stakeholders
we respond to

Currently involved
territories

GRI 201-1, 203-1, 204-1, 413-2

OUR IMPACT
InPost Group's influence on local communities goes beyond pro-bono activities, and we are aware that our business model brings economic value to many stakeholder groups. Salaries paid (PLN 845m) and payments to governments (PLN 226m) impact the well-being of our social environment.

We also invest in local communities (infrastructure, development programmes, including those for vulnerable groups) and our focus on this area is still growing (+ 300% YoY in spending in PL). Last year we invested over PLN 9m in activities to improve the quality of life in Polish cities. The investments included the main installations of charging stations, development of a network of air sensors, and support for educational initiatives (more in the Green Cities programme section). We have not identified any significant actual and potential negative impacts on local communities. What's more, customers are well-aware of our charity activities and investors recognise our impact on local communities as one of top areas where we can make a positive change.

We value transparency in taxation – we want to contribute as much locally as possible. This is why we engage with local business partners (those who are registered and pay taxes in a given area) to shorten our value chain. As much as 94% (PLN 213.8m out of 226.5m) of orders placed by Polish Companies were commissioned to domestic companies. Thanks to these partnerships, we can actively support domestic companies by expanding the availability of our services.

ACTIONS WE ARE TAKING
We are a responsible and committed member of the local communities around us, and we want to use the experience gained and the tools at our disposal to contribute to a positive change. To do this effectively, we have developed an ecosystem of policies that set the framework for our social activities in all markets where we are present:

- Social engagement policy;
- Stakeholders policy;
- Statute of the InPost Foundation – PL;
- InPost InHelp employee volunteering – PL.

Along with the adoption of these documents, we have also developed a methodology for calculating the impact of these undertakings.

Even before adopting these policies, we undertook numerous activities in Poland and France to support various social groups. Because gender equality is a top priority for us, once more, we participated in campaigns promoting it in business environments (Top women in e-business, 30% Club Partnership, Solidarité Femmes Foundation), and also CSR campaigns that encourage girls and young women to enter industries that are stereotypically perceived as masculine to prove that gender is not a limitation for pursuing one's dream carrier (IT Girls Foundation and Think Pink).

We strongly believe in providing equal access to public services, so we continued cooperation with Avalon Foundation and launched a partnership with the Poland without Barriers Foundation. In this area we also launched an internal campaign in France to raise awareness and build sensitivity of our employees to the needs of people with mobility limitations – for one week they were using and contributing to the Streetco app. It is a collaborative pedestrian GPS app adapted to the movements of people with reduced mobility and disabilities. The application allows everyone to participate in improving accessibility for all and to earn points by indicating obstacles and points of interest on the map.

Last but not least, we entered many charity campaigns, some of them for another year in a row, to support those less fortunate, especially during the Festive Season. For WoshWosh we enabled the donation of shoes, with Noble Gift and Santa Claus for a Senior campaigns we either enabled sending gift packages or we made them on our own (through the InPost InHelp volunteering programme). We support those in the most difficult life situations thanks to our partnerships with SOS Children's' Villages or Petits Frères Des Pauvres. We also cooperate with local NGOs under the auspices of the InPost Green City Programme [Read more in: We improve the quality of life in cities].

We directed the most significant portion of energy and resources primarily to support Ukrainians who are facing a number of challenges following the outbreak of war. We operated through all available channels, our employees were engaged in various types of fundraisers and volunteering activities across a number of markets. Our support took the form of both ad hoc initiatives in the first weeks of the conflict and the implementation of systemic solutions aimed at providing long-term assistance in the form of employment or support in obtaining permanent accommodation.
[Read more in: Our support for Ukraine].

InPost InHelp program wolontariatu pracowniczego

szlachetna PACZKA

Support Noble Gift

49 leaders from InPost	**1146** people involved	**50** supported families	**112** people supported	**749** parcels	**182 300** PLN estimated value of the parcels

ESG in action

Cohesive management of our social impact

Vision and purpose
Business conduct

Stakeholder Policy	Builds framework for external relations with varuios stakeholder groups.	Defines our role and ambition in creating positive impact.
Social Engagement Policy	Builds framework specifically for managing our social impact. This policy supports two ESG strategy pillars • We change the lifestyle of tomorrow • We deliver low-carbon e-commerce	

TYPES OF PROJECTS WE WILL SUPPORT WITHIN THE FRAMEWORK OF THESE POLICIES:

1. **Environmental:**
   - decarbonisation and reducing the carbon footprint
   - rational management of resources
   - implementation of circular economy
   - maintaining and restoring nature and biodiversity
   - environmental education

2. **Social:**
   - entrepreneurship, environmental protection, and environmentalism
   - local communities
   - innovation and innovative solutions
   - development of young people
   - diversity in the working or learning environment, prevention of discrimination
   - mental health care
   - equal opportunities for the poor

Two main tools for implementation oh the Social Engagement Policy

InPost Foundation
Focuses on internal stakeholders. Its goal is to support InPost employees in their hour of need and provide means for coping with private emergencies.

Actions already taken:
Support for an employee's family after family's provider passing

InPost InHelp – employees volunteering programme
Focuses on external stakeholders. Its goal is to provide means for employees to exercise their need to be an active and mindful member of their local communities. Each employee gets a day off to engage with a selected community

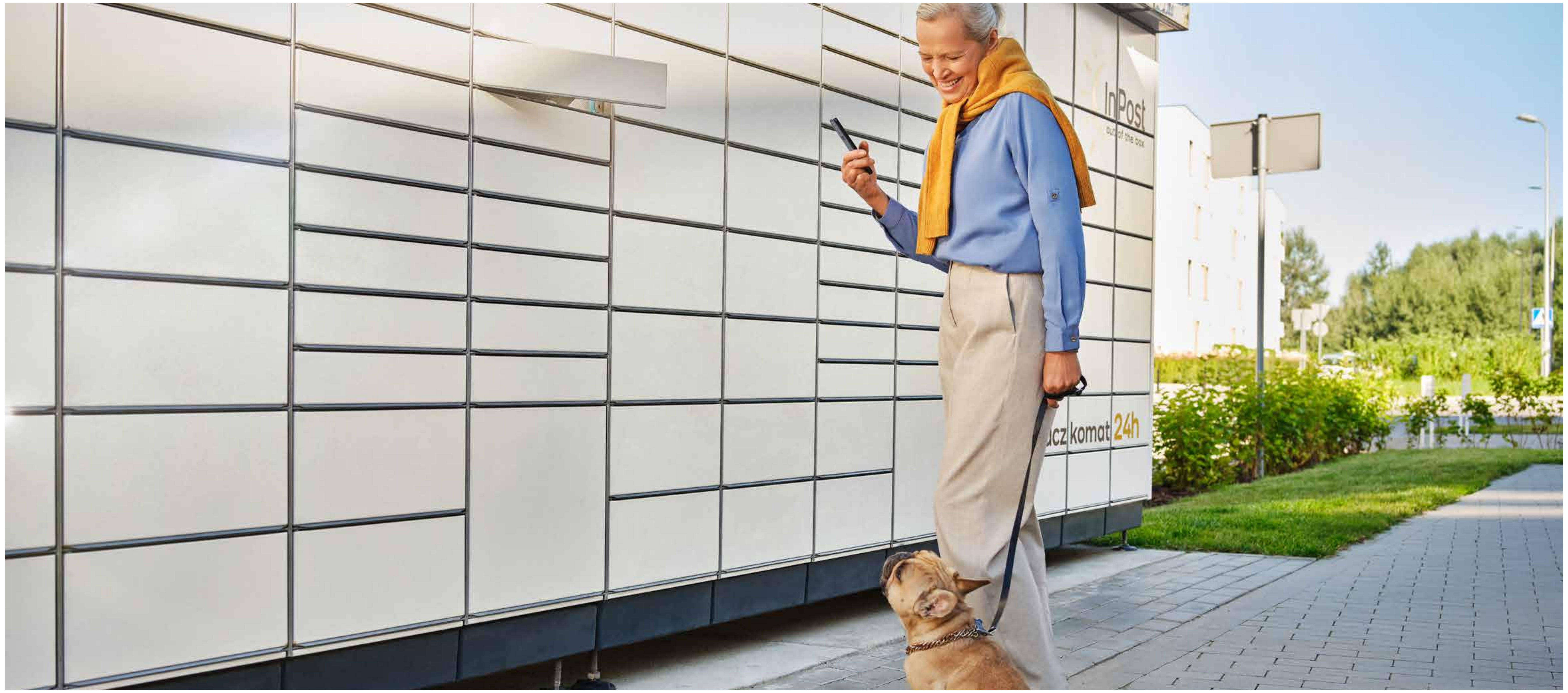
Actions already taken:
- wide support for Noble Gift initiative – 1st company-wide engagement
- grant programme for employees to implement a local initiative, an employee can receive a grant of 10,000 PLN (2023)

ESG in action

Cohesive management of our social impact

MEASURING OUR SOCIAL IMPACT
We will set KPIs for each social impact action, donation, or sponsorship, appropriate to the nature of the event, to measure their social and environmental impact, as well as to assess the results and whether the organisation's mission matches the social/charitable action, sponsorship or donation.

KPIs will be the basis for the preparation of a report on the effectiveness of social and charitable activities, which will be helpful in the planning of further activities in order to achieve the best possible social impact.



SDGs we support

ESG in action

Our support for Ukraine (1 of 2)

Putting InPost assets into use

Food donations
In our InPost Fresh application, we prepared four dedicated assistance packages (worth 50, 100, 150 and 200 PLN) containing products most needed by people in occupied Ukraine. During the first month of the campaign, Poles bought aid packages amounting to a total value of over PLN 83,000.

APMs/ PUDOs available for making donations
We dedicated free codes for sending packages in InPost APMs machines so that our customers could donate necessary products and those of psychological support. In this manner, we also supported our partners, like in the case of the distribution of the book “Heroes”. It is a series of short therapeutic books that address children’s difficult emotions related to war and escape to another country.

Legal and psychological support
Our colleagues from Ukraine could count on free psychological support and the opportunity to consult a legal advisor.

Language courses
To facilitate the rebuilding of a sense of security, we offered these employees Polish and English language courses.

Volunteering
Our employees wanted to act and got involved in supporting numerous local initiatives thanks to the extra days off they had for volunteer support.

Transport of donations and necessary goods to Ukraine
We transported over 8,000 tonnes of humanitarian aid, and performed this independently, as well as in cooperation with many municipalities and foundations. Thousands of semi-trailers, pallets, and trucks with food and humanitarian aid were sent to Ukraine. We joined forces with many specialised organisations including Caritas, the Polish Red Cross, and the Polish Government Agency for Strategic Reserves. We transported mostly needed dry food, mineral water and beverages, hygiene and children’s products, and specialised equipment such as tent heaters, power generators and blood centrifuges for hospitals.

ESG in action

Our support for Ukraine (2 of 2)

Building partnerships

Clothing donations
We joined the WoshWosh campaign, which managed to collect 38,103 pairs of shoes and 90,676 pieces of clothing for refugees

Rafał Brzoska Foundation and Omenaa Foundation

Among many efforts made by the joined Foundations, the biggest and most impactful one was a huge logistics venture – the Convoy of Polish Hearts – which reached Kharkiv, Ukraine. One of the convoys turned out to be the largest private transport of humanitarian aid from Poland for the civilian population of Ukraine, consisting of a train numbering 34 carriages. For security reasons, it was kept strictly confidential. The train transported nearly 1,000 pallets weighing 500 tons. It was organised logistically in cooperation with the Government Agency for Strategic Reserves, and included food – mainly canned food, flour, rice, groats, oil, sugar, pasta, water, toast bread, milk, bars and energy drinks – but also medicine and bandages, as well as sleeping bags, bedding and blankets. The initiative was widely supported by other businesses thanks to the personal engagement of Omenaa Mensah and Rafał Brzoska. Many products were purchased at a discount or at production costs. Notably, some companies even donated their products.

Another convoy reached the Children's District Hospital in Rivne. It consisted of five trailer lorries filled with articles weighing 100 tonnes. In addition to necessities such as food, baby cosmetics, nappies, sanitary products and medicines, there were also gifts for children at the hospital such as teddy bears for the youngest patients, rattles, teethers, dummies, bottles, sensory toys for babies, thousands of crayons, building blocks and dolls. The transport included more items, including a fully equipped ambulance, which is now used daily by the Children's Hospital.

Pillar II - IN_Planet

Summary. We deliver low-carbon e-commerce

How we contribute to SDGs

Our ambition

We are NET-ZERO across the markets where we operate. This allows us to both protect the planet and care for the quality of our customers' lives.

Outlook

With various stakeholders expecting business to take action in mitigating climate change, we will continue to benefit from our business model that provides delivery service with the lower CO_2 levels and continue to support our customers and business partners in reducing their environmental footprint.

13 CLIMATE ACTION

Integrate climate change measures into national policies, strategies, and planning

- Decarbonisation Strategy developed and launched
- GHG emissions reduction and NET-ZERO targets validated by SBTi

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse

- Share of recycled polymailers: 78%
- EcoBox launched
- ECOreturns

17 PARTNERSHIPS FOR THE GOALS

Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships Data, monitoring and accountability

- InPost Green City Programme continued in Poland and launched in France
- Charter of Commitment to Reduce the Environmental Impact of E-commerce signed in France
- Continuing partnership with Transport for London
- New partnership with entities managing metro in Rome, Barcelona and Manchester

We are committed to decarbonisation, also through the successive improvement of operational efficiency

Outcomes
powered by us

Stakeholders
we respond to

Currently involved
territories

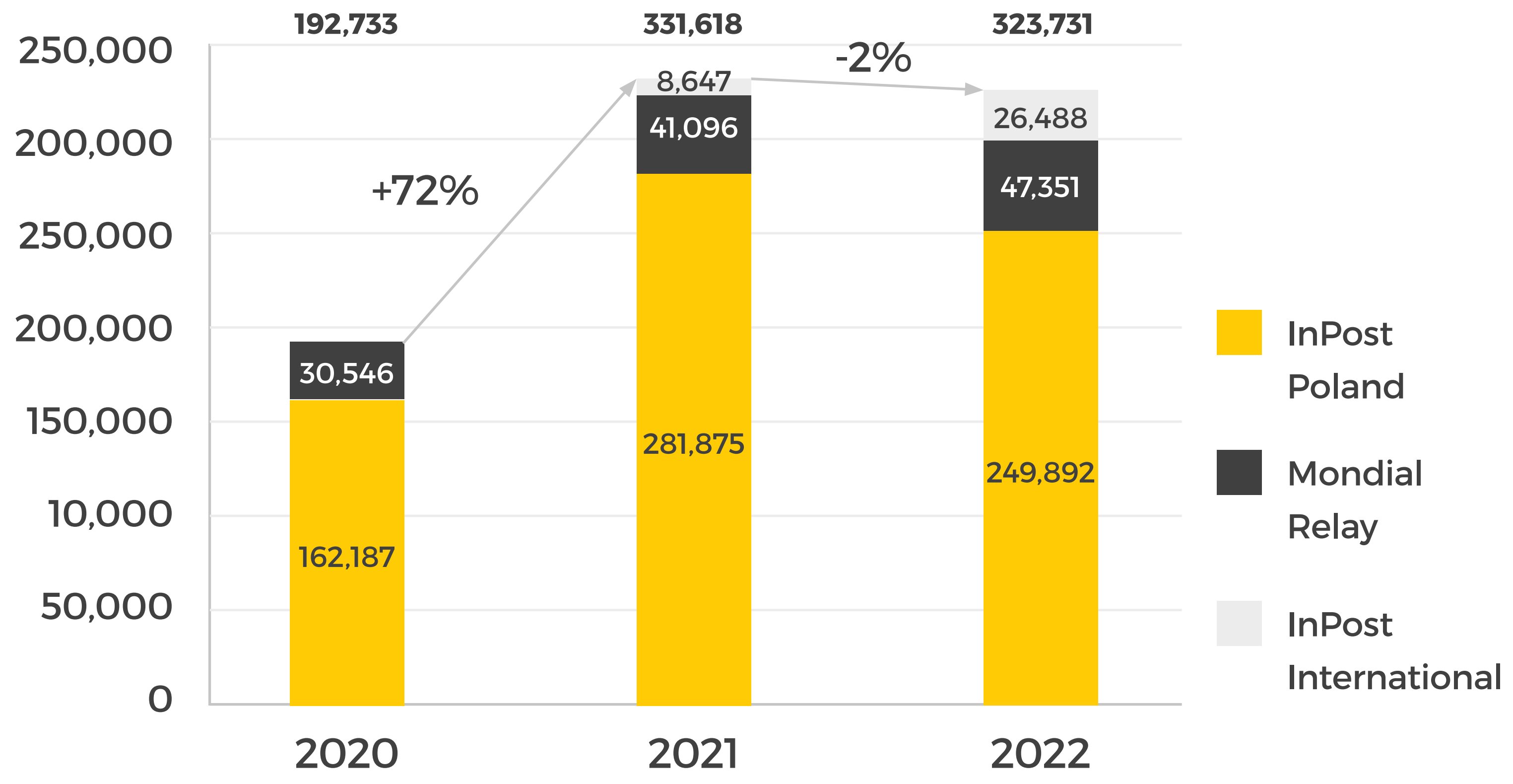
GRI 302-1, 305-1, 305-2, 305-3, 305-5

OUR IMPACT
In 2022 the energy consumption within the organization decreased by 2% YoY. Use of energy from renewable sources increased visibly and is now almost 8 times higher than in 2021, thanks to the wider use of electricity with RES in Poland. At the same time, we have noticed a slight increase in Scope 1 and 2 emissions (3.7% YoY) due to a changing structure of fuels used.

GHG emissions in Scope 3 decreased by 9% YoY, which is mainly influenced by the Capital goods category, in which the main emissions source is APMs production. Emissions from this category decreased by 49% YoY, which was caused by smaller weight of the lockers resulting from the amount and structure of types of modules used. In the key Scope 3 category – Upstream transportation and distribution, we have observed a 14% increase, smaller than the increase of the parcels' volume, resulting from transport efficiency improvement.

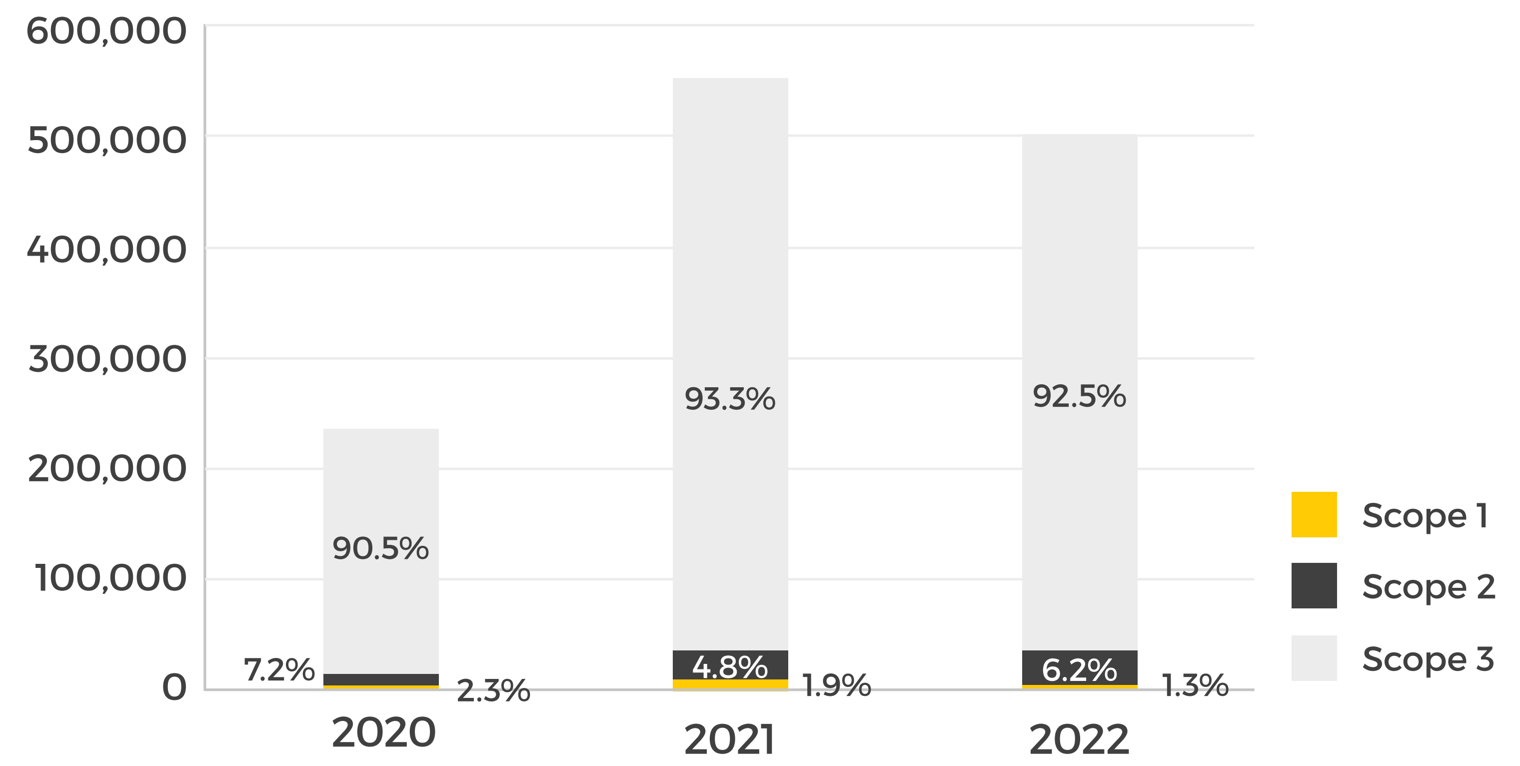
GRI 302-1

ENERGY CONSUMPTION WITHIN THE ORGANISATION GJ



GRI 305-1, 305-2, 305-3

GHG EMISSIONS MARKET-BASED in tCO_2e



GHG emissions and energy data are verified by a third party auditor (EY)

We are committed to decarbonisation, also through the successive improvement of operational efficiency

ACTIONS WE TAKE

2022 was a milestone on our pathway due to fulfilling our commitments related to reducing the impact on the climate. We adopted a Decarbonisation Strategy, the foundation of which was the calculation of the carbon footprint in Scopes 1-3 in all markets. The targets we set were approved by the Science Based Target initiative.

The strategy has been divided into two-time perspectives:

- An action plan by 2030 that consists of Scope 1&2 absolute reduction by 42% by 2030 and in Scope 3 engaging 69% of its suppliers based on their emissions level of cat. 1,2 &4 to set their science-based targets by 2027;
- A strategy beyond 2030 where most of our emissions - 90% will be reduced, especially in such areas as Capital Goods, Transport and Buildings. The remaining emissions (5% of Scopes 1&2 and 10% of Scope 3, allowed by SBTi) will be neutralised from 2040 through permanent removal and storage of carbon from the atmosphere.

The goal is to become NET-ZERO by 2040. This is the most ambitious goal among all European companies in the industry. We deeply care for the environment and we want to lead the way for others to reduce their carbon footprint, so in addition to the targets submitted to SBTi, we decided to set another goal and offset all emissions that are impossible to reduce to achieve climate neutrality in Scopes 1&2 by 2025.

We have been gradually implementing the TCFD recommendations in climate risk management in the company to create a comprehensive climate management system and disclose financial data in line with the EU taxonomy, and we have created the position of Decarbonisation Expert.

While we were defining our Decarbonisation Strategy, we continued reduction initiatives launched in previous years, while developing and implementing new solutions. These included both R&D work on reducing the energy consumption of APM's (screenless APMs, APMs powered by PVs), as well as investments in the electric fleet. In France, we cooperate with companies that are part of the "Objectif CO2" initiative, which means that they monitor GHG emissions from transport and take actions to reduce them.
[Read more in Leadership in tackling climate change].

Although we are launching large-scale strategies, we believe that even the smallest steps can make a difference. As one of several minor transition tools, we have launched the Sustainable Mobile Package, which offers financing for the purchase of a bicycle so that employees can go to work without CO_2 emissions. 89 beneficiaries in Belgium, the Netherlands and Luxembourg used this opportunity and switched to zero-emission transportation.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE NET ZERO STANDARD
APPROVED NET-ZERO TARGETS

ESG in action

Our carbon footprint

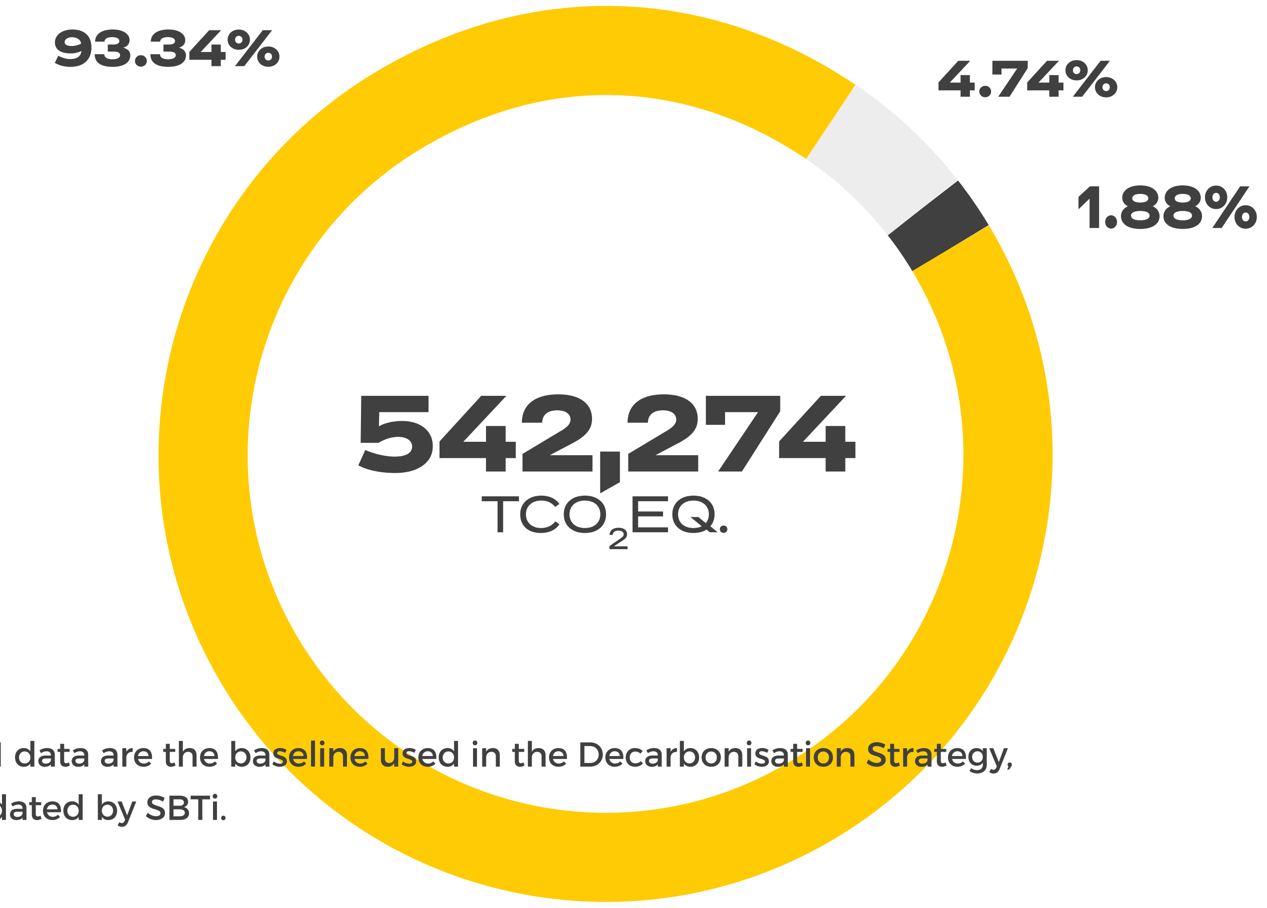
> The implementation of the Decarbonisation Strategy is the most comprehensive initiative that we will be undertaking in the coming years. Its success depends on the effective application of our own resources, employee engagement, and business partners all along the value chain. We will support our suppliers, merchants and consumers on the road to achieving a zero-emission economy."

Izabela Karolczyk-Szafrańska,
Chief Marketing Officer

On the way to

NET-ZERO

... WE HAVE CALCULATED THE GROUP'S TOTAL EMISSIONS IN SCOPE 1, 2 AND 3 FOR 2021[1]



1 2021 data are the baseline used in the Decarbonisation Strategy, validated by SBTi.

ESG in action

Goals 2030

Scopes	Methodology	Validated by SBTi
Scope 1 & 2 Direct and Indirect GHG emissions	**Absolute Target** The targets covering greenhouse gas emissions from company operations (Scopes 1 and 2) are consistent with reductions required to keep warming to 1,5°C	InPost commits to reducing **absolute Scope 1 and Scope 2 GHG emissions by 42%** by 2030 from a 2021 base year.
Scope 3 Suppliers from the whole value chain (Category 1, 2 & 4)	**Supplier Engagement Programme for** Cat. 1, 2 & 4	InPost S.A. commits that 69% of its emissions by suppliers covering categories purchased goods and services, capital goods, and upstream transportation and distribution, will have science-based targets by 2027.

ESG in action
Strategy beyond 2030

AREA

Capital Goods & Purchased Goods	Transport	Electricity & Buildings	Others	Removal

Capital Goods & Purchased Goods

Scope 3:
- Change of used materials
- Net zero steel/metal sheet
- Recycling of materials used for APM production
- Eco procurement policy

Transport

Scope 1:
- Electrification of InPost's own fleet on all International markets

Scope 3:
- Decarbonisation of the last mile, Middle-mile and APM Transportation; use od hydrogen technology or alternative fuels

Electricity & Buildings

Scope 1:
- Purchase of RES on International markets
- Warehouses with alternative heating system, e.g. heat pumps, biogas
- Development of Independent APMs (with PV)

Others

Scope 1:
- Replacement for more environmental-friendly refrigerants

Scope 3:
- Employees choosing more environment-friendly means of transport

Removal

Scope 1&2:
- Offset or other ways to neutralise the remaining emissions accounting for less than 5%

Scope 3:
- Offset of the remaining emissions, less than 10%

ESG in action

Leadership in tackling climate change

GRI 305-4

	Scope 1+2+3 - market-based: tCO_2e	Revenue [PLN m]	tCO_2e/PLN m
2021	542,275	4,602	118
2022	**499,997**	**7,079**	71

LINEHAUL TRANSPORT

- **148 tCO_2e***
  saved by lorries with bulk loading in France
- **492 tCO_2e***
  saved by subcontracting linehaul transport associated and certified under Objecif CO_2 programme in France

LAST MILE DELIVERY

- **83 MWh** of renewable energy used by EVs in Poland
- **108 tCO_2e***
  saved by subcontracting last mile transport associated and certified under Objecif CO_2 programme in France

ELECTRIC BICYCLE:

- Pilot programme in PL – micro-electromobility, a specially developed bicycle model that meets the requirements of maintaining quality and efficiency of deliveries, to be tested in Q1/Q2 2023

PARCEL LOCKERS AND ELECTRIC CAR CHARGERS:

- **38** Screenless APMs
- **APMs with solar panels**: 3 in PL and 2 in SP
- **Over 200 EV** chargers in PL in own depots Moreover, we built 6 fast charging stations available to all citizens in cooperation with a public operator.

* The data is updated by our external partner - for 2022 it is not yet available

Engagement of customers and merchants in emissions reduction

PARCELS CARBON FOOTPRINT CALCULATOR (POLAND)

InPost strives to communicate its emissions as transparently as possible to educate and engage its customers and merchants, as well as to demonstrate the effectiveness of decarbonisation strategies within its own operational activities, including logistics and suppliers.

InPost intends to furnish merchants with reliable data covering the scale of shipment-related emissions split by deliveries to APMs and to door, along with emission calculation methodologies. InPost is currently in the final stage of developing and sharing the results of the Package Carbon Footprint Calculator with merchants, which is a proprietary tool developed by InPost. It includes a calculation of emissions both from the transport itself (emissions along the first, middle and last mile), as well as those resulting from electricity consumption and heating in the facilities where the parcel is stored (APMs, branches and sorting hubs) and data transfer by our systems and the app. To date, we have communicated that deliveries to APMs were up to 75% lower than to-door deliveries, which is related to the optimisation of logistics processes and the density of the APM network. New assumptions and algorithms show that emissions form deliveries to an InPost parcel locker are 97% (weighted average) lower compared to emissions resulting from InPost to-door delivery on the last mile.

97% **(weighted avarage)**
less emissions are emitted by InPost delivery to a parcel locker than to to-door

CUSTOMER CARBON FOOTPRINT

InPost also wants to provide this information to customers, to shape environmentally friendly habits (the selection of carriers with lower emissions, pick-up of parcels as you go along) without decreasing the quality of service or convenience. Based on a survey, it is recognised that 70% of consumers collect parcels along the way. We assume that in this situation no carbon footprint is generated for InPost. The remaining part of consumers (30%) go out of their way to pick up InPost parcels. Among those who go out of their way, 65% collect one parcel, while 35% collect several parcels (for the purposes of the analysis, the assumption is two). Consumers determined the average distance to APM they use most often, according to the following ranges:

Response ranges	Distance used for calculation
Up to 200 metres	150 metres
200-500	350 metres
500-1000	750 metres
1000-2000	1500 metres
2000 metres	3000 metres

This data allows us to conclude that in 2022, people who went out of their way to collect parcels emitted 15,336 tonnes of CO_2e, which accounted for 4% of Poland's carbon footprint in scopes 1-3 and 0.036 grammes per parcel. Cars account for 95% of these emissions. In 2023, we will conduct similar surveys for other markets, and based on the results, we will calculate GHG emissions, which we will include in the carbon footprint of InPost Group.

We support a second life of products and resources

Outcomes
powered by us

Stakeholders
we respond to

Currently involved
territories

GRI 301-1, 301-2, 306-3

OUR IMPACT

As in the case of energy and emissions, the development of the Group resulted in an increase in the amount of materials used and waste generated. Almost half of the materials used come from renewable sources (44%), at the same time we invest in recycled materials, such as plastic packaging with Blue Angel Certificate. Majority of waste produced comes from the operations in branches (68%). We are aware that operations in the logistics sector require considerable amounts of packaging materials and can generate significant waste. That is why we treat this topic seriously – this year we have implemented a new categorisation of materials and waste that is standardised across the group, which allows us to monitor the data and react more efficiently. In addition, we have extended the scope of data analysed by the materials used and waste generated in the process of production and warehousing of the APMs.

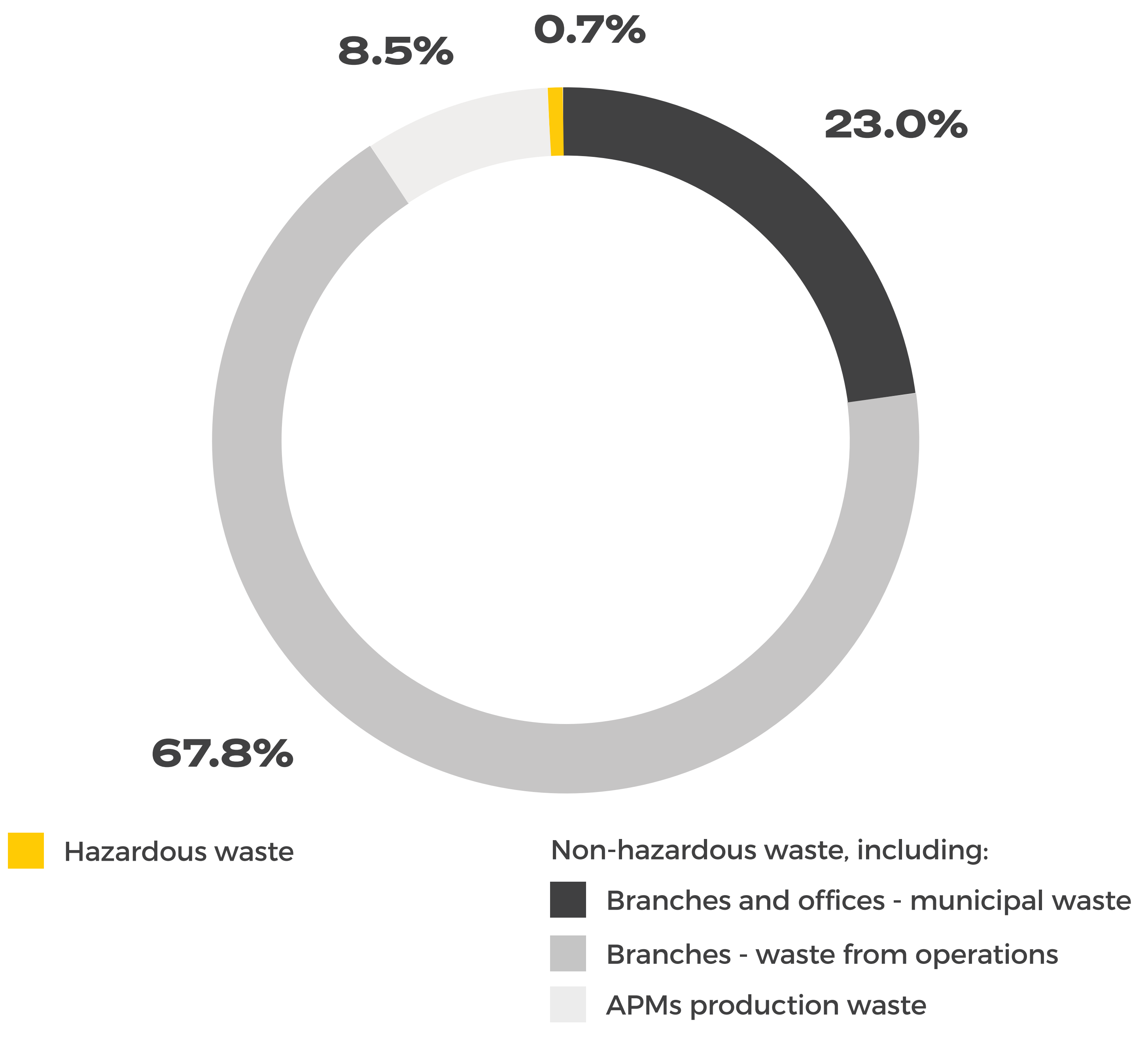
The Environmental Management System (EMS) process is part of the Integrated Management System (IMS). It is carried out in accordance with ISO 14001:2015 standard, and is regularly reviewed and certified. [Read more in: Management of material topics].

GRI 301-1

	InPost Group 2022
Total materials used [tonnes]	7,621.3
Total (non-renewable materials)	4,250.4
Plastic including:	1,913.5
Plastic bags/ poly mailers	1,103.4
Plastic stretch	592.6
Plastic pallets	164.8
Plastic cloth parcel bags	52.7
Metal	1,273.6
Glass	1.5
Other non-renewable materials	1,061.9
Total (renewable materials)	3,370.8
Paper	53.8
Cardboard	3,079.7
Wood	237.3
Other renewable materials	0.0

GRI 306-3

WASTE GENERATED BY CATEGORY



ESG in action
Enhancing circularity

GRI 306-2

ACTIONS WE TAKE

We expanded our ECOreturns service, but in 2022 one of the most important actions taken to advance the transition to a circular economy model was the introduction of the EcoBox, a type of reusable packaging, in cooperation with MODIVO, an e-commerce fashion retailer. The cardboard boxes created especially for the project by the Danish company Rezip can be used up to 10 times, contributing to the reduction of packaging waste.

Work on the EcoBox is an example of the research directions we explore with the goal to reduce the usage of raw materials throughout the value chain. At the same time, we work on developing a Circularity Policy (by the end of Q2 2023) and a specialised system for monitoring raw materials used (by the end of Q3 2023), fully adapted to the needs and specificity of the Group. Part of the work on the system is already underway as part of EcoBox circulation monitoring.

We are aware of the importance of consumer decisions and the need to change their packaging habits. Therefore, we are conducting multiple educational campaigns aimed at showing the benefits of using reusable packaging.

Moreover, by cooperating with partners with the same vision and care for sustainability we allow our customers to be even more circular e.g., thanks to the cooperation with Vinted.

1 The design allows to reduce the consumption of plastics.

2 Packages can be returned via any InPost Parcel Locker. Just scan the internal return label.

3 The packages are carefully cleaned and undergo quality control before they are returned to the e-shop warehouse.

InPost EcoBox - seamless reusable packaging

We were the first on the market to introduce a test of environmentally friendly reusable packaging for e-commerce

2nd phase of test:
- wider range of merchants involved
- focus on increasing number of returns and optimising the number of package cycles
- key role of consumers' education

RETURN ECOBOX
Fold your **EcoBox** and **leave in the APM**

ORDER ECOBOX
Select **APM** + **EcoBox** delivery method

PICK-UP ECOBOX
Pick-up your **order in an EcoBox** from an APM

Pillar III - IN_People

Summary. We motivate our employees and business partners

How we contribute to SDGs and UNGC

Our ambition

Our strength lies in the skills and commitment of our employees and business partners, which is why their satisfaction is one of the cornerstones of our activity.

Outlook

With cross-border development as a priority for 93% of e-commerce companies, we will continue to unlock the potential of our international teams and build market eminence based on great understanding of local needs, with our employees being the key group of interest.

5 GENDER EQUALITY

Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.

- 38.2% of women on managerial positions across the Group (+13% YoY)

5 GENDER EQUALITY

Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women.

- 'Top women in e-business' educational programme
- IT Girls Foundation to encourage girls to enter the IT industry

10 REDUCED INEQUALITIES

By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, and economic or other status.

- 30 Club Partnership in Poland
- Fondation Solidarité Femmes partnership in France

10 REDUCED INEQUALITIES

Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.

- Adjusted gender pay gap calculated in Poland and further steps planned across the markets

3 GOOD HEALTH AND WELL-BEING

By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.

- WellTime - programme for employees

8 DECENT WORK AND ECONOMIC GROWTH

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, also by focusing on high-value added and labour-intensive sectors.

- Innovation Lab developed, 'Sustainable services" section added
- Ongoing robotisation

8 DECENT WORK AND ECONOMIC GROWTH

By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

- Papilons Blancs/PUDOs in France

We are committed to the development of our employees

Outcomes
powered by us

Stakeholders
we respond to

Currently involved
territories

GRI 401-1, 401-2

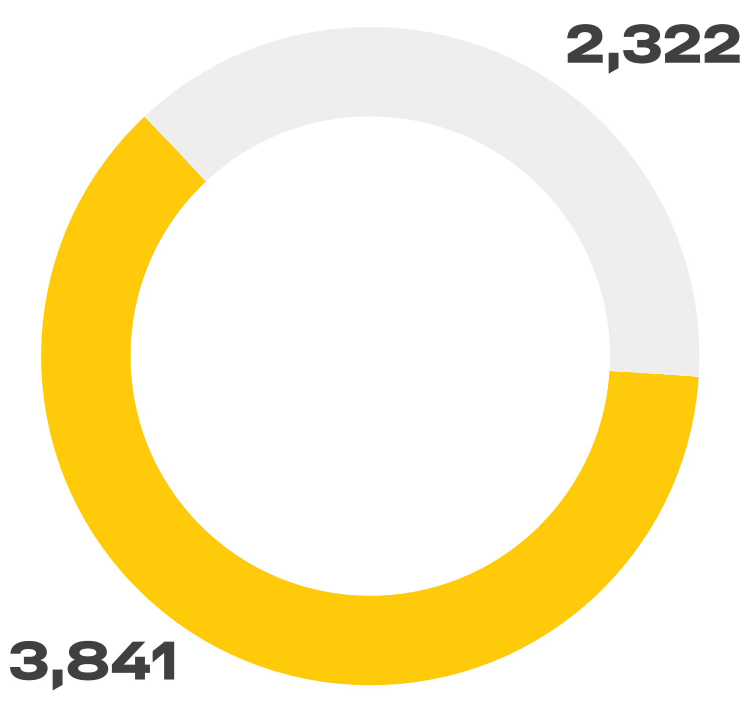
OUR IMPACT
Our employees share the Company's values and goals. Enhancing our positive impact is important for them (89%). They want InPost to be a company that cares for them (80%) and at the same time they acknowledge the efforts we have already taken in this area[1]. But we want to be better. Apart from Poland, France and the UK, we are now developing further structures and therefore most of our HR activities concern those more established markets. We treat the actions taken on them as case studies, based on which we develop employee programmes and policies in other companies.

The dynamic development of the Company would not be possible without the acquisition of competent employees. In 2022, we hired approximately 2,217 new employees with a turnover of 23%, [Read more in: GRI Index]. While the logistics industry is characterised by a high turnover, the average turnover rate in the Group is within market norms. We are growing rapidly in the international context as well, which is proven by high rate of new employee hires – 45% in the UK, 39% in FR and 46% in IT.

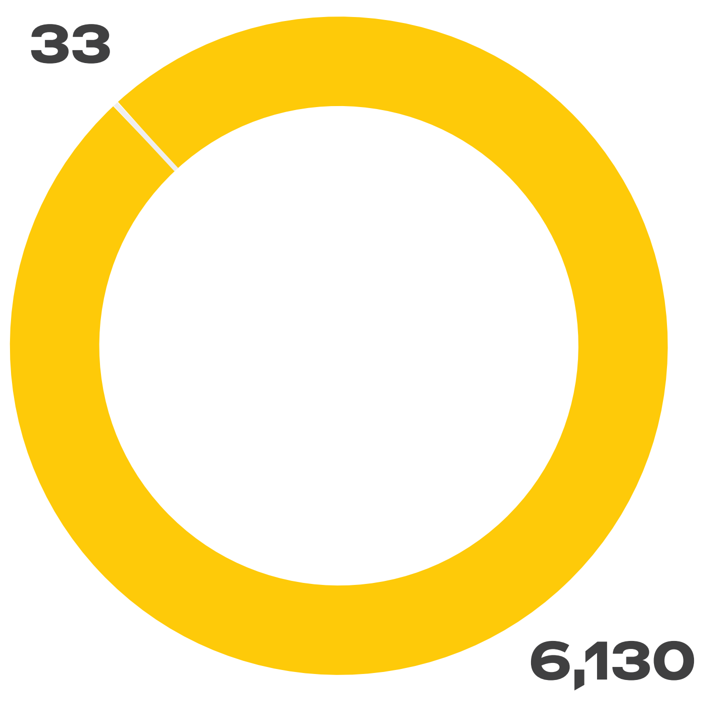
An additional feature typical of the logistics industry is hiring temporary employees to support operations during periods of increased traffic (peak periods, Easter and Christmas) – during these periods we also increased employment compared to the previous year, as a result of the strong growth in the number of delivered parcels. In order to guarantee the best working conditions for temporary employees, we have implemented a number of solutions in Poland for temporary work agencies cooperating with us [Read more in: We support the growth of business partners]. All our full-time employees can benefit from additional services we provide across markets i.e. life insurance, travel expenses reimbursement or restaurant cards [Read more in: GRI Index].

GRI 2-7

NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE IN INPOST GROUP IN 2022



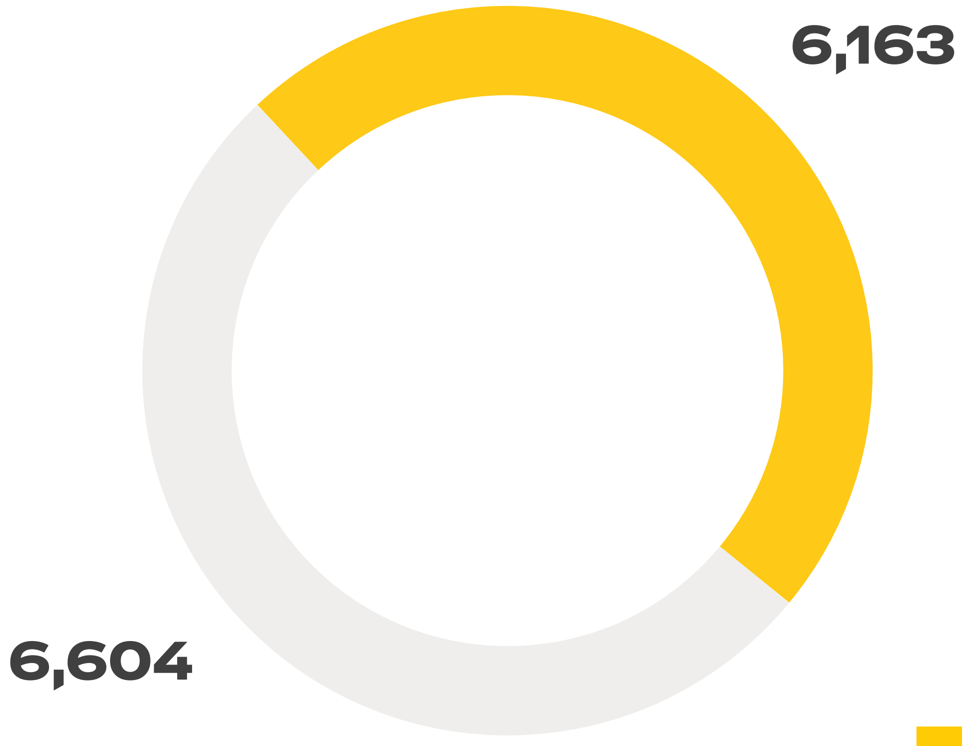
Permanent employees
Temporary employees



Full-time employees
Part-time employees

GRI 2-7, 2-8

NUMBER OF EMPLOYEES AND WORKERS WHO ARE NOT EMPLOYEES IN INPOST GROUP IN 2022



Employees
Workers who are not employees

1 All data from Materiality analysis, InPost research, January 2023.

We are committed to the development of our employees

GRI 404-1, 404-2, 404-3

ACTIONS WE TAKE

Human and intellectual capital are the foundation of our development, which is why we have implemented systemic solutions stimulating the professional growth of our employees.

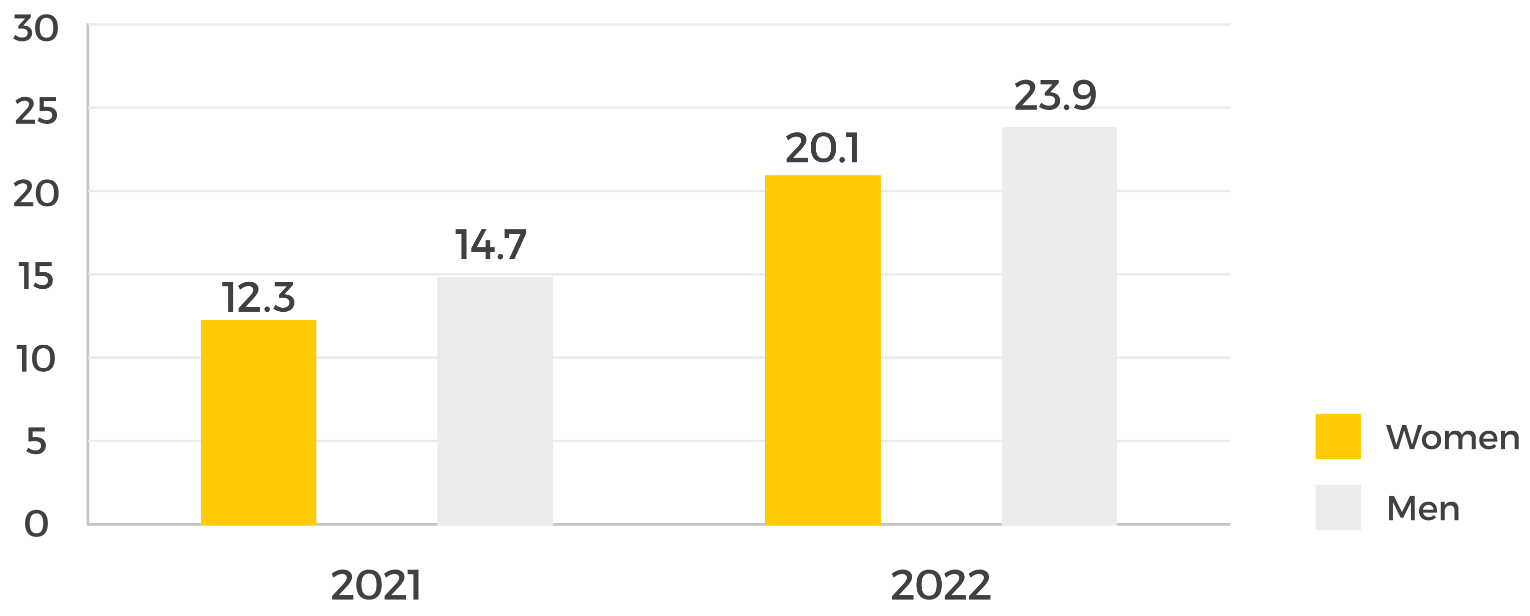
We plan to expand these in the coming years, as the structures of our individual companies expand. In Poland and France, we are already structuring career paths, skills and talent management, holding regular job position reviews and updating the remuneration policy according to market standards. In 2022 in Poland, 99.5% of employees received regular performance reviews and for 52% of them we have defined career paths. At the same time, we have put a lot of effort into expanding our evaluation processes at the Group level – now all markets undertake performance reviews, while in the UK we have initiated a formal performance and career development process which now covers 100% of employees. In Poland, we have additionally developed a talent management process from the moment such talent is recognised, its development, through to succession plans. It covers all categories of employees (from junior positions to senior management). At the same time, we always keep the foundations in mind – we are expanding the onboarding process and the whole training system, including the provision of essential training in the field of cybersecurity and data protection.

In 2022 in Poland, the number of training hours totaled to almost 95,000, with the average reaching 22 hours (+62% YoY) per employee. We attach great importance to the development of members of the top management as well – in Poland, the average number of training hours among them reached 15. We implemented programmes dedicated to employees from maintenance, administration and, IT departments and in order to facilitate the Group's integration, we launched a series of language courses.

Last but not least, we benefit from the diversity of experience and competencies that our employees have across markets and invest in knowledge sharing and international team building. We regularly encourage them to join various initiatives during cross company InTalks meeting with the CEO. We created group level functions that unify the approach and oversee international projects in the area of, for example, IT, marketing, data analytics and operations.

GRI 404-1

AVERAGE TRAINING HOURS PER EMPLOYEE BY GENDER IN POLAND IN 2022



ESG in action

We grow along the way

GRI 404-2

PEOPLE OUT OF THE BOX

1. **Mapping programme** for key people, talent and successors
2. **Goal**: drive retention, development of key people and talent, secure succession pipeline
3. **350 people marked as Talent, 130 people in development programmes**

MANAGER ACADEMY

1. **Training package** needed for newly promoted managers
2. **Set of training sessions on Goal orientation and Development, Leader Flexibility and Leadership**
3. **63 participants**
4. **NPS 9/10**

LEADERSHIP PROGRAMME

1. **Adapted to** different employee categories
2. **Tools** adjusted to the needs and experience of each category, relevant KPI
3. **First Leadeship Programme:**
   - Young people at the start of their career
   - 66 participants
   - 66 Individual Development Plans supported by practical business projects
   - 5 promotions
   - NPS 9/10
4. **General Leadership Programme:**
   - For managers increasing their management and leadership skills
   - 33 participants
   - 33 Individual Development Plan supported by practical business projects
   - 21 promotions
   - NPS 9/10
5. **Strategic Leadership Programme:**
   - Multi-tool, intensive course, based on the 360 evaluation
   - 24 participants edition 2021 – 2022
   - 18 participants edition 2023 – 2024, 17 promotions in 2022

EVALUATION

1. **Competence evaluation** – Poland:
   - Employees of the Courier Operations Division, junior to manager positions
   - 97% employees reviewed, 196 individual development plans
2. **Talent Review Programme** – France:
   - 100% managers evaluated – based on individual interviews and cross-category evaluation by top management
   - 100% managers with individual career paths

People Out Of The Box – the process of mapping key people (talents and successors) in the organisation – in Poland. In 2022, we mapped 350 people through the organisation, more than 140 of them have started Development Programmes.

We support the growth of business partners

Outcomes powered by us	Stakeholders we respond to	Currently involved territories

OUR IMPACT
Merchants point to us as a leader of courier market (81%) and perceive us as a company that stands out from the competition (80%), is innovative and develops new technologies (81%). They understand the direct impact we have in many social areas and expect us to support them and help to grow their businesses (39%) and care for our couriers (49%). At the same time, they appreciate social initiatives we have already taken and see the potential of our impact on the value chain, especially in the area of protecting human rights and promoting ethical behaviour[1]. This is especially important in the context of our cooperation with couriers. In Poland in 2022, we cooperated with over 8,300 couriers. On other markets, we outsource last-mile transport services, but attention to the standard of cooperation and the safety of couriers is our priority.

ACTIONS WE TAKE
We consider transparency and a clear operating framework to be the basis for successful business relationships, which is why we have developed the Suppliers Standards of Conduct (SSoC), in which we indicate cooperation standards in areas related to respecting human rights or environmental protection, and we point to the availability of the whistleblowing platform for reporting any irregularities.

For our associates and couriers, we have implemented further solutions that increase their engagement and raise work standards. We are investing in the development of a database of solid and proven candidates for employees of different branches, sorting plants or couriers. We are continuously expanding our custom training platform and offer support in building career paths. The basis of our cooperation is the verification of the credibility and quality of temporary work agencies cooperating with us, guaranteeing our associates proper employment conditions and a remuneration system.

Not only do we care about attracting good associates, but also about retaining them. We launched initiatives such as Stay With Us Longer, Extra Cash or Summer Route (for summer peak). If certain criteria concerning the number of delivered parcels are met, the courier may gain additional compensation or up to 9 additional paid days off per year.

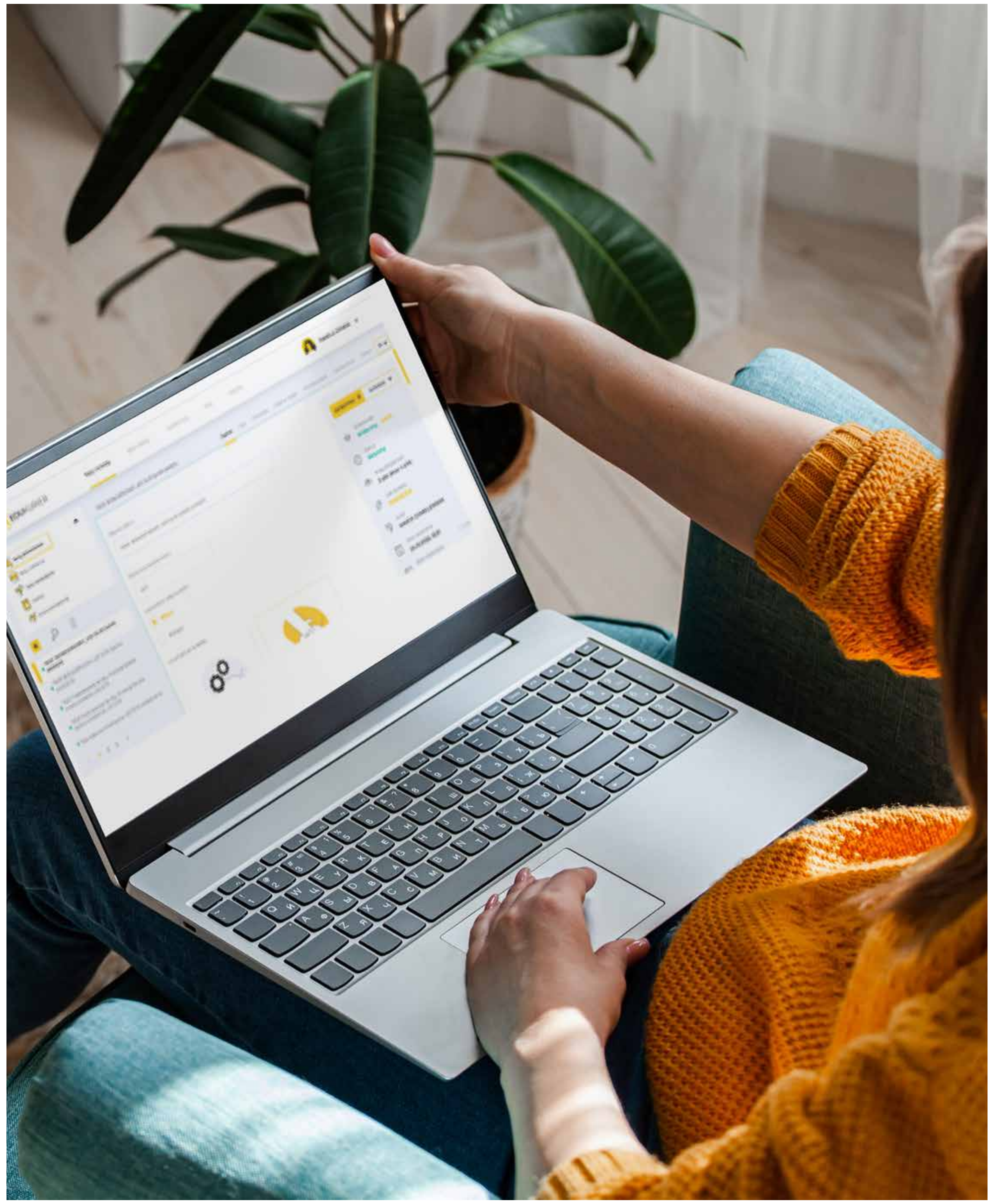
We also treat this cooperation as an opportunity to work together to combat climate change – our couriers are becoming one of the key links in the decarbonisation strategy, and we direct part of our investments towards them. We encourage them to exchange their own vehicles for electric ones, which we, as InPost, lease to them. We already have a fleet of 463 EVs, and we plan to raise that number to 1,000 by the end of 2023. Ultimately, the entire fleet of last-mile courier vehicles operating under the InPost and Mondial Relay logos will consist of electric vehicles.

ESG in action

Active support in constant improvement

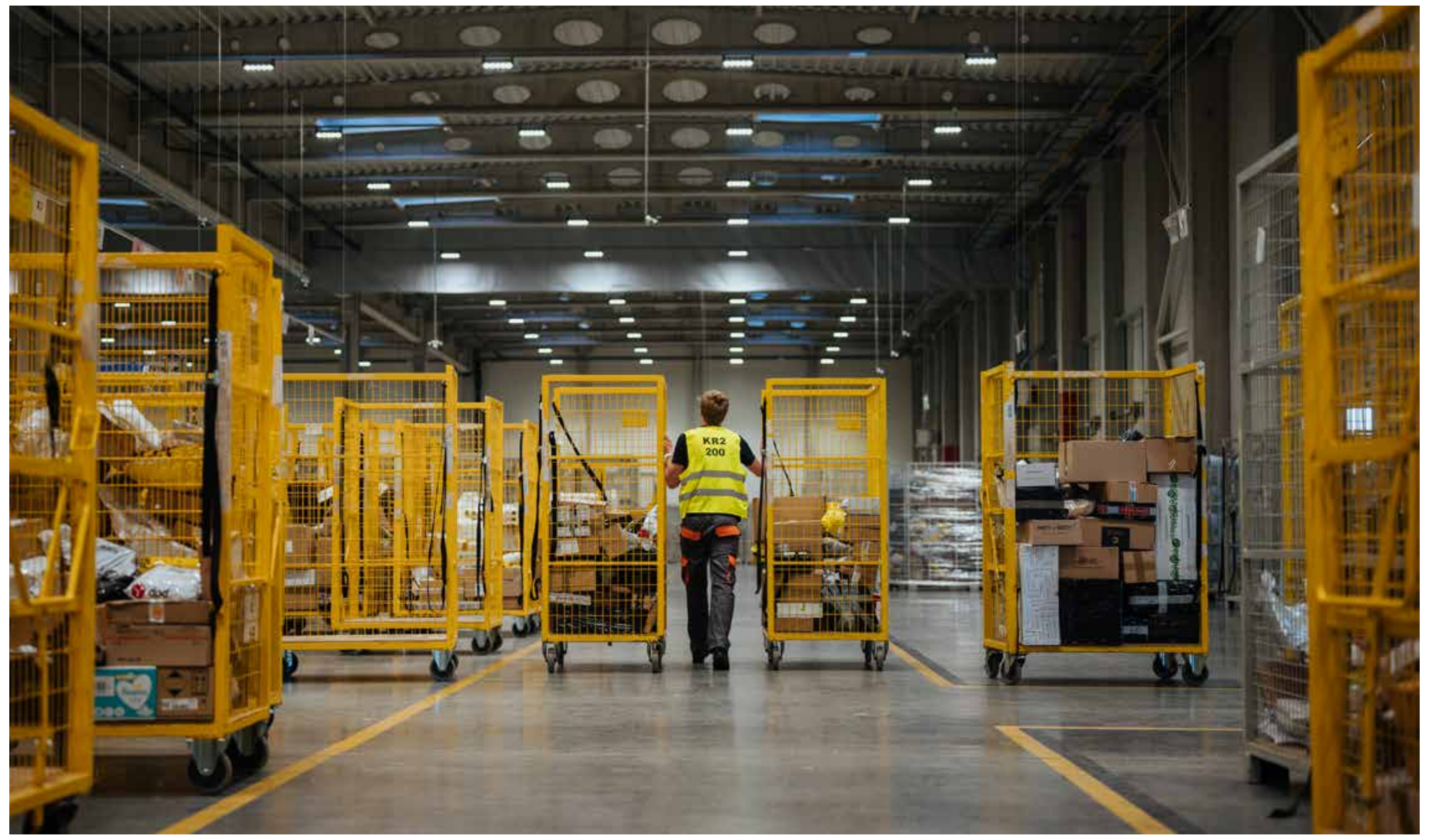
Courier Service

- E-learning Training and Tests for Couriers and Courier Services Coordinators
- Daily tests
- Candidate Training and Tests
- Knowledge base for Couriers and Courier Services Coordinators
- Communication with Branches and Couriers
- Couriers’ annual evaluation
- Educational and informational videos
- Infographics
- Updated Courier Services Coordinator’s onboarding
- Data update in trainings and Knowledge Base
- Reporting progress in tests
- Development of the EDUKurier2 tool
- Surveys for Courier Services Coordinators and Couriers



Warehouse Operations

- E-learning Training and Tests for Operation Teams Coordinators
- Onboarding for a direct production worker
- Educational and informational videos
- Infographics
- Knowledge base for Operation Teams Coordinators
- Communication with Operation Teams Coordinators
- Reporting progress in tests



ESG in action

Trainings for Courier Service (CS) and Warehouse Operations (WO) in Poland

E-learning activities

Online workshops

Monthly tests (CS)
71,039
Couriers

Monthly tests (WO)
2,613
Courier Service Team Leaders

Daily tests (CS)
80,260
Couriers

Trainings (WO)
560
2 training cycles

Before the PEAK
557
Warehouse Operations

Additional training (CS)
8,050
Candidates and Couriers

Additional training (WO)
230
Courier Service Team Leaders

Candidate tests (CS)
3,650
MIX
1,119
APMs
1,161
to-door
91
MPOK

Workshops on the annual evaluation of Couriers
393
Courier Service Team Leaders - 2 meetings

Onboarding meetings for (WO)
557
4 online meetings

Diversity is what lets us grow

Outcomes powered by us

Stakeholders we respond to

Currently involved **territories**

GRI 405-1, 405-2

OUR IMPACT

When hiring new employees, we follow the recruitment principles set out in the Diversity and Inclusion Policy. This is one of the elements contributing to the high percentage of women employed (approx. 42% in the Group, +4 p.p. YoY). In 2022 in Poland the number has stayed on a similar level of 48% and in the UK reached 48%, growing by 4 p.p., in comparison to 2021. In France, Mondial Relay calculates the equality index every year based on local regulations. In 2022, it was 89/100. The index takes into account, among others: the pay gap, the gap in promotions, increases upon return from maternity leave and the presence of women among the highest earners. At the same time, we are taking effective initiatives to reduce the pay gap. In Poland, the ratio of basic salary of women to men in the category of middle management has grown by 26 p.p. to 102%, while for other employees it has increased by 2 p.p. and reached 86%. We conducted a gender pay gap analysis for Poland, which allows us to extend our diversity, equity and inclusion initiatives along the whole life-cycle of employees. Thanks to such an exercise, we will be able to address pay challenges and bridge the gap resulting from the specificity of the industry and historical events.

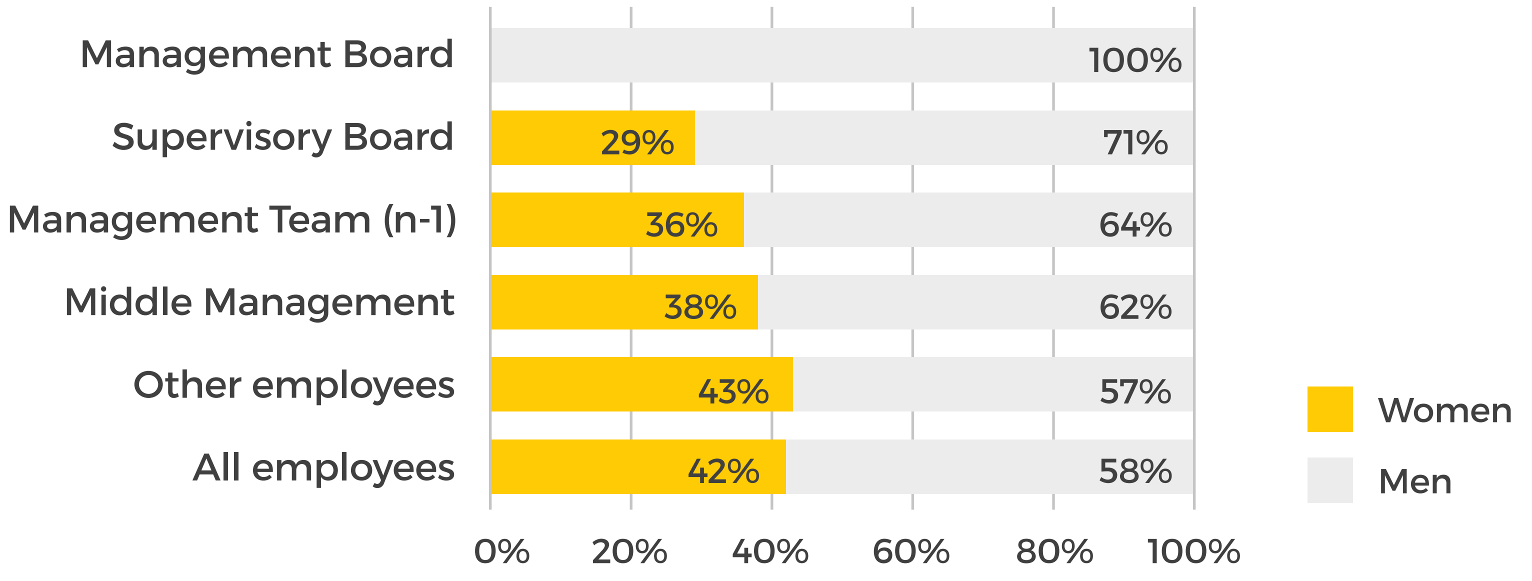
One of the main objectives of the developed action plan is for us to be fully prepared for the new regulatory requirements resulting from the Proposal for a Directive of the European Parliament and of the Council to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms[1]. Similar analyses are planned for other markets to secure an equal approach to fair remuneration across the Group.

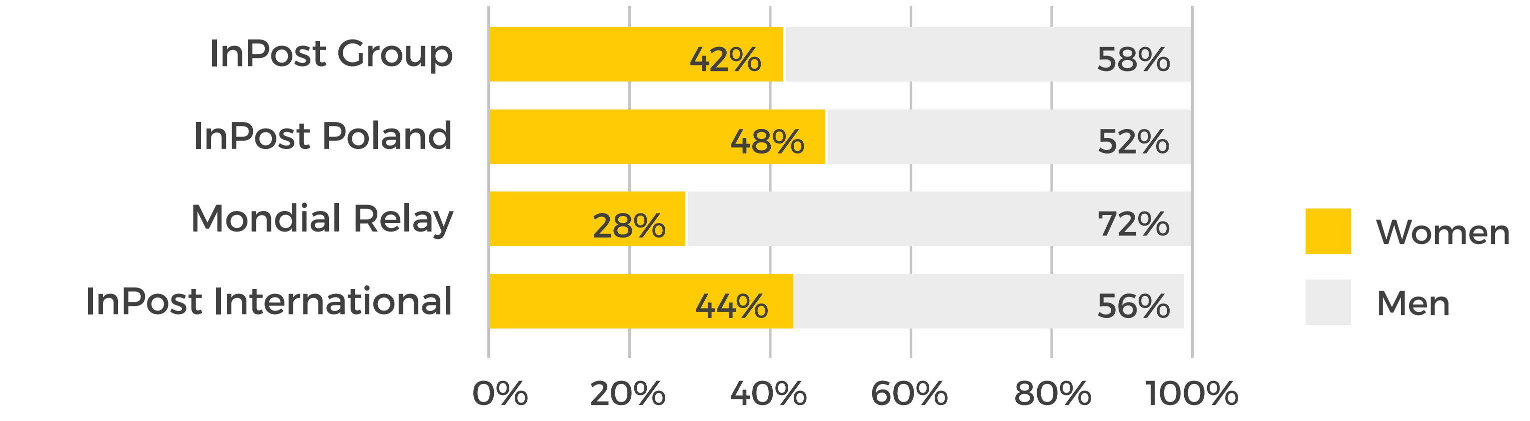
ACTIONS WE TAKE

The Diversity and Inclusion Policy is our guidance, which sets out directions for improvement in the area of diversity and inclusion. Its primary objective is to promote positive attitudes and inclusive behaviours, maintain staff diversity and foster a sense of empowerment among employees, throughout the whole spectrum of their talents. By embracing our diversity, we want to make sure that everyone feels welcome. The Policy will be replaced in Q1/Q2 2023 by the Diversity, Equity and Inclusion (DEI) Policy, with the objective of providing tools for the enhancement of our actions. These actions have been developed based on a thorough analysis and support the realisation of DEI in all InPost markets. They are divided into five areas: recruitment, talent management, remuneration and pay raise, work-life balance and reporting, data and policies. The person responsible for overseeing the implementation of and compliance with the policy is the Diversity Coordinator in Poland (appointed in February 2023). Our commitment to promoting equality and diversity is supported by external partnerships, such as membership in the 30% Club or the Top women in e-business initiative. In addition to activities carried out under the DEI Policy, we promote the exchange of experience between employees of various Group companies. As a priority, we focused on the mobile and IT teams from PL, FR and the UK, which has resulted in the exceptionally efficient implementation of mobile solutions for clients and optimisation of logistics on the French and British markets.

GRI 405-1

DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES BY CATEGORY





1 https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021PC0093

ESG in action

Diversity, Equality and Inclusion Policy and its planned impact on our ways of working

Advancing data-driven decision processes

- Collecting high-quality data
- Conducting analyses for strategic and data-driven decision-making processes
- Incorporating DEI metrics into the ESG measurement process

Extending the current efforts

- Extending the WellTime programme
- Support and training for (returning) parents

Benefiting from diversified talent pool

- Improving the recruitment process to target talents from underrepresented groups
- Inclusive onboarding process
- Inclusive communication

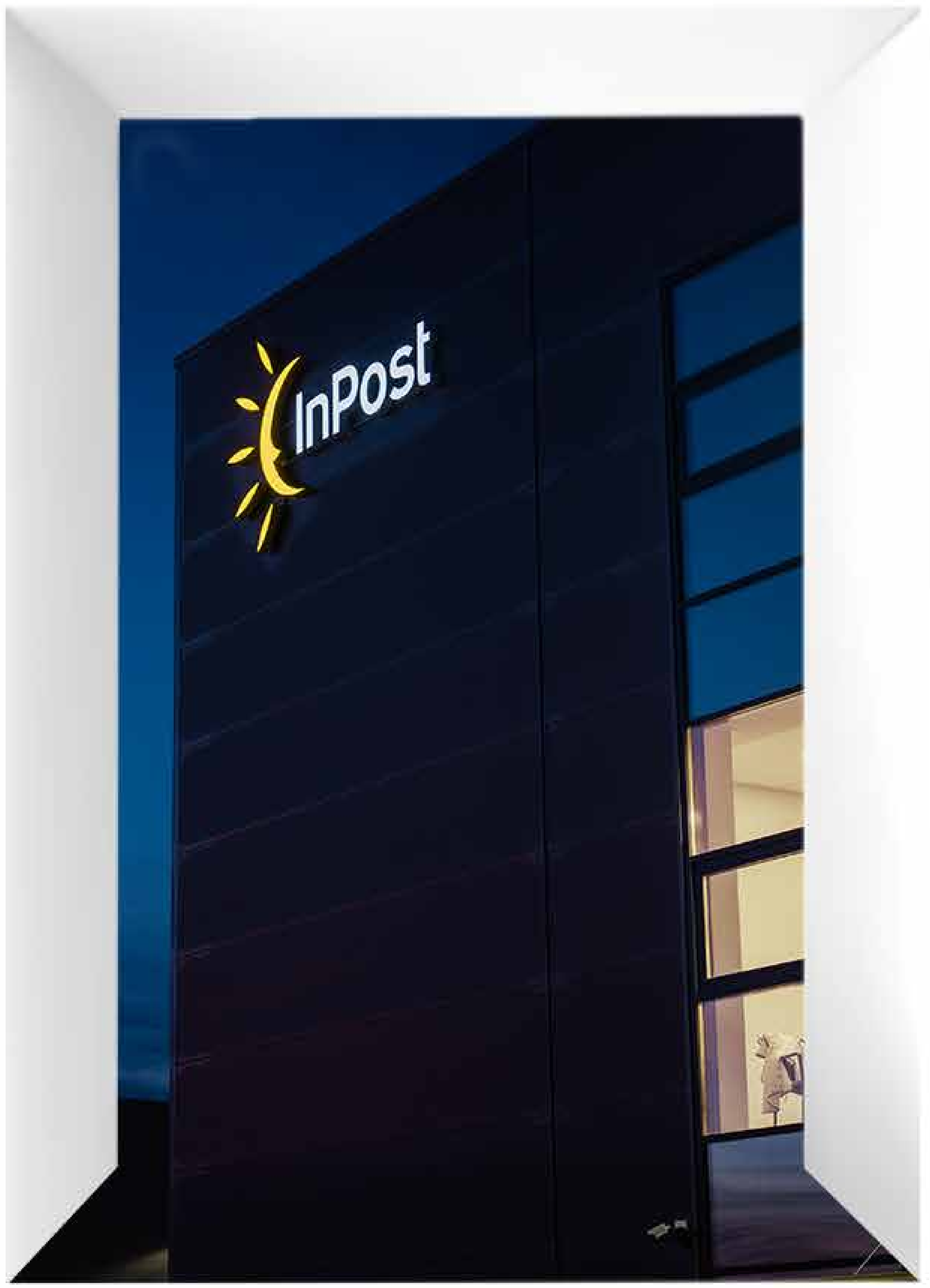
Accelerating equal career development opportunities

- Encouraging talents from underrepresented groups to aspire to leadership positions
- Career development initiatives
- Monitoring of the promotion process
- Employee retention initiatives
- Improving the feedback system
- DEI Training

Closing the (gender) pay gap

- Development of grades and wage brackets
- Positive pay rise discrimination

Financial statements



Responsibility statement

InPost S.A.
70, route d'Esch
L-1470 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B248669

RESPONSIBILITY STATEMENT

The Management Board and Supervisory Board confirm that, to the best of their knowledge:

These Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and Standalone Financial Statements, prepared in accordance with Generally Accepted Accounting Principles in Luxembourg, give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Company and the undertakings included in the consolidation taken as a whole, and that the Management report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Approved by the Board on its behalf by:

Mark Robertshaw
Chairperson of the Supervisory Board

Rafał Brzoska
Chief Executive Officer

Audit report

Report on the audit of the consolidated financial statements To the Shareholders of InPost S.A.

OUR OPINION
In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of InPost S.A. (the "Company") and its subsidiaries (the "Group") as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Our opinion is consistent with our additional report to the Audit Committee or equivalent.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2022;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

BASIS FOR OPINION
We conducted our audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the EU Regulation No 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of the EU Regulation No 537/2014.

The non-audit services that we have provided to the Company and its controlled undertakings, if applicable, for the year then ended, are disclosed in Note 37 to the consolidated financial statements.

KEY AUDIT MATTERS
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Audit report

Report on the audit of the consolidated financial statements

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
RISK OF FRAUD IN REVENUE RECOGNITION Revenue is one of the key figures reflecting the results of operations and market share, which is of the key importance for the Group's development. Therefore there is a risk of misstatement of the consolidated financial statements as a result of intentional overestimate of revenues in the consolidated financial statements. Since the Group's revenue is composed of high volumes of very low value individual transactions we have narrowed the risk of intentional misstatements to the recognition of fictitious sales. The disclosures related to revenue, including the accounting policies are included in Note 9 of the consolidated financial statements.	**OUR TESTING PROCEDURES INCLUDED IN PARTICULAR:** • Understanding the internal control system and analysing the principles adopted by the Group in terms of recognizing revenue from contracts with customers; • Conducting, on a sample basis, tests of selected internal controls, important for determining the occurrence of revenue transactions and the correct value of revenues from contracts with customers; • Understanding and validating types of documents used for accounting of revenues and identification of types of journal entries outside standard operating activity of the Group; • Testing of the selected non-standard journal entries of revenue accounts that have impacted revenue for the year by understanding the rationale for these journals.
RECOVERABILITY OF GOODWILL As of 31 December 2022 goodwill presented in consolidated financial statements amounted to PLN 1.488 million. In the note 17.3 to the consolidated financial statements, the Group disclosed relevant information on impairment of goodwill, including the result of impairment test, sensitivity analysis and key assumptions. The impairment test requires to adopt a number of assumptions and make judgments by the Management Board regarding the methodology and key assumptions (including financial forecasts reflected in the five-year plan, average annual rate of change in cash flows in the forecast period, discount rate in residual period, etc.). As a result of the calculations, no impairment loss was recognized. Valuation of goodwill is an area of particular importance for the audit, due to its significant value in the consolidated statement of financial position and the subjective nature of the Management Board's judgments and assumptions, which are necessary to conduct it, regarding, among others, the adopted strategy of the Company, financial plans and cash flow forecasts for the coming years, as well as macroeconomic and market assumptions. Given the materiality of the goodwill in the consolidated financial statements, we considered this a key audit matter.	**OUR TESTING PROCEDURES INCLUDED IN PARTICULAR:** • Understanding and assessing the correctness of the applied test method in accordance with the relevant financial reporting standards, including the assessment of the appropriateness of determining the cash-generating unit in accordance with the requirements of IAS 36; • Checking the mathematical correctness and methodological consistency of the valuation model prepared by the Management Board; • Critical assessment of the key assumptions made by the Management Board and the estimates made to determine the recoverable amount; • Engaging auditor's expert to check the DCF model correctness, mathematical accuracy and discount rate independent calculation; • Obtaining duly approved Management's budget; • Assessment of the sensitivity analysis of the key assumptions made by the Management Board versus result of the valuation; • Evaluation of the adequacy and completeness of the disclosures.

Audit report

Report on the audit of the consolidated financial statements

OTHER INFORMATION

The Board of Directors is responsible for the other information. The other information comprises the information stated in the consolidated management report and the Corporate Governance Statement but does not include the consolidated financial statements and our audit report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

The Board of Directors is responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

RESPONSIBILITIES OF THE "RÉVISEUR D'ENTREPRISES AGRÉÉ" FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to continue as a going concern;

Audit report

Report on the audit of the consolidated financial statements

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

We assess whether the consolidated financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the consolidated management report. The information required by Article 68ter Paragraph (1) Letters c) and d) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We have been appointed as “Réviseur d’Entreprises Agréé” by the General Meeting of the Shareholders on 19 May 2022 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 2 years.

We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2022 with relevant statutory requirements set out in the ESEF Regulation that are applicable to consolidated financial statements.

For the Group it relates to the requirement that:

- the consolidated financial statements are prepared in a valid XHTML format;
- the XBRL markup of the consolidated financial statements uses the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as at 31 December 2022, identified as Consolidated_Annual_Report_of_InPost_Group.zip, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

PricewaterhouseCoopers, Société coopérative
Represented by

Brieuc Malherbe

Luxembourg, 30 March 2023

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Consolidated statement of profit or loss and other comprehensive income

	Note	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021 Restated[1]
Continued operations			
Revenue	**9**	**7,060.2**	**4,581.9**
Other operating income		**18.9**	**20.3**
Depreciation and amortisation	10	972.3	609.7
Raw materials and consumables		208.3	89.2
External services	11	3,961.0	2,407.6
Taxes and charges		6.8	9.8
Payroll	12	670.1	493.1
Social security and other benefits	12	171.9	100.4
Other expenses		77.3	30.2
Cost of goods and materials sold		41.5	14.3
Other operating expenses		18.0	15.1
Impairment (gain)/ loss on trade and other receivables	22	9.8	6.4
Total operating expenses		**6,137.0**	**3,775.8**
Operating profit		**942.1**	**826.4**
Financial income	13	32.3	16.1
Financial costs	13	305.6	129.7
Profit before tax		**668.8**	**712.8**
Income tax expense	14	212.3	221.5
Profit from continuing operations		**456.5**	**491.3**
Profit (loss) from discontinued operations		**(0.1)**	**0.3**
Net profit		**456.4**	**491.6**

	Note	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021 Restated[1]
Other comprehensive income			
Exchange differences from the translation of foreign operations, net of tax – Item that may be reclassified to profit or loss		(29.6)	5.0
Other comprehensive income, net of tax		**(29.6)**	**5.0**
Total comprehensive income[2]		**426.8**	**496.6**
Net profit (loss) attributable to owners:			
From continued operations:		456.5	491.3
From discontinued operations:		(0.1)	0.3
Total comprehensive income attributable to owners:			
From continued operations:		427.0	490.6
From discontinued operations:		(0.2)	6.0
Basic/diluted earnings per share (in PLN)	15	**0.91**	**0.98**
Basic/diluted earnings per share (in PLN) – Continuing operations	15	**0.91**	**0.98**
Basic/diluted earnings per share (in PLN) – Discontinued operations	15	**0.00**	**0.00**

The above consolidated financial statements should be read in conjunction with the accompanying notes.

[1] Details described in note 17.2.
[2] The Net profit for the period and Total comprehensive income is attributable to the owners only.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Consolidated statement of financial position

ASSETS	Note	Balance as at 31-12-2022	Balance as at 31-12-2021 Restated[3]
Non-current assets		**6,988.0**	**5,870.8**
Goodwill	17	1,488.4	1,459.5
Intangible assets	18	1,043.0	1,051.2
Property, plant and equipment	19	4,226.6	3,110.0
Other receivables		26.1	31.4
Deferred tax assets	14.3	166.3	157.8
Other assets	21	37.6	60.9
Current assets		**1,767.3**	**1,461.9**
Inventory		14.4	10.9
Trade and other receivables	22	1,245.2	927.1
Income tax asset		28.5	3.7
Other assets	21	43.4	27.0
Cash and cash equivalents	23	435.8	493.2
TOTAL ASSETS		**8,755.3**	**7,332.7**

EQUITY AND LIABILITIES	Note	Balance as at 31-12-2022	Balance as at 31-12-2021 Restated[3]
Equity			
Equity attributable to owners of InPost		**469.0**	**29.1**
Share capital	33	22.7	22.7
Share premium		35,122.4	35,122.4
Retained earnings/ (accumulated losses)		892.0	435.6
Reserves		(35,568.1)	(35,551.6)
Total equity		**469.0**	**29.1**
Liabilities			
Loans and borrowings	24	4,717.1	4,545.8
Employee benefits and other provisions	26	15.2	33.2
Government grants		1.1	1.2
Deferred tax liability	14.3	291.9	282.4
Other financial liabilities	20.2	1,091.3	835.1
Total non-current liabilities		**6,116.6**	**5,697.7**
Trade payables and other payables	29	992.7	785.7
Loans and borrowings	24	338.8	194.4
Current tax liabilities		54.1	43.7
Employee benefits and other provisions	26	95.0	103.2
Other financial liabilities	20.2	552.3	357.7
Other liabilities	28	136.8	121.2
Total current liabilities		**2,169.7**	**1,605.9**
Total liabilities		**8,286.3**	**7,303.6**
TOTAL EQUITY AND LIABILITIES		**8,755.3**	**7,332.7**

The above consolidated financial statements should be read in conjunction with the accompanying notes.

[3] Details described in note 17.2.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Consolidated statement of cash flows

	Note	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Cash flows from operating activities			
Net profit		**456.4**	**491.6**
Adjustments:		**1,443.4**	**1,015.6**
Income tax expense	14	212.3	221.5
Financial (cost)/ income	13	235.3	84.7
Gain / (loss) on sale of property, plant and equipment		0.4	(2.6)
Depreciation and amortisation	10	972.3	609.7
Impairment losses		(2.1)	7.1
Grants		-	2.7
Group settled share-based payments	27	25.2	92.5
Changes in working capital:		**(85.9)**	**(14.2)**
Trade and other receivables	22	(304.0)	(166.2)
Inventories		(3.5)	(5.1)
Other assets	21	(12.6)	(6.5)
Trade payables and other payables	29	244.1	164.2
Employee benefits, provisions and contract liabilities	26	(26.3)	(2.1)
Other liabilities	32	16.4	1.5
Cash generated from operating activities		**1,813.9**	**1,493.0**
Interest and commissions paid		(247.9)	(150.0)
Income tax paid		(219.6)	(243.0)
Net cash from operating activities		**1,346.4**	**1,100.0**

	Note	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Cash flows from investing activities			
Purchase of property, plant and equipment		(987.1)	(849.6)
Purchase of intangible assets		(128.6)	(86.0)
Acquisition of a subsidiary, net of cash acquired	17	-	(2,260.7)
Net cash from investing activities		**(1,115.7)**	**(3,196.3)**
Cash flows from financing activities			
Proceeds from loans and borrowings	25	235.7	1,949.8
Repayment of the principal portion of loans and borrowings	25	(19.5)	(658.9)
Proceeds from bonds	25	-	2,715.2
Payment of principal portion of the lease liability	25	(490.0)	(302.0)
Payment to shareholders		-	(1,238.1)
Acquisition of treasury shares		(12.1)	-
Government grants return		-	(18.7)
Net cash from financing activities		**(285.9)**	**2,447.3**
Net increase/(decrease) in cash and cash equivalents		**(55.2)**	**351.0**
Cash and cash equivalents at 1st January		493.2	144.2
Effect of movements in exchange rates on cash held		(2.2)	(2.0)
Cash and cash equivalents at 31st December		435.8	493.2

The above consolidated financial statements should be read in conjunction with the accompanying notes.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Consolidated statement of changes in equity

	Share capital	Share premium	Share capital and share premium of combining entities	Reserves				Retained earnings/ (accumulated losses)	Total equity
				Translation reserve[4]	Reserve for treasury shares	Reserve capital (reorganisation)	Other reserves[5]		
Balance as at 01-01-2021	**0.1**	**-**	**686.8**	**(4.6)**	**-**	**-**	**11.8**	**(56.0)**	**638.1**
Net profit	-	-	-	-	-	-	-	491.6	491.6
Other comprehensive income for the period	-	-	-	5.0	-	-	-	-	5.0
Total comprehensive income for the period	**-**	**-**	**-**	**5.0**	**-**	**-**	**-**	**491.6**	**496.6**
Increase in the share capital of InPost S.A. due to the contribution in kind[6]	22.6	36,360.5	(686.8)	-	-	(35,656.3)	-	-	40.0
Redemption from reserve capital[7]	-	(1,238.1)	-	-	-	-	-	-	(1,238.1)
Share-based payment (equity-settled)	-	-	-	-	-	-	92.5	-	92.5
Balance as at 31-12-2021 Restated[8]	**22.7**	**35,122.4**	**-**	**0.4**	**-**	**(35,656.3)**	**104.3**	**435.6**	**29.1**
Net profit	-	-	-	-	-	-	-	456.4	456.4
Other comprehensive income for the period	-	-	-	(29.6)	-	-	-	-	(29.6)
Total comprehensive income for the period	**-**	**-**	**-**	**(29.6)**	**-**	**-**	**-**	**456.4**	**426.8**
Share-based payment (equity-settled)	-	-	-	-	-	-	25.2	-	25.2
Acquisition of treasury shares	-	-	-	-	(12.1)	-	-	-	(12.1)
Treasury shares delivered	-	-	-	-	3.4	-	(3.4)	-	-
Balance as at 31-12-2022	**22.7**	**35,122.4**	**-**	**(29.2)**	**(8.7)**	**(35,656.3)**	**126.1**	**892.0**	**469.0**

The above consolidated financial statements should be read in conjunction with the accompanying notes.

4 Translation reserve includes exchange differences from the translation of foreign operations.

5 Other reserves include equity-settled share-based payment programme reserve.

6 The Group reorganisation, which took place at the beginning of 2021, impacted the current Group's structure significantly. On January 26, 2021, the general meeting of shareholders adopted a resolution to increase the share capital to EUR 5,000,000. On January 26, 2021, AI Prime Bidco S.à r.l., a related party of the Company, contributed 100% of the shares held respectively in Integer.pl S.A. and InPost Technology S.à r.l. to InPost S.A. for a total amount of EUR 7,995,747,974 to cover the value of shares issued.

7 Paid to shareholder AI Prime Bidco S.à r.l.

8 Details described in note 17.2.

1. Basis of preparation

The accompanying consolidated statements of financial position, as of December 31, 2022, as well as the related consolidated statements of profit and loss and other comprehensive income, changes in equity and cash flows for the financial year ended December 31, 2022, with the related notes (collectively, the 'consolidated financial statements'), have been prepared in accordance with International Financial Reporting Standards and IFRS IC interpretations, as adopted by The European Union (hereinafter referred to as 'IFRS').

The Management Board of InPost S.A. declares that, according to its best judgement, these consolidated financial statements have been prepared in accordance with the accounting principles currently in force, and give a true and fair view of the consolidated financial position of InPost Group as at December 31, 2022, and of its consolidated financial performance and consolidated cash flows for the year then ended.

Significant accounting policies applied by the Group, as the basis for the preparation of these consolidated financial statements, are described in respective notes to the consolidated financial statements, and significant judgments and estimates are summarised in note 6.

The consolidated financial statements have been prepared on a historical cost basis.

These consolidated financial statements were prepared under the assumption that InPost Group will continue to operate as a going concern in the foreseeable future. As at the date of approval of the consolidated financial statements, there is no evidence indicating that the Group will not be able to continue its business activities on a going concern basis.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

2. Introduction to the Consolidated Financial Statements

2.1. GENERAL INFORMATION ABOUT INPOST GROUP AND ITS PARENT

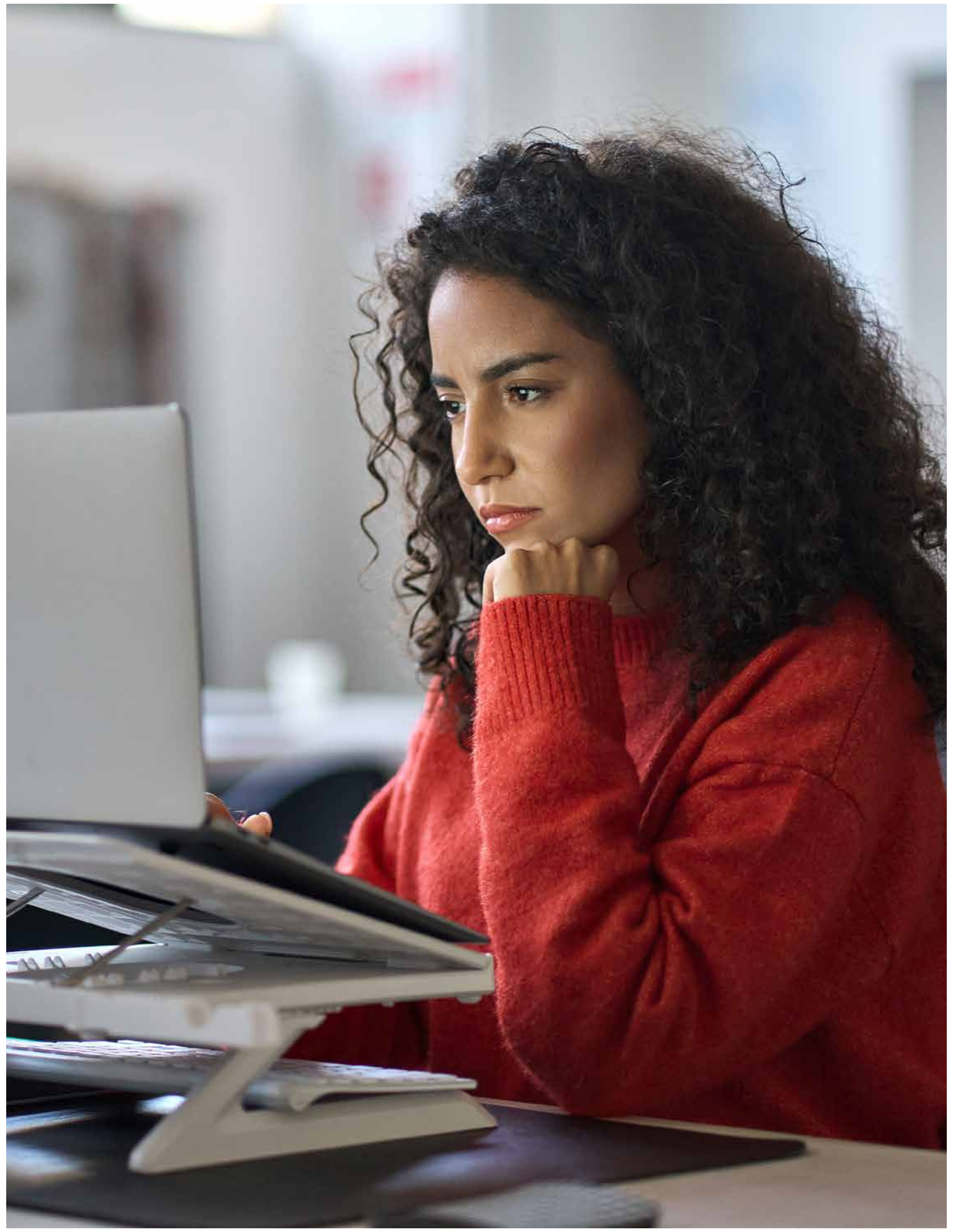
InPost S.A. (hereinafter 'the Company') was incorporated on November 6, 2020 and is organised under the laws of Luxembourg as a 'société anonyme' for an unlimited period, and is registered with the Luxembourg Register of Commerce and Companies under n° B 248669. The address of InPost S.A. registered office is 70 route d'Esch, L-1470 Luxembourg.

InPost S.A. is the parent company in InPost Group (hereinafter 'the Group'). The functional currency of InPost S.A. is the Euro (EUR). The Polish zloty (PLN) is used as the presentation currency of these consolidated financial statements. Since January 27, 2021 InPost S.A. shares have been traded on Euronext Amsterdam, where the Company is part of the AEX Index and has a credit rating of Ba2/BB.

As at the date of this report, the Company had no ultimate controlling shareholder.

As of the date of these consolidated financial statements, the shareholders were:

Company name	Interest in the share capital as at 31-12-2022
Advent International Corporation	46.02%
A&R Investments LTD	12.45%
The Capital Group Companies Inc.	6.26%
GIC Private Limited, Singapore	5.01%
Others	30.26%
Total	**100%**



2.2. GROUP'S OPERATIONS

InPost Group offers complex logistic solutions mostly for customers from the e-commerce industry. The core business of InPost Group includes the following operating activities: automated parcel machines services, courier services, fulfillment services, production and sale of automated parcel machines, research and development works, internet portals, data processing, website management (hosting), and holding activities including the management of InPost Group.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

2.3. COMPOSITION OF THE GROUP

These consolidated financial statements of InPost Group include the financial information of the Parent, which is InPost S.A., and of 3 direct subsidiaries and 9 indirectly controlled subsidiaries of InPost S.A. The list of the Group's entities is presented in the table below:

	Company name	Country	Functional currency	Shareholders as at 31-12-2022	Interest in the share capital as at 31-12-2022
	Direct subsidiaries				
1	Integer.pl S.A.	Poland	PLN	InPost S.A.	100%
2	InPost Technology S.à r.l.	Luxembourg	EUR	InPost S.A.	100%
3	Integer France SAS	France	EUR	InPost S.A.	100%
	Indirect subsidiaries				
4	Mondial Relay SAS	France	EUR	Integer France SAS	100%
5	InPost Sp. z o.o.	Poland	PLN	Integer Group Services Sp. z o.o.	100%
6	Locker InPost Italia Srl	Italy	EUR	InPost Paczkomaty Sp. z o.o.	100%
7	Granatana Limited in liquidation	Cyprus	EUR	InPost Paczkomaty Sp. z o.o.	100%
8	Giverty Holding Limited in liquidation	Cyprus	EUR	InPost Paczkomaty Sp. z o.o.	100%
9	InPost UK Limited	United Kingdom	GBP	InPost Paczkomaty Sp. z o.o.	100%
10	InPost Paczkomaty Sp. z o.o.	Poland	PLN	Integer.pl S.A.	100%
11	Integer Group Services Sp. z o.o.	Poland	PLN	Integer.pl S.A.	38.35%
				InPost Paczkomaty Sp. z o.o.	61.65%
12	M.P.S.L. Modern Postal Services Ltd	Cyprus	EUR	Integer.pl S.A.	100%

There were no changes in the composition of the Group in comparison to the year ended December 31, 2021.

2.4. AUTHORISATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were authorised for issue by the Management Board on March 29, 2023.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

3. New and amended standards and interpretations

The new and amended standards and interpretations that are issued, but not yet effective up to the date of issuance of the Group's financial statements, are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

New Standard or Amendment	Issued on	Effective for annual periods beginning on or after	Effective date in EU	Group's assessment of the impact on financial statements
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	28.09.2022	01.01.2024	not endorsed yet	Assessment in progress
IFRS 17 Insurance Contracts and Amendments to IFRS 17	18.05.2017	01.01.2023	01.01.2023	No impact
Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting policies	12.02.2021	01.01.2023	01.01.2023	Assessment in progress
Amendments to IAS 8: Definition of Accounting Estimates	12.02.2021	01.01.2023	01.01.2023	Assessment in progress
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	23.01.2020	01.01.2023	not endorsed yet	Assessment in progress
Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	07.05.2021	01.01.2023	not endorsed yet	Assessment in progress
Amendments to IFRS 17: Initial Application of IFRS 17 and IFRS 9 – Comparative Information	09.12.2021	01.01.2023	not endorsed yet	Assessment in progress
IFRS 14 Regulatory Deferral Accounts	30.01.2014	01.01.2016	not endorsed yet	No impact
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	11.09.2014	deferred indefinitely by IASB	postponed	No impact

Standards and interpretations approved by IASB and have come into a force for the financial periods starting from January 1, 2022:

New standard or Amendment	Issued on	Effective for annual periods beginning on or after	Effective date in EU	Group's assessment of the regulation
Amendments to IFRS 3 Amendments to IAS 16 Amendments to IAS 37 Annual Improvements to IFRS Standards 2018 – 2020	14.05.2020	01.01.2022	01.01.2022	Insignificant impact

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

4. Foreign currency

4.1. FOREIGN OPERATIONS TREATMENT
The Polish zloty (PLN) has been used as the presentation currency for these consolidated financial statements.

The functional currency of each company is the same as the currency of its country of residence.

Exchange differences from the translation of foreign operations as well as InPost S.A. operations from functional currency to the Group's presentation currency are recognised in other comprehensive income as a translation reserve, except to the extent that the translation difference is attributable to NCI.

4.2. REPORTING FOREIGN CURRENCY TRANSACTIONS
Foreign currency transactions at initial recognition are translated into respective functional currencies of the Group's companies at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing rate at the reporting date. For entities whose functional currency is PLN, the closing rate is the average exchange rate published for the currency by the NBP as at that date. Non-monetary items that are measured at historical cost are translated using the exchange rate at the transaction date.

Foreign currency differences are recognised in profit or loss and presented within finance costs/income, except for exchange differences from the translation of foreign operations described in note 4.1.

The following exchange rates were used at the reporting dates:

	31-12-2022	31-12-2021
Exchange rate at the reporting date – for assets and liabilities		
EUR	4.6899	4.5994
GBP	5.2957	5.4846
Average exchange rate for the period – for P&L and cash flows		
EUR	4.6883	4.5775
GBP	5.4900	5.3308

5. Basis for consolidation

Subsidiaries are entities controlled by the Group. InPost Group controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions are eliminated. Unrealised losses are also eliminated, unless there is evidence of impairment of the transferred asset. The accounting principles applied by the subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Changes in the InPost Group's interest in a subsidiary that does not result in a loss of control are accounted for as equity transactions with shareholders.

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity related to the subsidiary. Any gain or loss arising as a result of the loss of control is recognised in profit or loss.

6. Important events within the 2022 period

6.1. RUSSIAN INVASION OF UKRAINE

On February 24, 2022, Russia launched a large-scale invasion of Ukraine, Poland's neighbour to the east. The Group has undertaken a number of activities aimed at providing support to its employees of Ukrainian nationality, their families and relatives and all other people in need of help. The Group has been actively engaged in helping Ukrainians by using its huge transport fleet to help deliver large amounts of products collected, as part of campaigns and collections organised for Ukrainians throughout Poland.

During the year ended December 31, 2022, InPost Group has not been directly affected by the military conflict, as it does not conduct any operations and does not have any assets located in either Russia, Belarus or Ukraine. The Group has not identified the risk of interrupting continuity of deliveries due to the lack of employees or for any other reason.

On February 28, 2022 the Group communicated that it will not acquire any goods or services from those companies whose shareholding is above 5% Russian or Belarusian. This decision in itself did not have significant negative impact on the Group's business as the sourcing was focused on mainly local markets and some on China.

The situation in Ukraine has caused, and potentially will continue to cause, negative effects for the Polish national economy, as well as the regional and world economy, both in the short and long term, such as: a rise in fuel prices, changes in exchange rates and an increase in the inflation rate, which negatively affected the Group's financial results.

The Management Board of the Parent Company constantly monitors the impact of the political and economic situation in Ukraine on the activities of the Group and on the financial results in the perspective of subsequent periods, adjusting the Group's budgets accordingly.

7. Significant accounting judgements and estimates

Accounting policies considered relevant for understanding the consolidated financial statements, or required to be disclosed by law or IFRS, are provided per note to the consolidated financial statements. It also requires the Management to exercise its judgment in the process of applying the Group's accounting policies. These policies and the significant judgements made by the Management in applying the Group's accounting policies have been consistently applied to all periods presented in these consolidated financial statements.

The preparation of the consolidated financial statements in accordance with IFRS adopted by the EU also requires the use of certain critical accounting estimates. Estimations and underlying assumptions are being constantly verified and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The summary of used estimates with references to respective notes is presented in the table below:

Note	Title	Significant estimates
14.3	Deferred tax assets	Recognition of deferred tax assets
17	Goodwill	Discount rate, Growth rate, Impairment
18	Intangible assets	Amortisation, Impairment
19	Property, plant and equipment	Borrowing costs, Depreciation, Impairment
20	Leases	Lease term, Discount rate, Purchase option
22	Trade and other receivables	Impairment
26	Provisions and employee benefits	Estimation of employee benefits
27	Share-based payment	Exit date, Target EBITDA, Estimated outcome of the programme (service and non-market performance conditions)

Disclosures to the consolidated statement of profit or loss and other comprehensive income

8. Group's performance and segment information

8.1. ALTERNATIVE PERFORMANCE MEASURES – GROSS PROFIT, OPERATING EBITDA AND ADJUSTED EBITDA

The Group reports on the following alternative performance measures of its performance that are derived from the consolidated statement of comprehensive income or statement of cash flows: Gross Profit, Operating EBITDA and Adjusted EBITDA. The Group believes that these and similar measures are used in the industry in which the Group operates as means of evaluating a company's operating performance.

However, those are not recognised measures of financial performance, financial condition or liquidity under IFRS. In addition, not all companies may calculate Gross Profit, Operating EBITDA and Adjusted EBITDA in the same manner or on a consistent basis. As a result, this measure may not be comparable to measures used by other companies under the same or similar names. Accordingly, undue reliance should not be placed on these measures and they should not be considered in isolation or as a substitute for profit for the year, cash flow, expenses or other financial measures computed in accordance with IFRS.

Gross Profit represents a margin realised on deliveries to clients, which takes into account only revenue and other operating income related to deliveries as well as costs directly attributable to such deliveries. Gross Profit is defined as net profit for the period adjusted for profit (loss) from discontinued operations, income tax expense, profit on sales of an organised part of an enterprise, the share of profits of equity-accounted investees, finance costs and income, depreciation and amortisation and general costs. The numerical reconciliation of Gross Profit to the numbers included in the consolidated financial statements prepared under IFRS is included in note 8.2 on segment reporting.

Operating EBITDA facilitates the comparisons of the Group's operating results from period to period and between segments by removing the impact of, among other things, its capital structure, asset base and tax consequences. Operating EBITDA is defined as net profit for the period adjusted for profit (loss) from discontinued operations, income tax expense (benefit), profit on sales of an organised part of an enterprise, share of profits of equity-accounted investees, finance costs and income, as well as depreciation and amortisation.

Adjusted EBITDA facilitates the comparisons of the Group's operating results from period to period and between segments by removing the impact of, among other things, its capital structure, asset base and tax consequences, and one-off and non-cash costs not related to its day-to-day operations. Adjusted EBITDA is defined as net profit (loss) for the period adjusted for profit (loss) from discontinued operations, income tax expense (benefit), profit on sales of an organised part of an enterprise, share of profits of equity-accounted investees, finance costs and income, depreciation and amortisation adjusted with non-cash (Share based payments) and one-off costs (IPO, Restructuring and Acquisition costs).

CAPEX is defined as the total of Purchase of property, plant and equipment and Purchase of intangible assets presented in Cashflow Statement. This measure is used to assess the total amount of cash outflows invested in the Group's non-current assets.

Operating EBITDA Margin is defined as Operating EBITDA divided by the total of Revenue and Other operating income.

Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by the total of Revenue and Other operating income.

The above-mentioned measures are used to evaluate the profitability of each reportable segment.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

The following table reconciles net profit to Operating EBITDA and Adjusted EBITDA for the periods indicated:

	2022	2021
Net profit from continuing operations	**456.5**	**491.3**
Income tax	212.3	221.5
Profit from continuing operations before tax	**668.8**	**712.8**
adjusted by:		
- net financial costs	273.3	113.6
- depreciation	972.3	609.7
Operating EBITDA	**1,914.4**	**1,436.1**
- MIP Valuation	4.4	80.0
- LTIP Valuation	14.4	12.5
- IPO costs	-	21.9
- M&A costs	28.2	75.9
Adjusted EBITDA	**1,961.4**	**1,626.4**

The following table reconciles CAPEX for the periods indicated:

	2022	2021
Purchase of property, plant and equipment	987.1	849.6
Purchase of intangible assets	128.6	86.0
Total CAPEX	**1,115.7**	**935.6**

The following table reconciles Operating EBITDA margin for the periods indicated:

	2022	2021
Revenue and other operating income	**7,079.1**	**4,602.2**
Operating EBITDA	1,914.4	1,436.1
Operating EBITDA margin	**27.0%**	**31.2%**

The following table reconciles Adjusted EBITDA margin for the periods indicated:

	2022	2021
Revenue and other operating income	**7,079.1**	**4,602.2**
Adjusted EBITDA	1,961.4	1,626.4
Adjusted EBITDA margin	**27.7%**	**35.3%**

8.2. SEGMENT INFORMATION

For management purposes, the Group presents results in four reportable segments divided into two following geographical regions:

- Segments outside Poland:
  A. Mondial Relay segment, which includes APM[9] business and PUDO[10] points in France, Spain, Belgium, the Netherlands, Luxembourg and Portugal;
  B. International Other segment, which includes APM and PUDO business in the United Kingdom and Italy.

- Segments in Poland:
  A. APM segment, which is focused on the delivery of parcels to automated parcel machines;
  B. To-Door segment, which includes the delivery of parcels using door-to-door couriers.

Non reportable segment - other segments in Poland, which consists mainly of fulfilment, fresh, marketing and IT services provided for external customers.

The Management Board is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is assessed on the basis of revenue

and gross profit or loss, measured consistently with those in the consolidated financial statements. Additionally, aggregated segments at the geography level are assessed based on Operating EBITDA and Adjusted EBITDA. The accounting policies adopted are uniform for all segments and consistent with those applied for the Group.

Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

Inter-segment revenues are eliminated upon consolidation and reflected in the Inter-segment eliminations column.

General cost, depreciation, finance costs, finance income and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

[9] APM is Automated Parcel Machine.
[10] PUDO is Pick-Up and Drop-Off points.

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Period of 12 months ended on 31-12-2022	International		Poland				Total	Total reportable segments
	Mondial Relay	Other	APM	To-Door	Other	Inter-segment elimination		
	A	B	C	D				A+B+C+D
Revenue and other operating income[11]	**2,671.3**	**246.3**	**3179.4**	**896.0**	**138.3**	**(52.2)**	**7,079.1**	**6,993.0**
External	2,671.3	207.6	3,179.4	896.0	124.8	-	7,079.1	6,965.3
Inter-segment	-	38.7	-	-	13.5	(52.2)	-	38.7
Direct costs	**(2,183.1)**	**(363.6)**	**(1,226.0)**	**(647.3)**	**(109.4)**	**52.2**	**(4,477.2)**	**(4,420.0)**
Logistics costs	(1,692.7)	(274.3)	(1,113.0)	(624.5)	-	38.7	(3,665.8)	(3,704.5)
External costs	(1,654.0)	(274.3)	(1,113.0)	(624.5)	-	-	(3,665.8)	(3,665.8)
Inter-segment costs	(38.7)	-	-	-	-	38.7	-	(38.7)
APM network	**(8.4)**	**(53.0)**	**(51.4)**	**-**	**-**	**13.5**	**(99.3)**	**(112.8)**
External costs	(5.3)	(42.6)	(51.4)	-	-	-	(99.3)	(99.3)
Inter-segment costs	(3.1)	(10.4)	-	-	-	13.5	-	(13.5)
PUDO points[12]	(381.5)	(12.6)	(15.6)	(5.1)	-	-	(414.8)	(414.8)
Other direct costs	(100.5)	(23.7)	(46.0)	(17.7)	(109.4)	-	(297.3)	(187.9)
Gross profit	**488.2**	**(117.3)**	**1,953.4**	**248.7**	**28.9**	**-**	**2,601.9**	**2,573.0**

11 The Group's revenue is recognised at the point in time.
12 PUDO points – commissions for handling parcels at collection and delivery points.

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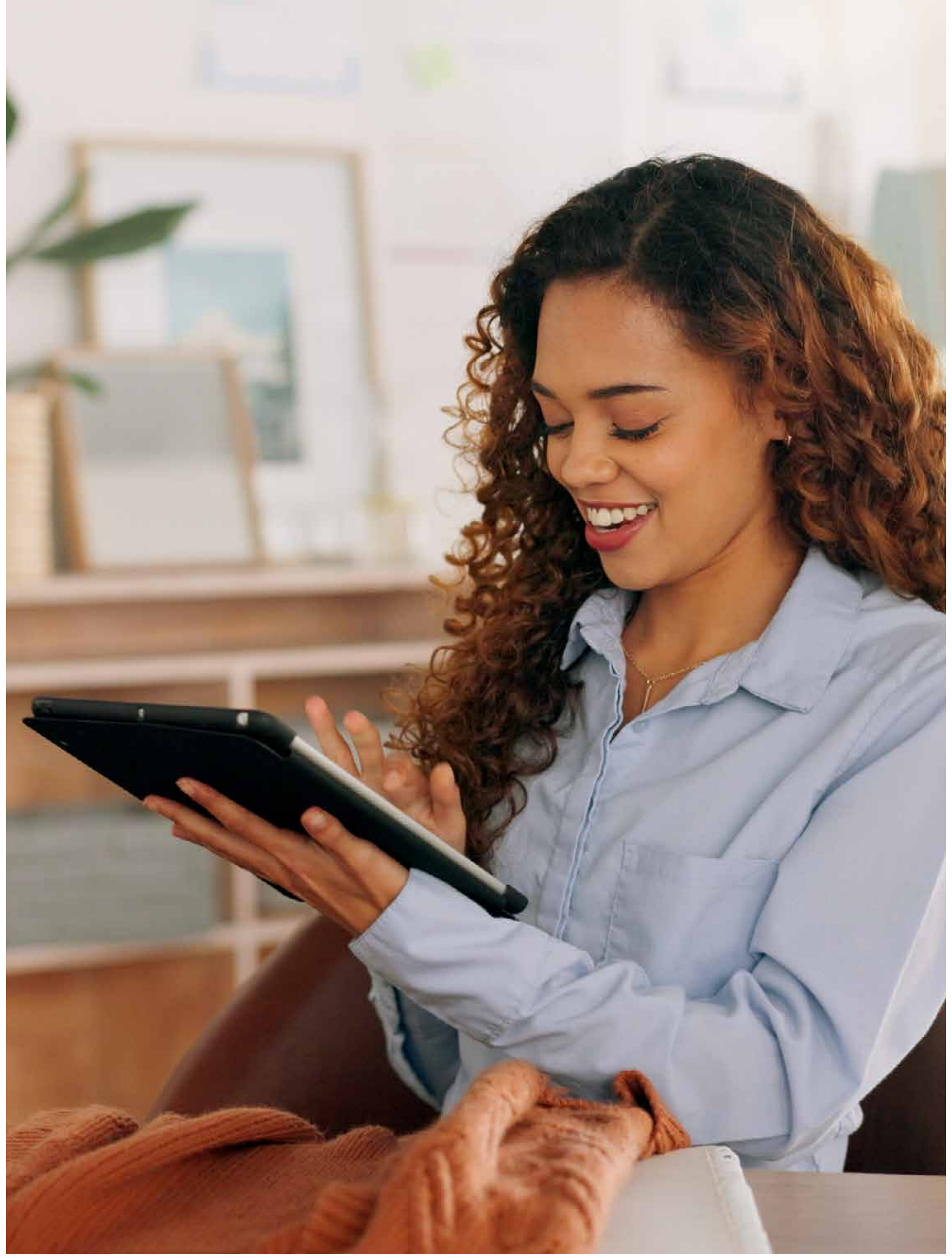
	Mondial Relay	Other International	Poland	Total
Gross profit/(loss)	**488.2**	**(117.3)**	**2,231.0**	**2,601.9**
General costs	(188.2)	(72.8)	(426.5)	(687.5)
- Sales & Marketing	(51.8)	(18.5)	(85.1)	(155.4)
- Call Centre	(30.2)	(16.9)	(41.0)	(88.1)
- IT Maintenance	(54.4)	(3.0)	(65.6)	(123.0)
- MIP Valuation	-	-	(4.4)	(4.4)
- LTIP Valuation	(2.4)	(1.6)	(10.4)	(14.4)
- M&A costs	(28.2)	-	-	(28.2)
- Other general costs	(21.2)	(32.8)	(220.0)	(274.0)
Operating EBITDA	**300.0**	**(190.1)**	**1,804.5**	**1,914.4**
Depreciation and amortisation	(212.8)	(73.7)	(685.8)	(972.3)
Operating profit	**87.2**	**(263.8)**	**1,118.7**	**942.1**

	Mondial Relay	Other International	Poland	Total
Operating EBITDA	**300.0**	**(190.1)**	**1.804.5**	**1,914.4**
- MIP Valuation	-	-	4.4	4.4
- LTIP Valuation	2.4	1.6	10.4	14.4
- M&A costs	28.2	-	-	28.2
Adjusted EBITDA	**330.6**	**(188.5)**	**1,819.3**	**1,961.4**

The summary of value of property, plant and equipment and intangible assets for the segments is presented in the table below:

	Mondial Relay	Other International	Poland	Total
Property, plant and equipment	448.7	326.7	3,451.2	4,226.6
- of which ROU	442.8	99.7	971.8	1,514.3
Intangible assets	829.1	12.1	201.8	1,043.0
Goodwill	1,488.4	-	-	1,488.4
Total	**2,766.2**	**338.8**	**3,653.0**	**6,758.0**



Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

The comparative figures are presented in the tables below:

Period of 12 months ended on 31-12-2021	International		Poland				Total	Total reportable segments
	Mondial Relay	Other	APM	To-Door	Other	Inter-segment elimination		
	A	B	C	D				A+B+C+D
Revenue and other operating income[13]	**1,080.0**	**68.8**	**2,624.4**	**731.5**	**100.5**	**(3.0)**	**4,602.2**	**4,504.7**
External	1,080.0	68.8	2,624.4	731.5	97.5	-	4,602.2	4,504.7
Inter-segment	-	-	-	-	3.0	(3.0)	-	-
Direct costs	**(829.8)**	**(97.8)**	**(956.9)**	**(500.7)**	**(56.6)**	**2.5**	**(2,439.3)**	**(2,385.2)**
Logistic costs	(659.0)	(79.9)	(889.1)	(481.2)	-	-	(2,109.2)	(2,109.2)
APM network	(1.0)	(14.5)	(34.7)	-	-	2.5	(47.7)	(50.2)
External costs	(1.0)	(12.0)	(34.7)	-	-	-	(47.7)	(47.7)
Inter-segment costs	-	(2.5)	-	-	-	2.5	-	(2.5)
PUDO points[14]	(155.5)	-	(14.3)	(3.9)	-	-	(173.7)	(173.7)
Other direct costs	(14.3)	(3.4)	(18.8)	(15.6)	(56.6)	-	(108.7)	(52.1)
Gross profit	**250.2**	**(29.0)**	**1,667.5**	**230.8**	**43.9**	**(0.5)**	**2,162.9**	**2,119.5**

13 The Group's revenue is recognised at the point in time.

14 PUDO points – commissions for handling parcels at collection and delivery points

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	Mondial Relay	Other International	Poland	Total
Gross profit/(loss)	**250.2**	**(29.0)**	**1,941.7**	**2,162.9**
General costs	(171.9)	(95.6)	(459.3)	(726.8)
- Sales & Marketing	(39.2)	(4.2)	(72.7)	(116.1)
- Call Centre	(5.8)	(9.1)	(34.2)	(49.1)
- IT Maintenance	(34.0)	-	(43.1)	(77.1)
- MIP Valuation	-	-	(80.0)	(80.0)
- LTIP Valuation	(0.5)	(4.1)	(7.9)	(12.5)
- IPO costs	-	-	(21.9)	(21.9)
- M&A costs	(75.9)	-	-	(75.9)
- Other general costs	(16.5)	(78.2)	(199.5)	(294.2)
Operating EBITDA	**78.3**	**(124.6)**	**1,482.4**	**1,436.1**
Depreciation and amortisation	(76.9)	(34.2)	(498.6)	(609.7)
Operating profit	**1.4**	**(158.8)**	**983.8**	**826.4**

	Mondial Relay	Other International	Poland	Total
Operating EBITDA	**78.3**	**(124.6)**	**1,482.4**	**1,436.1**
- MIP Valuation	-	-	80.0	80.0
- LTIP Valuation	0.5	4.1	7.9	12.5
- IPO costs	-	-	21.9	21.9
- M&A costs	75.9	-	-	75.9
Adjusted EBITDA	**154.7**	**(120.5)**	**1,592.2**	**1,626.4**

The summary of value of property, plant and equipment and intangible assets for the segments is presented in the table below:

	Mondial Relay	Other International	Poland	Total
Property, plant and equipment	554.5	230.4	2,325.1	3,110.0
- of which ROU	295.5	34.1	793.7	1,123.3
Intangible assets	864.1	9.5	177.6	1,051.2
Goodwill	1,459.5	-	-	1,459.5
Total	**2,878.1**	**239.9**	**2,502.7**	**5,620.7**

9. Revenue

ACCOUNTING POLICY
Revenue is recognised when (or as) the performance obligation is fulfilled in the form of transferring the promised goods, products, materials (i.e. assets) or rendering a service to a client. The Group recognises revenue in a way that reflects the transfer of promised goods or services to a customer, in the amount of consideration to which an entity expects to be entitled in exchange for these goods or services (transaction price), excluding amounts collected on behalf of third parties, for example - Value Added Tax (VAT).

The Group generates revenue primary from the provision of various courier services to its customers. There are two groups of courier services – traditional and out-of-home deliveries (deliveries of parcels to automated parcel machines owned or leased by the Group and / or collection points). Automated parcel machines are located in residential areas, close to shops and are open 24/7, which allows customers to easily pick up parcels. Parcels delivered by courier to APMs can be collected by the recipient within 48h. If the parcel is not collected by the recipient (from courier/APMs), it is relocated to one of the collection points or returned to the sender.

The Group offers rebates to customers who are able to provide volumes of parcels that exceed thresholds in accordance with agreements. The rebates are treated as variable consideration which is recognised to the extent that it is highly probable that a significant reversal of revenue will not occur. In this context, the Group aligns 'highly probable' with 100% certainty.

In addition to delivery services, the Group generates revenue from the sale of goods (mainly APMs) and provision of marketing, maintenance and installation services.

Services	Nature, the timing of satisfaction of performance obligations and significant payment terms
Courier services and out-of-home services	The Group recognises revenue at the point in time upon collection of a parcel by the recipient either from a courier, automated parcel machine or collection point. For uncollected parcels, revenue is recognised upon return to the sender. Typically delivery takes place within 48h. Parcels delivered can be collected by the recipient within 48h in the case of delivery to automated parcel machines and within 8 days in the case of delivery to a collection point. Therefore, contrary to traditional courier services, delivery and collection do not occur at the same time. Although parcels cannot be relocated within the time from the delivery to the automated parcel machine or collection point, the Group assessed that control over the service is transferred upon collection of the parcel by the recipient, which triggers revenue recognition. Services are provided to customers through a 'pay-as-you-go' model in accordance with standard price lists or based on long-term framework delivery contracts, as well as subscription contracts for 12 or 24 months. Performance obligation under the framework contract – delivery of parcels - becomes binding once delivery is requested by the customer. These contracts do not require a minimum shipment volume and are generally multi-year rolling contracts with a one-month notice period for termination. Remuneration for services provided under the long-term contracts is determined on the basis of actual deliveries in the period and agreed prices. Prices per parcel can be differentiated based on the delivery method and certain thresholds in respect of the number, size and weight of the parcels. Pricing is typically reviewed on an annual basis. For subscription contracts, the customer pays an agreed fixed monthly fee for deliveries of a defined number of parcels per month. The performance obligation under the subscription contract – delivery of a parcel - becomes binding once delivery is requested by the customer. Unused deliveries (the breakage) do not roll forward to the next month and therefore the Group recognises the breakage amount as revenue at the month-end. Services may be prepaid or billed at the end of the month. There is no significant financing component in the contracts, as payment terms are relatively short - from 14 up to 90 days. Transaction prices for some contracts may vary due to contractual penalties (variable consideration), resulting in lower revenue. However, this does not represent a significant adjustment. All consideration payable by the Group to its customers relates to distinct services, therefore it does not decrease the transaction prices accordingly. Deliveries by couriers and deliveries to APMs may be regulated by one contract with a customer. However, they are alternatives to each other and are deemed to be separate performance obligations. Apart from core services, the Group might also provide some minor services for an additional fee (e.g. express delivery). For such bundles, the Group assessed that contractual prices represent stand-alone selling prices and consideration is not reallocated between services.
Sale of APMs and other equipment	Revenue from the sale of APMs is recognised at a point in time when the significant risks and rewards of ownership of a promised asset are transferred. In the absence of the specific conditions in the arrangements between the parties (e.g. Incoterms) revenue from the sale is recognised when goods are physically delivered to the customer. The majority of contracts are however realised in accordance with EXW incoterms.
Other services (marketing, installations, maintenance	The Group recognises revenue from marketing and maintenance services when those services are duly performed. If the revenue is a monthly maintenance fee, it is recorded over time on a straight-line basis. The Group recognises revenue from installation services at a point in time, i.e. when installation is complete.

Revenues from Courier services and out-of-home services make up 98% of the Group's revenues. Revenues per country of origin are presented in note 8.2.

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The table below presents revenue from major customers as percentage of total revenue (customer concentration):

	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Allegro Group	17.1%	22.5%
Vinted UAB	19.9%	10.5%
Others (<10% of total revenue per customer)	63.0%	67.0%
Total	**100%**	**100%**

The table below contains information on receivables and liabilities resulting from contracts with customers:

	Note	31-12-2022	31-12-2021
Receivables, included in 'Trade and other receivables'	22	1,066.9	799.3
Contract liability (prepaids)	29	8.3	7.5

Upon receipt of a prepayment from a customer, the Group recognises a contract liability in the amount of the prepayment for its performance obligation to deliver parcels in the future. The contract liability is derecognised (and respective revenue is recognised) as services are provided to a customer.

The settlement period for prepaids generally does not exceed 12 months, whereas the majority are settled within a few months, therefore contract liability from opening balance is (in principle) fully recognised as revenue in the current year. There is insignificant revenue from breakage amounts, as customers generally exercise all their contractual rights related to prepaids.

10. Depreciation and amortisation

	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Depreciation of property, plant and equipment	848.5	532.7
Amortisation of intangible assets	123.8	77.0
Depreciation and amortisation – continued operations	**972.3**	**609.7**
Assigned to direct cost	792.0	485.2
Assigned to general and administrative expenses	180.3	124.5
Total	**972.3**	**609.7**

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11. External services

	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Logistics services	3,251.7	1,881.6
PUDO points commissions	414.8	173.7
Marketing and Advertising	70.3	46.2
Advisory cost	139.0	204.7
Other	85.2	101.4
Total	**3,961.0**	**2,407.6**
Assigned to direct cost	3,666.5	2,055.3
Assigned to general and administrative expenses	294.5	352.3
Total	**3,961.0**	**2,407.6**

12. Employee benefit costs

	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Payroll, of which:	651.3	493.1
Share based payment	18.8	92.5
Social security contributions	171.9	100.4
Total employee benefit costs	**842.0**	**593.5**
Assigned to direct cost	332.9	286.5
Assigned to general and administrative expenses	509.1	307.0
Total	**842.0**	**593.5**

13. Financial income and expenses

	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Foreign exchange gains	32.0	15.4
Other financial income	0.3	0.7
Total financial income	**32.3**	**16.1**

	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Foreign exchange losses	-	4.5
Interest expense	292.8	121.4
Bank charges and commissions	6.9	2.0
Other financial costs	5.9	1.8
Total financial costs	**305.6**	**129.7**

14. Income tax

ACCOUNTING POLICY

Income tax expense for the reporting period comprises current and deferred tax. It is recognised in profit or loss, except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

The Management reviews periodically the approach adopted in the preparation of tax returns where the applicable tax regulations are subject to interpretation. When justified, a provision is created for the expected tax payable to tax authorities.

Current income tax

Current income tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period and any adjustments to the tax payable or receivable relating to previous years. Current tax is calculated using the tax rates enacted or substantively enacted at the reporting date in countries where the Group's entities operate and generate taxable income or losses.

Deferred tax

A deferred tax liabilities and deferred tax assets are recognised for all temporary differences between the carrying amounts of assets and liabilities and amounts used for taxation purposes, except for:

- temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (loss),
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences, and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses and unused tax credits and for deductible temporary differences to the extent that it is probable that future taxable profit will be available against which they can be utilised.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date, taking into account any uncertainties related to income taxes.

Deferred tax assets and deferred tax liabilities are offset if the entity has a legally enforceable right to set off current tax assets and current tax liabilities, and if the deferred tax assets and deferred tax liabilities relate to income taxes levied on a given entity by the same tax authority.

KEY JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

Recognition of deferred tax assets

Estimated future taxable profits are determined based on the budgets of the entities of the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. At each reporting date, the Management of the Group reassess unrecognised deferred tax assets and recognises them to the extent that it has become probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are mainly related to tax losses carried forward.

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14.1. INCOME TAX IN PROFIT OR LOSS

For the period of 12 months ended December 31, 2022 the effective tax rate for the Group was 31,7%, and for the comparative period of 12 months ended December 31, 2021 the effective tax rate for the Group was 31.1%. In the year 2022, statutory tax rates for the Group's companies ranged from 19% in Poland and Great Britain to 31.4% in Italy.

	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Current income tax expense	214.0	237.1
Deferred income tax expense	(1.7)	(15.6)
Income tax expense – continued operations	**212.3**	**221.5**
Current income tax expense	-	-
Income tax expense – discontinued operations	-	-

14.2. RECONCILIATION OF EFFECTIVE TAX RATE

	Period of 12 months ended on 31-12-2022		Period of 12 months ended on 31-12-2021	
Profit (loss) before tax		**668.8**		**712.8**
Tax using the Group's domestic tax rate	24.9%	**166.5**	24.9%	**177.5**
Effect of tax rates in foreign jurisdictions	(6,5%)	(43.2)	(6.7%)	(47.5)
Tax-exempt income	(0.1%)	(0.5)	(0.8%)	(5.9)
Non-deductible expenses of which:	1,2%	8.0	6.0%	43.0
Share based payments costs	0,6%	4.3	2.5%	18.2
Other non-deductible expenses	0.6%	3.7	3.5%	24.8
Deferred tax asset for tax losses not recognised	11,6%	77.7	8.5%	60.5
Derecognition of deferred tax asset for tax losses carried forward and other temporary differences	-	-	(0.9%)	(6.7)
Other	0.6%	3.8	0.1%	0.6
Income tax expense		**212.3**		**221.5**
Effective tax rate		31.7%		31.1%

The tax rate was higher in 2022 due to higher unrecognised deferred tax assets for tax losses reported in the UK, Italy and Luxembourg.

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14.3 CHANGE IN DEFERRED TAX ASSETS AND LIABILITIES

	Balance as at 31-12-2022	Reconciliation of movements to profit or loss 2022	Balance as at 31-12-2021	Subsidiary acquisition as at 31-12-2021	Reconciliation of movements to profit or loss 2021
Deferred tax assets					
Impairment allowance for trade and other receivables and inventories	15.8	(0.7)	15.1	-	(0.1)
Provisions and accruals	49.9	(4.0)	45.9	(7.8)	(6.3)
Lease liabilities	212.8	38.2	251.0	(52.1)	(87.5)
Property, plant and equipment and intangible assets	0.1	1.8	1.9	-	(1.9)
Deferred income	1.9	1.1	3.0	-	(0.8)
Interest accrued	4.5	(4.0)	0.5	-	(0.2)
Foreign exchange differences	2.0	5.8	7.8	-	0.9
Other items	0.9	1.7	2.6	-	(1.3)
Tax losses carried forward	29.4	(19.8)	9.6	(2.1)	1.8
Total	**317.3**	**20.1**	**337.4**	**(62.0)**	**(95.4)**
Net presentation	(151.0)	28.6	(179.6)	-	111.7
Net deferred tax assets	**166.3**	**48.7**	**157.8**	**(62.0)**	**16.3**
- to be settled within 12 months	43.1		71.3		
- to be settled over 12 months	123.2		86.5		
Deferred tax liability					
Property, plant and equipment and intangible assets	127.8	(98.1)	225.9	50.8	70.8
Right-of-use assets	309.5	75.8	233.7	224.7	9.0
Interest accrued	3.7	3.6	0.1	-	-
Other items	1.9	(0.4)	2.3	-	-
Total	**442.9**	**(19.1)**	**462.0**	**275.5**	**79.8**
Net presentation	(151.0)	(28.6)	(179.6)	-	(111.7)
Net deferred tax liabilities	**291.9**	**(47.8)**	**282.4**	**275.5**	**(31.9)**
- to be settled within 12 months	2.0		2.4		
- to be settled over 12 months	289.9		280.0		
Net effect		**1.0**		**213.5**	**(15.6)**
Valuation effect in OCI		**2.7**			**-**
Net effect recognised in profit or loss		**(1.7)**			**(15.6)**

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

14.4. UNRECOGNISED DEFERRED TAX ASSETS

Deferred tax assets have not been recognised in respect of the following items. In the Management's judgement, it was assessed that it is not probable that future taxable profit will be available against which the Group will be able to use benefits therefrom.

Unrecognised deferred tax assets	2022		2021	
	Gross amount	Tax effect (Domestic tax rates)	Gross amount	Tax effect (Domestic tax rates)
Tax losses carried forward (the UK, IT and Luxembourg)	627.2	138.5	324.9	74.9
Total unrecognised deferred tax assets	**627.2**	**138.5**	**324.9**	**74.9**

Unrecognised deferred tax assets	2022	2021
Tax Losses carred forward for which no deferred tax assets were recognised	**2022**	**2021**
Never expire	84.2	55.7
Will expire 2039	41.4	-
Will expire 2038	102.2	100.2
Will expire 2037	5.9	5.9
Will expire 2025	236.0	-
Will expire 2024	104.7	108.4
Will expire 2023	52.8	54.7
Total tax losses carried forward for which no deferred tax asset was recognised	**627.2**	**324.9**

The differences in the amounts in respective years are due to different settlement periods of tax losses in foreign jurisdictions and exchange rates.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

15. Earnings per share (EPS)

ACCOUNTING POLICY
Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on convertible preference shares) by the weighted average number of ordinary shares outstanding during the year, plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the profit and share information used in the basic and diluted EPS calculations:

	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Profit attributable to ordinary equity holders of the parent:		
Continuing operations	456.5	491.3
Discontinued operations	(0.1)	0.3
Profit attributable to ordinary equity holders of the parent for basic EPS	**456.4**	**491.6**
Effect of dilution	-	-
Profit attributable to ordinary equity holders of the parent adjusted for the effect of dilution	**456.4**	**491.6**
Total number of shares issued	**500,000,000**	**500,000,000**
Effect of own shares held	**(358,044.0)**	-
Weighted average number of ordinary shares for basic EPS[15]	**499,803,811.5**	**500,000,000**
Weighted average number of ordinary shares for basic EPS	**500,000,000**	**500,000,000**
Basic / Diluted earnings per share (in PLN)	**0.91**	**0.98**
Basic / Diluted earnings per share (in PLN) – Continuing operations	**0.91**	**0.98**
Basic / Diluted earnings per share (in PLN) – Discontinuing operations	**0.00**	**0.00**

16. Dividends paid and proposed for payment

In 2022 and until the date of authorisation of these consolidated financial statements for issue, no dividends were paid or proposed for payment.

15 The weighted average number of shares takes into account the weighted average effect of changes in shares during the year.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Disclosures to the consolidated statement of financial position

17. Goodwill

ACCOUNTING POLICY
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed).

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGU) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

17.1. FINAL ACCOUNTING FOR ACQUISITION OF MONDIAL RELAY
On July 1, 2021, InPost S.A. completed the process of acquisition of 100% voting rights of Mondial Relay– one of the leading French parcel operators. Mondial Relay was acquired by InPost S.A. for EUR 513m paid in cash.

The acquisition allowed InPost Group to take a major step in its ambition to become Europe's leading out-of-home automated solution for e-commerce by expanding/ enriching its offer with the additional markets and fuelling the potential for cross border deliveries.

During 2022 the Group completed the process of purchase price allocation related to the acquisition of Mondial Relay; the resulting final fair value of assets acquired and liabilities assumed were as follows:

	Fair values as at acquisition date
Assets (+)	
Intangible assets of which:	885.5
Brand	*170.8*
Customer relationship	*700.4*
Property, plant and equipment	185.9
Right-of-use assets	196.7
Other long-term receivables	23.9
Trade and other receivables	340.3
Other assets	11.5
Cash and cash equivalents	59.2
Liabilities (-)	
Provision for deferred tax	213.7
Other financial liabilities	198.9
Current tax liabilities	30.2
Trade and other liabilities	293.9
Employee benefits and other provisions	80.7
The fair value of identified net assets	**885.6**

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Goodwill recognised at the acquisition date:

	Fair values as at acquisition date
Purchase consideration transferred	**2,319.9**
Minus:	
The fair value of identified net assets	885.6
The goodwill arising on the acquisition	**1,434.3**

Movements in goodwill value:

	2022	2021
Opening Balance	**1,459.5**	-
Acquisition	-	1,434.3
Effect of movements in exchange rates	28.9	25.2
Closing Balance	**1,488.4**	**1,459.5**

The fair value of the trade receivables amounts to PLN 340.3 m. The gross amount of trade receivables is PLN 353.9m, and it is expected that the contractual amounts of PLN 13.6m won't be collected. Goodwill acquired through this business combination is fully allocated to the International Mondial Relay segment. None of the goodwill recognised is expected to be deductible for income tax purposes. The 'Mondial Relay' brand is allocated entirely to International Mondial Relay segment.

17.2 IMPACT OF FINAL SETTLEMENT OF THE ACQUISITION OF MONDIAL RELAY ON THE COMPARABLE DATA

As a result of the finalisation of purchase price allocation in relation to the acquisition of Mondial Relay, the following adjustments were made to the comparative data in the primary financial statements, resulting in the restatement of values as at and for the period ended December 31, 2021. The settlement did not have any impact on the balance as at January 1, 2021.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Consolidated Statement of financial position

ASSETS	Balance as at 31-12-2021	Finalisation of purchase price allocation	Balance as at 31-12-2021 Restated
Non-current assets	**5,831.0**	**39.8**	**5,870.8**
Goodwill	1,434.3	25.2	1,459.5
Intangible assets	1,036.6	14.6	1,051.2
Property, plant and equipment	3,110.0	-	3,110.0
Other receivables	31.4	-	31.4
Deferred tax assets	157.8	-	157.8
Other assets	60.9	-	60.9
Current assets	**1,461.9**	**-**	**1,461.9**
Inventory	10.9	-	10.9
Trade and other receivables	927.1	-	927.1
Income tax asset	3.7	-	3.7
Other assets	27.0	-	27.0
Cash and cash equivalents	493.2	-	493.2
TOTAL ASSETS	**7,292.9**	**39.8**	**7,332.7**

EQUITY AND LIABILITIES	Balance as at 31-12-2021	Finalisation of purchase price allocation	Balance as at 31-12-2021 Restated
Equity			
Equity attributable to the owners of InPost	**(6.9)**	**36.0**	**29.1**
Share capital	22.7	-	22.7
Share premium	35,122.4	-	35,122.4
Share capital and share premium of combining entities	-	-	-
Retained earnings/ (accumulated losses)	435.6	-	435.6
Reserves	(35,587.6)	36.0	(35,551.6)
Total equity	**(6.9)**	**36.0**	**29.1**
Liabilities			
Loans and borrowings	4,545.8	-	4,545.8
Employee benefits and other provisions	33.2	-	33.2
Government grants	1.2	-	1.2
Deferred tax liability	278.6	3.8	282.4
Other financial liabilities	835.1	-	835.1
Total non-current liabilities	**5,693.9**	**3.8**	**5,697.7**
Trade payables and other payables	785.7	-	785.7
Loans and borrowings	194.4	-	194.4
Current tax liabilities	43.7	-	43.7
Employee benefits and other provisions	103.2	-	103.2
Other financial liabilities	357.7	-	357.7
Other liabilities	121.2	-	121.2
Total current liabilities	**1,605.9**	**-**	**1,605.9**
Total liabilities	**7,299.8**	**3.8**	**7,303.6**
TOTAL EQUITY AND LIABILITIES	**7,292.9**	**39.8**	**7,332.7**

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Consolidated Statement of profit or loss and other comprehensive income

	Period of 12 months ended on 31-12-2021	Finalisation of purchase price allocation	Period of 12 months ended on 31-12-2021 Restated
Continued operations			
Revenue	**4,581.9**	**-**	**4,581.9**
Other operating income	**20.3**	**-**	**20.3**
Depreciation and amortisation	609.7	-	609.7
Raw materials and consumables	89.2	-	89.2
External services	2,407.6	-	2,407.6
Taxes and charges	9.8	-	9.8
Payroll	493.1	-	493.1
Social security and other benefits	100.4	-	100.4
Other expenses	30.2	-	30.2
Cost of goods and materials sold	14.3	-	14.3
Other operating expenses	15.1	-	15.1
Impairment gain/ (loss) on trade and other receivables	6.4	-	6.4
Total operating expenses	**3,775.8**	**-**	**3,775.8**
Operating profit	**826.4**	**-**	**826.4**
Finance income	16.1	-	16.1
Finance costs	129.7	-	129.7

	Period of 12 months ended on 31-12-2021	Finalisation of purchase price allocation	Period of 12 months ended on 31-12-2021 Restated
Profit before tax	**712.8**	**-**	**712.8**
Income tax expense	221.5	-	221.5
Profit from continuing operations	**491.3**	**-**	**491.3**
Profit / (loss) from discontinued operations	**0.3**	**-**	**0.3**
Net profit / (loss)	**491.6**	**-**	**491.6**
Other comprehensive income			
Exchange differences from translation of foreign operations, net of tax – Item that may be reclassified to profit or loss	(31.0)	36.0	5.0
Other comprehensive income, net of tax	**(31.0)**	**36.0**	**5.0**
Total comprehensive income	**460.6**	**36.0**	**496.6**
Net profit (loss) attributable to owners:			
From continued operations:	491.3	-	491.3
From discontinued operations:	0.3	-	0.3
Total comprehensive income attributable to owners:			
From continued operations:	454.6	36.0	490.6
From discontinued operations:	6.0	-	6.0

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

17.3. IMPAIRMENT TESTING

KEY JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

Key assumptions used in fair value calculations and sensitivity to changes in assumptions

All inputs significant to the fair value measurement are categorised within Level 3 of the fair value hierarchy. The calculation of fair value less costs of disposal is most sensitive to the following assumptions:

- Discount rates;
- Growth rates used to extrapolate cash flows beyond the forecast period.

Discount rates

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Growth rate estimates

Rates are based on cautious expectations of Management, taking into account possibilities of changes in customers' behaviour and new market entrants.

The post-tax discount rate applied to cash flow projections is 8.08%, and cash flows beyond the five-year period are extrapolated using a 2.0% growth rate. In 2022, the discount rate decreased by 0.4 pp, compared to 2021, due to a decreased 'low capitalisation premium' applied to Mondial Relay CGU as a result of share capital increase of the CGU that followed after acquisition. The effect of lower premium was offset by the increase of risk free rates based on profitability of 10y EUR government bonds. The growth rate beyond the budgeted 5 year period remained unchanged in comparison to 2021, representing a prudent approach of the Management, considering only a nominal increase of cashflows generated by CGU due to CPI changes.

Impairment test

The recoverable amount of the International Mondial Relay segment's assets as at December 31, 2022 is PLN 8,219.4m, which was determined in line with the fair value less costs of disposal calculation using discounted cash flow projections based on the financial budgets adjusted for market conditions approved by senior Management covering a five-year period.

As a result of the analysis, the Management did not identify an impairment of International Mondial Relay segment assets.

The following is a summary of the total recoverable amount and carrying amount at the end of the reporting period for International Mondial Relay segment net assets:

	Mondial Relay
Recoverable amount (fair value less costs of disposal)	8,219.4
Carrying amount of net assets of which:	2,685.5
Goodwill	*1,488.4*
Brand	*177.3*
Headroom	**5,533.9**

Sensitivity analysis to discount rates:

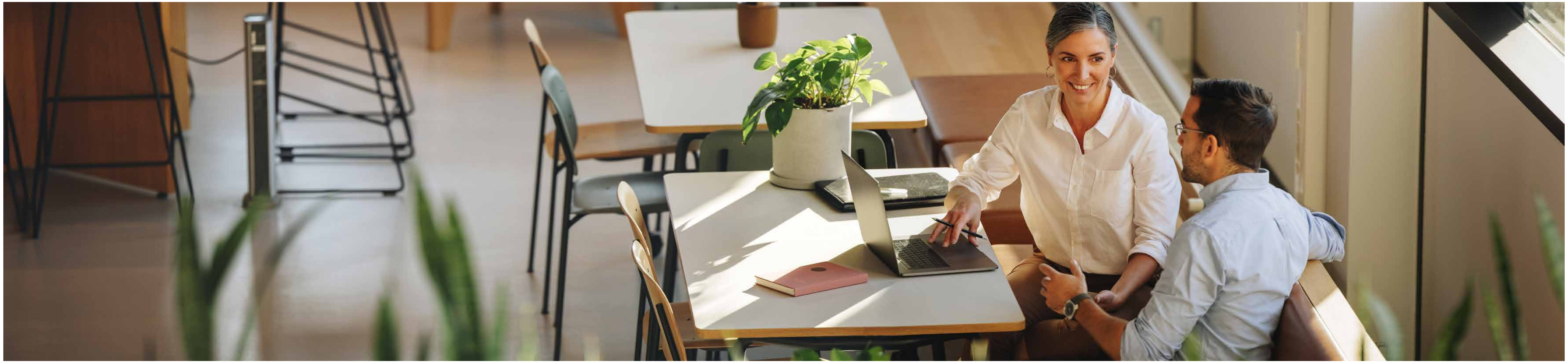
	WACC ratio	Change in WACC			
		-2.0 pp	-1.0 pp	+1.0 pp	+ 2.0 pp
WACC	8.08%	6.08%	7.08%	9.08%	10.08%
Headroom	**5,533.9**	**10,650.1**	**7,578.7**	**4,080.0**	**2,996.9**

Sensitivity analysis to growth rate estimates:

	Growth rate	Change in Growth rate			
		-2.0 pp	-1.0 pp	+1.0 pp	+ 2.0 pp
Growth rate	2.00%	0.00%	1.00%	3.0%	4.00%
Headroom	**5,533.9**	**3,440.7**	**4,339.5**	**7,198.6**	**9,679.4**

The Group considered the following climate-related matters and their potential impact on five-year budgets for Mondial Relay CGU:

- A risk of higher dynamics of energy prices' growth and a risk of limited availability of green energy on the market for Group's operations, limiting the possibility of decarbonisation – Group's assessment of these risks was reflected in Mondial Relay CGU 5-year financial plans in terms of higher costs of energy compared to an increase in parcel prices. Costs related to the research and development of new parcel machines that are more efficient in terms of electricity consumption, or even self-sufficient, are not attributed directly to Mondial Relay CGU, but to Poland CGU;
- A risk of increased production costs due to the introduction of the Carbon Border Adjustment Mechanism and/or other carbon-related regulations, and a risk of increased operating expenditure due to the introduction of a carbon tax and/or a cap-and-trade system on transport sector and buildings – at the current time, no legislation has been passed that will impact the Group; as the probability of implementation of those taxes before 2027 (which is the final year of the Group's financial plans) are very low, the risks wasn't weren't considered during preparations of 5-year financial plans for Mondial Relay CGU. The Group constantly monitors the latest government legislation regarding climate-related matters;
- A risk of greenwashing in marketing communication to customers regarding the Group's climate impact resulting in lower consumer preference – the risk was not considered on Mondial Relay CGU level for the purpose of preparation 5-year plans as the Group is taking risk mitigation steps to reduce the risk connected with inappropriate and not confirmed communication with markets and consumers;
- A risk of a significant increase in the costs of external services in connection with the implementation of their decarbonisation goals – the risk was not considered on Mondial Relay CGU level for the purpose of preparing 5-year plans, as risk rating was assessed as low in short and middle terms;
- Losses due to the damage to APM's caused by extreme weather events – the risk was considered on Mondial Relay CGU level for the purpose of preparing 5-year plans, as planned costs of deployment of APMs take into account new ways of anchoring the APMs to the ground to prevent falling due to strong winds. In terms of potential damages from increased temperature, APMs are tested to withstand temperatures up to 50.0°C;
- Potential opportunities related to climate changes - for instance an increase in consumer preference to use out-of-home deliveries as more environmentally friendly way of parcel deliveries - were not taken into account during the preparation of Mondial Relay 5-year plans, due to a prudent approach of the Management to potential revenue / volumes upsides.



18. Intangible assets

ACCOUNTING POLICY

Recognition and measurement

Intangible assets acquired in a business combination (trademarks and brands) are measured at cost less any accumulated impairment losses. The cost of such an intangible asset at initial recognition is its fair value at the acquisition date.

Other intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Any gain or loss on the disposal of an item of intangible assets is recognised in profit or loss and presented within other operating income/expenses.

Research and development costs

Expenditure on research activities is recognised in the profit or loss as incurred.

Development expenditure is capitalised only if it can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the profit or loss as incurred. Development costs are measured at cost less accumulated amortisation and any accumulated impairment losses. During the period of development, the asset is tested for impairment annually.

The Group records directly attributable expenses for development projects using management accounts and respective allocation keys. Major directly attributable costs are the costs of materials and services used or consumed as well as the costs of own employees' remuneration engaged in the development project. For the latest time allocated to the project by an employee has to be reliably measured and documented.

KEY JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

Amortisation

The Group assessed that the useful lives of all its intangible assets, except for some of the acquired brands, are finite, therefore they are amortised using the straight-line method over their estimated useful lives. Amortisation is recognised in the profit or loss. For major items of intangibles the Group assessed that their residual values are zero.

Intangible assets with indefinite useful lives ('Mondial Relay' brand) are not amortised, but tested for impairment annually, either individually or at the cash-generating unit level.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate. The effect of a change in the above-mentioned estimates shall be recognised prospectively.
The estimated useful lives of intangibles assets for all presented periods are as follows:

Type	Period
Brand (Mondial Relay)	Indefinite
Development costs	5 – 10 years
Trademarks	30 years
Software	2 – 10 years
Customer relations	8 years

Customer relations amortisation
In determination of the value of customer relations a period of 19 years was determined with the attrition rate at 14%. Amortisation should reflect the pattern in which the economic benefits embodied in the assets are consumed, which might indicate diminishing amortisation to reflect the erosion of the acquired customer base. However, the Group decided to use the straight line amortisation method over a period of 8 years, mainly because of uncertainty about the future economic benefits that might arise several years in the future and the difficulty in distinguishing them from cash flows that have been generated by internally–generated assets of the business. The Group continues to use a straight–line method over a shorter period so that at all points the amortised carrying amount of the asset is below the curve for the expected benefits. As long as the benefits expected to arise in the period after the customer relations are fully amortised and are not expected to be significant, this method will give a reasonable approximation of the consumption of economic benefits.

Impairment testing
The Group assesses at the end of each reporting period whether there is any indication that an asset with a finite useful life may be impaired or whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated. In assessing whether there is any indication that an asset may be impaired, the Group considers internal and external sources of information. The recoverable amount is determined for individual assets or cash-generating units ('CGU').

Recoverability of internally generated intangible assets
Due to the nature of the Group's operations, most intangible assets are developed internally, including software.

The most significant internally generated intangible assets are:
- Software: InPost Logistics Solution, Trucker Transition Programme, Pricing Tool and InPost Mobile Application;
- Development costs: documented business processes related to courier and logistics operations;
- Intangible assets in progress: outlays related to the creation of additional modules of InPost Logistics Solution, InPost Mobile Application instances for International and Mondial Relay, PUDO software for International markets.

The realisation of development projects and capitalisation of respective costs to intangible assets are subject to corporate approvals. In order to approve the project for development, a comprehensive analysis is performed based on information provided by sales, logistics, marketing and finance functions.

To demonstrate whether the output will generate probable future economic benefits, the Group assesses the output of projects as a separate asset or in combination with other assets forming a cash-generating unit. Based on Management review, there is no impairment loss in intangible assets in progress.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

	Customer relationship	Brand	Development costs	Trademarks	Software	Intangible assets in progress	Total
Cost at 01-01-2022	**713.0**	**173.8**	**150.7**	**6.8**	**168.4**	**78.1**	**1,290.8**
Additions	-	-	-	-	-	131.7	131.7
Reclassification	-	-	(21.4)	0.6	13.2	(22.5)	(30.1)
Disposal	-	-	(2.3)	-	(4.7)	(1.8)	(8.8)
Effect of movements in exchange rates	13.9	3.5	(1.0)	(0.1)	0.3	-	16.6
Cost at 31-12-2022	**726.9**	**177.3**	**126.0**	**7.3**	**177.2**	**185.5**	**1,400.2**
Accumulated amortisation at 01-01-2022	**37.5**	**-**	**103.7**	**1.5**	**87.6**	**-**	**230.3**
Amortisation for the period	90.9	-	14.4	0.5	18.0	-	123.8
Reclassification	-	-	0.3	-	-	-	0.3
Disposal	-	-	-	-	-	-	-
Effect of movements in exchange rates	0.3	-	(0.3)	-	0.3	-	0.3
Accumulated amortisation at 31-12-2022	**128.7**	**-**	**118.1**	**2.0**	**105.9**	**-**	**354.7**
Impairment losses at 01-01-2022	**-**	**-**	**2.7**	**-**	**6.6**	**-**	**9.3**
Impairment loss	-	-	-	-	-	-	-
Disposal	-	-	(2.3)	-	(4.5)	-	(6.8)
Effect of movements in exchange rates	-	-	-	-	-	-	-
Impairment losses at 31-12-2022	**-**	**-**	**0.4**	**-**	**2.1**	**-**	**2.5**
Carrying amount at 31-12-2022	**598.2**	**177.3**	**7.5**	**5.3**	**69.2**	**185.5**	**1,043.0**

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

	Customer relationship	Brand	Development costs	Trademarks	Software	Intangible assets in progress	Total
Cost at 01-01-2021	**-**	**-**	**153.7**	**6.0**	**146.6**	**14.4**	**320.7**
Additions	-	-	-	-	-	88.0	88.0
Acquisition of subsidiary	700.4	170.8	-	0.2	9.2	5.2	885.8
Disposal	-	-	(16.8)	-	(2.9)	-	(19.7)
Effect of movements in exchange rates	12.6	3.0	0.5	-	(0.1)	-	16.0
Cost at 31-12-2021	**713.0**	**173.8**	**150.7**	**6.8**	**168.4**	**78.1**	**1,290.8**
Accumulated amortisation at 01-01-2021	**-**	**-**	**97.1**	**1.1**	**63.9**	**-**	**162.1**
Amortisation for the period	36.5	-	15.9	0.4	24.3	-	77.1
Disposal	-	-	(9.4)	-	(0.6)	-	(10.0)
Effect of movements in exchange rates	1.0	-	0.1	-	-	-	1.1
Accumulated amortisation at 31-12-2021	**37.5**	**-**	**103.7**	**1.5**	**87.6**	**-**	**230.3**
Impairment losses at 01-01-2021	**-**	**-**	**9.6**	**-**	**7.5**	**-**	**17.1**
Impairment loss	-	-	0.6	-	-	-	0.6
Disposal	-	-	(7.5)	-	(0.9)	-	(8.4)
Effect of movements in exchange rates	-	-	-	-	-	-	-
Impairment losses at 31-12-2021	**-**	**-**	**2.7**	**-**	**6.6**	**-**	**9.3**
Carrying amount at 31-12-2021	**675.5**	**173.8**	**44.3**	**5.3**	**74.2**	**78.1**	**1,051.2**

19. Property, plant and equipment

ACCOUNTING POLICY

Recognition and measurement

Assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes:

- purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates
- any directly attributable cost of preparing the asset for its intended use:
  - costs of employee benefits;
  - professional fees;
  - costs of site preparation;
  - costs of delivery and handling;
  - installation costs;
  - costs of testing;
  - the estimated cost of dismantling and removing the asset and restoring the site.

The following expenditures are not part of the initial cost: the costs of introducing a new product or service (including costs of advertising and promotional activities), the costs of opening a new facility or business, staff training and administration as well as other general overhead costs.

In particular, for parcel machines, initial value comprises all the costs of setting up machines, which include agents' commissions for acquiring land, the costs of transporting the machine, installation and groundworks to place the machine in a designated place. After the date of connection to the network, all costs related to its operation and servicing are charged to the statement of comprehensive income at the time they are incurred.

Subsequent expenditures that are capitalised by the Group to property, plant and equipment are mainly related to spare parts and extensions of automated parcel machines installed when the utilisation of the machine is close to its maximum technical capabilities. Maintenance and repair costs incurred after the commencement of depreciation are recognised in profit or loss.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss and presented within other operating income/expenses.

KEY JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

Borrowing costs

The Group assessed that the time necessary to assemble and install automated parcel lockers is relatively short and the incurred borrowing costs (e.g. interest related to long term financing) are not qualifying for capitalisation. Therefore, these costs are recognised in profit or loss.

Depreciation

Depreciation is recognised on a straight-line basis over the estimated useful lives to write down the cost, less estimated residual value, and is generally recognised in profit or loss. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively if appropriate.

The estimated useful lives of property, plant and equipment for all presented periods are as follows:

Type	Period
Buildings	10 – 40 years
Technical equipment and machines	8 – 10 years
Automated parcel machines	10 years
Vehicles	5 years
Other	2 – 5 years

Impairment losses

The Group assesses, at the end of each reporting period, whether there is any indication that an asset may be impaired or whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated. In assessing whether there is any indication that an asset may be impaired, the Group considers internal and external sources of information.

The recoverable amount is determined for individual assets or cash-generating units ('CGU').

The Group determines separate CGUs for operations in Poland and for foreign operations.

Impairment losses and subsequent reversals are recognised in the profit or loss in operating expenses.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

	Land and buildings	Machinery and equipment	Vehicles	Other	RoU	Assets under construction[16]	Total
Cost at 01-01-2022	**37.9**	**2,247.1**	**10.3**	**25.0**	**1,695.0**	**280.1**	**4,295.4**
Additions	-	-	-	-	956.4	1,004.5	1,960.9
Reclassification	17.8	911.8	3.6	13.7	(8.1)	(908.7)	30.1
Termination/ Disposal	(0.4)	(29.4)	(0.4)	(0.7)	(108.3)	-	(139.2)
Effect of movements in exchange rates	0.6	(7.1)	-	(0.1)	4.7	1.8	(0.1)
Cost at 31-12-2022	**55.9**	**3,122.4**	**13.5**	**37.9**	**2,539.7**	**377.7**	**6,147.1**
Accumulated depreciation at 01-01-2022	**7.3**	**584.1**	**1.8**	**13.0**	**567.1**	**-**	**1,173.3**
Depreciation for the period	7.2	288.0	1.8	7.9	543.6	-	848.5
Reclassification	-	6.0	-	(0.4)	(7.4)	-	(1.8)
Termination/ Disposal	-	(22.5)	(0.4)	(1.2)	(84.2)	-	(108.3)
Effect of movements in exchange rates	0.4	(1.2)	-	-	1.7	-	0.9
Accumulated depreciation at 31-12-2022	**14.9**	**854.4**	**3.2**	**19.3**	**1,020.8**	**-**	**1,912.6**
Impairment losses at 01-01-2022	**-**	**5.1**	**-**	**-**	**4.6**	**2.4**	**12.1**
Impairment loss	-	-	-	-	-	0.9	0.9
Termination	-	(5.1)	-	-	-	-	(5.1)
Effect of movements in exchange rates	-	-	-	-	-	-	-
Impairment losses at 31-12-2022	**-**	**-**	**-**	**-**	**4.6**	**3.3**	**7.9**
Carrying amount at 31-12-2022	**41.0**	**2,268.0**	**10.3**	**18.6**	**1,514.3**	**374.4**	**4,226.6**

The most significant in terms of Net Book Value property, plant and equipment of the Group are machinery and equipment i.e. automated parcel machines, as well as assets under construction i.e. parts of automated parcel machines that are in the process of completion or assembly and are not yet installed.

[16] Assets under construction comprise mainly not yet deployed APMs and materials for the production of APMs.

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	Land and buildings	Machinery and equipment	Vehicles	Other	RoU	Assets under construction	Total
Cost at 01-01-2021	**14.6**	**1,280.7**	**6.5**	**16.5**	**942.0**	**75.7**	**2,336.0**
Additions	5.4	-	-	1.5	772.0	864.7	1,643.6
Acquisition of subsidiary	10.2	120.5	0.1	0.4	200.8	56.1	388.1
Reclassification	8.5	860.8	3.7	7.6	(167.7)	(712.9)	-
Termination/ Disposal	(0.8)	(26.7)	-	(1.0)	(53.1)	(3.4)	(85.0)
Effect of movements in exchange rates	-	11.8	-	-	1.0	(0.1)	12.7
Cost at 31-12-2021	**37.9**	**2,247.1**	**10.3**	**25.0**	**1,695.0**	**280.1**	**4,295.4**
Accumulated depreciation at 01-01-2021	**3.5**	**357.9**	**0.8**	**7.0**	**377.5**	**-**	**746.7**
Depreciation for the period	4.2	186.2	1.0	6.6	334.6	-	532.6
Reclassification	-	48.3	-	-	(48.3)	-	-
Termination/ Disposal	(0.4)	(11.7)	-	(0.6)	(96.7)	-	(109.4)
Effect of movements in exchange rates	-	3.4	-	-	-	-	3.4
Accumulated depreciation at 31-12-2021	**7.3**	**584.1**	**1.8**	**13.0**	**567.1**	**-**	**1,173.3**
Impairment losses at 01-01-2021	**-**	**13.5**	**-**	**-**	**4.6**	**6.1**	**24.2**
Impairment loss	-	0.1	-	-	-	-	0.1
Reversal of impairment losses	-	-	-	-	-	(3.7)	(3.7)
Termination	-	(8.5)	-	-	-	-	(8.5)
Effect of movements in exchange rates	-	-	-	-	-	-	-
Impairment losses at 31-12-2021	**-**	**5.1**	**-**	**-**	**4.6**	**2.4**	**12.1**
Carrying amount at 31-12-2021	**30.6**	**1,657.9**	**8.5**	**12.0**	**1,123.3**	**277.7**	**3,110.0**

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Impairment testing for CGU related to foreign operations
In 2022, as well as in the prior periods, the Group observed that foreign entities (Italy and the UK) incurred operating losses, which was assessed as an impairment indicator, and therefore the Group tested non-financial assets related to these foreign branches and estimated the recoverable amount of individual units generating operating losses.

The recoverable amount of the CGU was estimated based on their fair value less the cost of disposal. When calculating the fair value of machines, the Group considers relocating machines to profitable markets, with assumption that machines will be deployed and used for a period of up to 5 years from their relocation date.

For the purpose of calculating the fair value of the parcel machine, the WACC ratio of 11.28% (8.48% in 2021) was used and the annual growth rate of 0%. Change in WACC reflects an increase in risk-free rates, which for the Polish market are based on the profitability of government's 10y bonds.

For the purpose of fair value computation, no climate risks were considered, as fair value is calculated based on the assumption that they will be used on a profitable market for the maximal time of 5 years, which from the perspective of climate risks described in note 17.3 reduces the possibility of risk materialisation.

The following is a summary of the total recoverable amount and carrying amount at the end of each year for all tested foreign-related cost-generating units:

All units tested	31-12-2022	31-12-2021
Recoverable value	1,794.0	1,217.5
Balance sheet value	343.3	194.5
Surplus	**1,450.7**	**1,023.0**

In the year 2022, there were no changes in the methodology used in comparison to the prior periods.

20. Leases

ACCOUNTING POLICY
The Group leases mainly the following underlying assets:

- equipment, mostly including automated parcel machines and sorting equipment;
- land on which automated parcel machines are installed;
- warehouses and offices;
- vehicles and trailers.

Lease definition
Despite the legal form of contracts for logistic services (warehouses); courier and transportation services (vehicles and trailers), such contracts are accounted for as contracts with lease components. Based on an analysis of key decision-making rights, it was assessed that the Group has the right to direct how and for what purpose the asset is used. Services are provided to the Group on an exclusive basis, therefore the Group obtains economic benefits from the use of warehouses, vehicles and trailers.

Exemptions
The Group has chosen not to apply low-value asset exemption, and as a consequence recognises as leases all contracts meeting lease recognition criteria, despite the underlying asset value. The Group applies a practical expedient for short-term leases, except for leases related to vehicles and trailers.

Part of contracts regarding lease of land for automated parcel machines include one fixed amount of rent that covers rent and other costs (e.g. energy costs), which cannot be separated from lease rent. For such contracts, the Group chooses not to separate non-lease components (i.e. energy costs) from lease components and instead accounts for each lease component and any associated non-lease components as a single lease component.

KEY JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES
Lease term
For each lease contract, the Group determines the lease term as the non-cancellable period of lease, which equals the period for which the contract was concluded, when it is reasonably certain that the Group will not exercise an option to terminate the contract or to extend the lease. Contracts concluded for a definite period generally do not include early termination or the option to extend the lease term.

Most of the lease contracts are concluded either for an indefinite period with a relatively short termination notice period (up to a few months).

Lease term of contracts concluded for an indefinite period
A significant portion of contracts for courier and transportation (vehicles and trailers) and logistic services (warehouses) as well as leases of land for automated parcel machines are concluded for an indefinite period with the right to terminate by each party upon termination notice. Those leased assets are important for the Group's operations, as they are part of the logistics operations (warehouses, vehicles, trailers) or enable the provision of services to customers (land for automated parcel machines).

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Lease providers rotate and the Group changes the locations of automated parcel machines, which result in frequent changes in the lease portfolio. In order to determine the lease term, the Group identifies portfolios of leases with similar characteristics and assesses factors that create an economic incentive for the Group to continue such leases for periods longer than the termination notice period.

Moreover, taking into account additional costs relating to the termination of the contract (costs of finding a new location for an APM, warehouse spaces and logistics service providers that meet the Group's standards) the Management has assessed that the Group is able to terminate the contract without any significant costs and interruptions to its operations, only within respective periods presented in the table below from the contract exit decision.

For each group of assets with lease agreements concluded for an indefinite period, the Management Board assessed the expected lease period, taking into account the current Group's strategy and the irrevocable lease term, as specified below:

	Period
Land	12 months
Warehouses	12 months
Vehicles and trailers, including:	
key providers	12 months
other	1-3 months

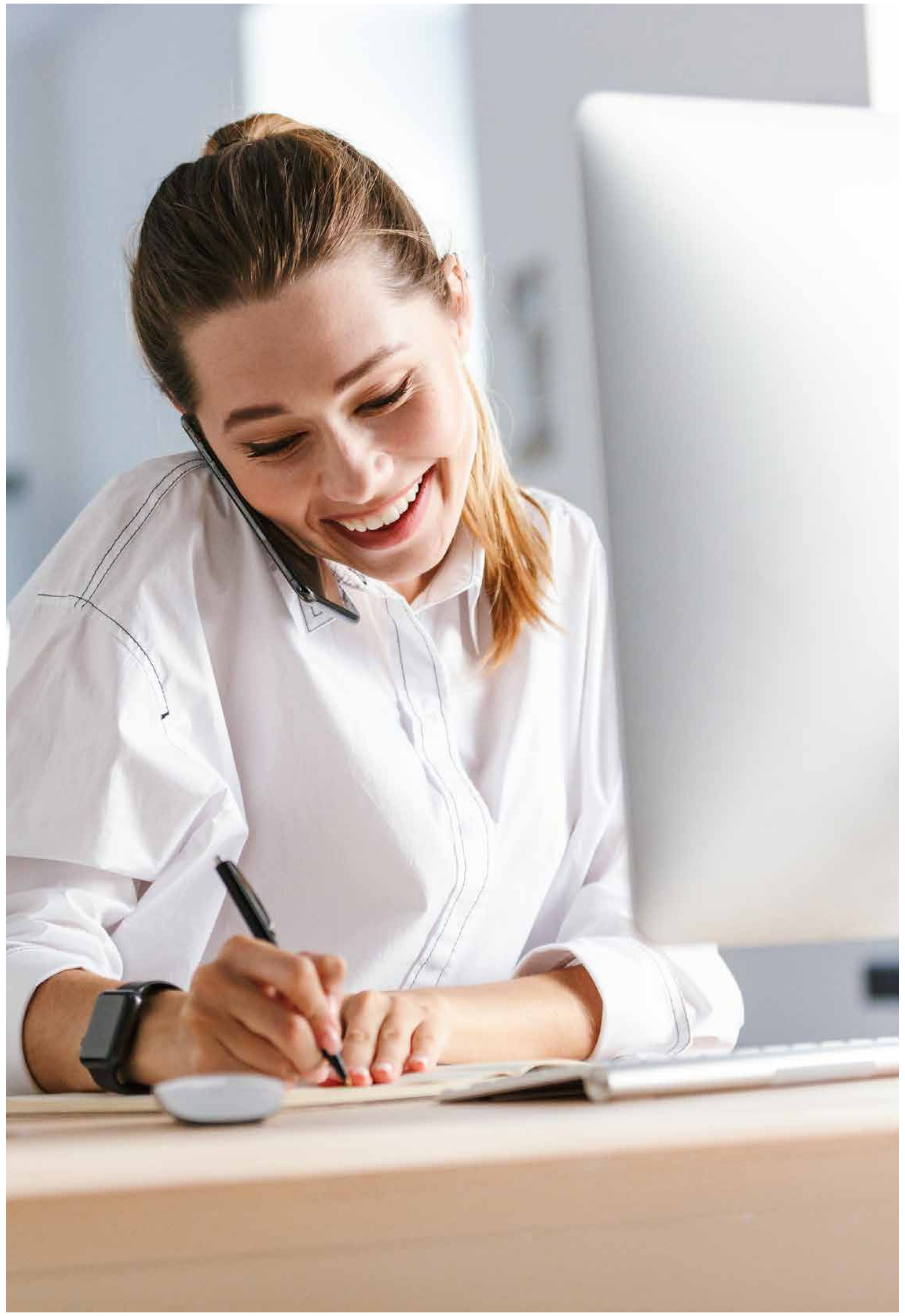
Discount rate
The present value of the lease payments is discounted using the interest rate implicit in the lease (where such a rate is known) or the Group uses the lessee's incremental borrowing rate. The incremental borrowing rate is estimated based on a model that determines the interest rate that the Group, as a lessee, would have to pay to borrow, over a similar term and with similar security, the funds necessary to obtain an asset of a similar value to the right-of use asset in a similar economic environment. The interest rate is determined based on the risk-free rates for instruments denominated in PLN or EUR and adjusted by a margin reflecting the Group's rating, and further adjusted to the nature of underlying assets.

The table below presents the weighted average discount rates applied for leases in 2022 and 2021:

	2022		2021	
	Currency		Currency	
Maturity	PLN	EUR	PLN	EUR
Up to 12 months	6.40%	2.00%	3.26%	2.35%
1-3 years	6.73%	2.40%	3.55%	2.37%
3-5 years	6.34%	2.56%	3.88%	2.45%
5-7 years	6.07%	2.67%	4.17%	2.58%
7-10 years	5.93%	2.80%	4.42%	2.76%
over 10 years	5.88%	3.00%	4.95%	3.16%

Purchase option
At the lease commencement date, the Group assesses whether it is reasonably certain to exercise the right to purchase the underlying asset. If certain, lease payments include the exercise price of purchase options, which results in a higher lease liability and right-of-use assets. In such instances, the right-of use asset is depreciated to the end of the useful life of the underlying asset.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)



20.1. RIGHT-OF-USE ASSETS

Right-of-use assets are presented in Property, Plant and Equipment. The table below presents a disaggregation of the right-of-use assets by class of underlying asset:

	Land and buildings	Machinery and equipment	Vehicles	Other	Total
Cost at 01-01-2022	**1,346.5**	**39.0**	**309.5**	**-**	**1,695.0**
Additions	619.4	56.0	249.8	31.2	956.4
Reclassification	-	(8.1)	-	-	(8.1)
Termination of a contract	(86.1)	(14.3)	(7.5)	(0.4)	(108.3)
Effect of movements in exchange rates	4.4	0.1	0.2	-	4.7
Cost at 31-12-2022	**1,884.2**	**72.7**	**552.0**	**30.8**	**2,539.7**
Accumulated depreciation at 01-01-2022	**350.2**	**2.5**	**214.4**	**-**	**567.1**
Depreciation for the period	344.9	25.8	170.0	2.9	543.6
Reclassification	-	(7.4)	-	-	(7.4)
Termination of a contract	(62.2)	(15.4)	(6.1)	(0.5)	(84.2)
Effect of movements in exchange rates	1.7	-	-	-	1.7
Accumulated depreciation at 31-12-2022	**634.6**	**5.5**	**378.3**	**2.4**	**1,020.8**
Impairment losses at 01-01-2022	**-**	**4.6**	**-**	**-**	**4.6**
Impairment losses at 31-12-2022	**-**	**4.6**	**-**	**-**	**4.6**
Carrying amount at 31-12-2022	**1,249.6**	**62.6**	**173.7**	**28.4**	**1,514.3**

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

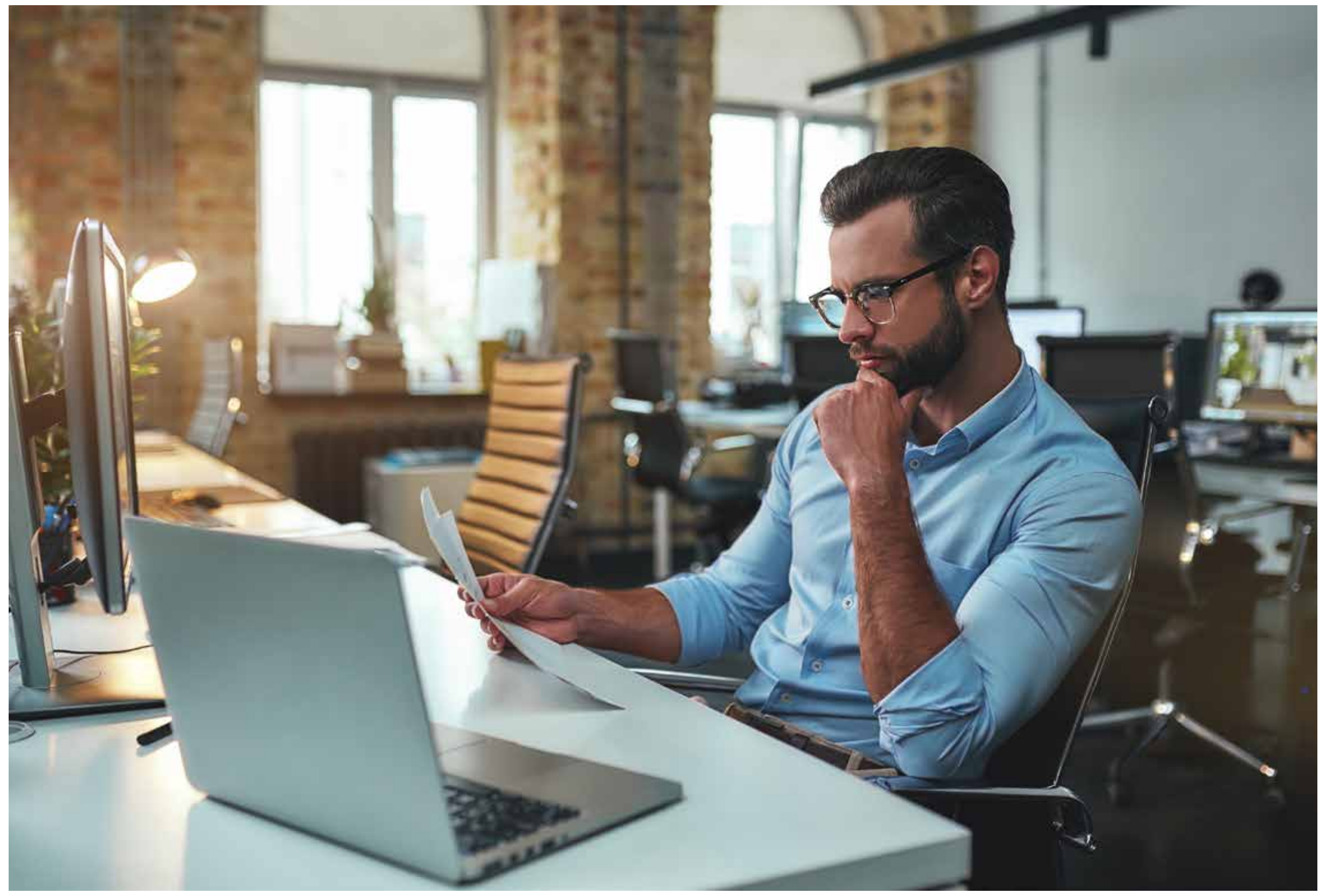
	Land and buildings	Machinery and equipment	Vehicles	Other	Total
Cost at 01-01-2021	**562.8**	**190.1**	**189.1**	**-**	**942.0**
Additions – new lease contracts	636.1	12.4	123.5	-	772.0
Subsidiary acquisition	189.0	7.4	3.9	0.5	200.8
Reclassification	-	(167.7)	-	-	(167.7)
Termination of a contract	(42.8)	(3.1)	(7.0)	(0.2)	(53.1)
Effect of movements in exchange rates	1.4	(0.1)	-	(0.3)	1.0
Cost at 31-12-2021	**1,346.5**	**39.0**	**309.5**	**-**	**1,695.0**
Accumulated depreciation at 01-01-2021	**191.7**	**63.6**	**122.2**	**-**	**377.5**
Depreciation for the period	210.4	26.2	97.9	0.1	334.6
Reclassification	-	(48.3)	-	-	(48.3)
Termination of a contract	(51.9)	(39.0)	(5.7)	(0.1)	(96.7)
Effect of movements in exchange rates	-	-	-	-	-
Accumulated depreciation at 31-12-2021	**350.2**	**2.5**	**214.4**	**-**	**567.1**
Impairment losses at 01-01-2021	**-**	**4.6**	**-**	**-**	**4.6**
Impairment losses at 31-12-2021	**-**	**4.6**	**-**	**-**	**4.6**
Carrying amount at 31-12-2021	**996.3**	**31.9**	**95.1**	**-**	**1,123.3**

20.2. LEASING LIABILITIES

Leasing liabilities, along with an analysis of maturity, are presented in the table below. For a detailed description of changes in lease liabilities, please refer to note 25.

Balance as at	31-12-2022	31-12-2021
Total	**1,643.6**	**1,192.8**
up to 1 year (current)	552.3	357.7
from 1 to 3 years (non-current)	529.6	356.6
from 3 to 5 years (non-current)	341.3	278.0
more than 5 years (non-current)	220.4	200.5

The Group applies a practical expedient for short-term leases (except for leases related to vehicles and trailers), and therefore had not recognised 4 rental agreements for warehouses in 2022 under IFRS 16. The total payments for those agreements in 2022 amounted to PLN 1.1 m.



Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

21. Other assets

Other assets are presented in the balance sheet as current and non-current depending on their expected period of realisation.

	31-12-2022	31-12-2021
Non-current	**37.6**	**60.9**
Prepaid services	4.0	1.9
Prepayments for property, plant and equipment and intangible assets	33.6	59.0
Current	**43.4**	**27.0**
Policies, other insurance	0.8	0.5
Prepaid services	42.6	26.5

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

22. Trade and other receivables

ACCOUNTING POLICY
Trade receivables with a maturity date not exceeding 12 months (i.e. without a significant financing component) are initially recognised in the amount equal to the transaction price, during or at the moment of transfer of the goods or services promised by the agreement, namely the transfer of control over the asset to the customer.

At initial recognition, receivables in a foreign currency are measured at the average exchange rate of the Central Banks from the day immediately preceding the recognition of the receivable.

For the purposes of subsequent measurement, trade receivables are recognised as the 'held to collect' business model, where the receivables are measured at amortised cost using the effective interest method, less loss allowance determined in accordance with the expected credit loss model under IFRS 9 Financial Instruments.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables that do not contain a significant financing component. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due (portfolio approach).

In case of clients from Allegro and Vinted Group, the Group applies also an individual approach.

Expected credit losses (collective approach)
In the case of trade receivables (not subject to individual assessment), the Group applies a portfolio approach in calculating ECLs, based on its historical data on credit losses in relation to trade receivables for majority of its customers. For biggest individual clients (i.e. Allegro, Vinted), the Group calculates ECLs based on individual client's credit ratings. The Group considers a financial asset in default when contractual payments are 60 days past due.

Individual approach
On top of ECL calculated in collective approach, the detailed individual monitoring and assessment of the trade receivables is performed resulting in 100% expected credit loss allowance for the receivables:
- past due for more than 1 year;
- subject to a debt restructuring process;
- subject to legal proceedings;
- cancelled subscriptions.

	31-12-2022	31-12-2021
Trade receivables	1,066.9	799.3
Other receivables	178.3	127.8
Trade and other receivables	**1,245.2**	**927.1**

Trade receivables are non-interest bearing and usually have a maturity of 7 - 90 days.

Receivables from Allegro and Vinted were responsible for 34.4% of the Group's trade receivables as of December 31, 2022 and 28.1% of the Group's trade receivables for the 12 months ended December 31, 2021.

Trade receivables	31-12-2022	31-12-2021
Trade receivables (gross) at amortised cost	1,160.4	882.7
Expected credit losses – individual approach	(90.7)	(81.4)
Expected credit losses – a collective approach	(2.8)	(2.0)
Total trade receivables	**1,066.9**	**799.3**

Set out below is the movement in the allowance for expected credit losses on trade receivables based on a collective approach and individual approach:

	31-12-2022	31-12-2021
Opening balance	**83.4**	**76.8**
Decrease – utilisation	-	-
Expected/incurred credit losses recognised / (reversed), of which:	9.8	6.4
Continued operations (impairment of trade receivables and other financial assets)	9.8	6.2
Discontinued operations	-	0.2
Exchange rate difference	0.3	0.2
Closing balance	**93.5**	**83.4**

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Expected credit loss allowance based on collective approach (excluding Allegro and Vinted):

31-12-2022	Current	0-60 days	61-365 days	Total
The expected credit loss rate	0.1%	0.3%	10.4%	
Estimated gross carrying amount at default	558.5	93.3	17.5	**669.3**
Expected credit loss	**0.6**	**0.3**	**1.8**	**2.7**

Expected credit loss allowance based on collective approach - Allegro and Vinted:

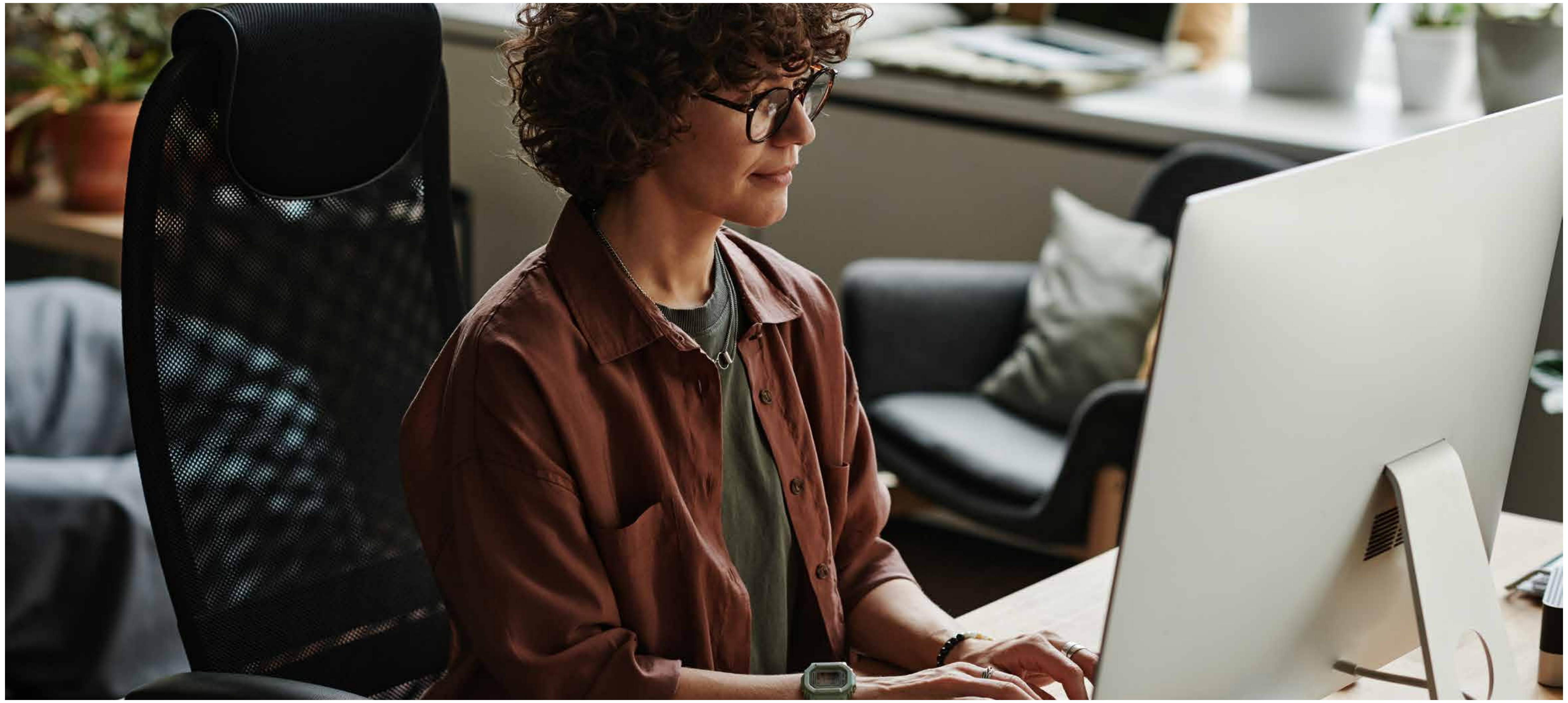
31-12-2022	Current	0-60 days	61-365 days	Total
The expected credit loss rate	0.0%	0.2%	1.9%	
Estimated gross carrying amount at default	317.4	43.8	0.0	**361.2**
Expected credit loss	**0.0**	**0.1**	**0.0**	**0.1**

In 2021, the Group had not calculated the expected credit loss separately for Allegro and Vinted. Trade receivables allowances based on collective approach (portfolio approach):

31-12-2021	Current	0-60 days	61-365 days	Total
The expected credit loss rate	0.1%	0.3%	10.4%	
Estimated gross carrying amount at default	698.2	113.3	9.0	**820.5**
Expected credit loss	**0.7**	**0.4**	**0.9**	**2.0**

22.1. OTHER RECEIVABLES

	31-12-2022	31-12-2021
Financial assets	**4.5**	**3.3**
Rental deposits	2.1	2.3
Advance	2.4	1.0
Non-financial assets	**173.8**	**124.5**
Receivables from the state	169.2	116.9
Other	4.6	7.6
Total other receivables	**178.3**	**127.8**



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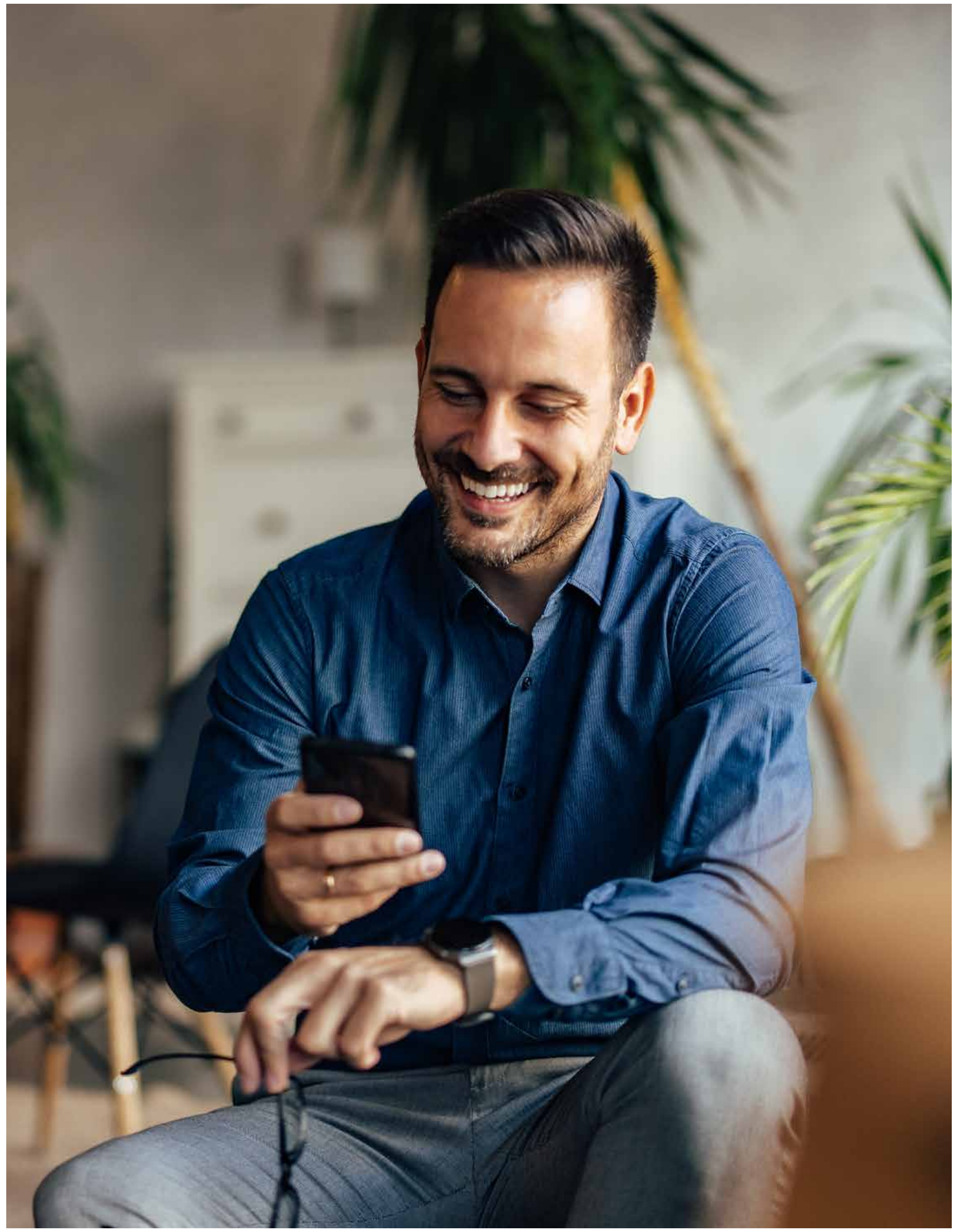
23. Cash and cash equivalents



Bank overdrafts are presented as a component of current loans and borrowings under current liabilities, and are not considered as cash and cash equivalents for the purposes of the consolidated statement of cash flows.

	31-12-2022	31-12-2021
Cash in bank and on hand	435.8	493.2
Including cash in VAT accounts (restricted)	3.0	2.9
Total cash	**435.8**	**493.2**
Including in currency:	**196.9**	**336.4**
Cash in EUR converted to PLN	163.6	312.0
Cash in GBP converted to PLN	28.3	23.1
Cash in USD converted to PLN	5.0	1.3

Cash in bank accounts meets the SPPI test and the business model test 'held to collect', therefore it is measured at amortised cost including an impairment loss determined in accordance with the expected credit loss model. The Management of the Group has assessed that the provision for expected credit losses related to cash and cash equivalents would not be material in any of the periods presented.

	Rating	Amount as at 31-12-2022	Amount as at 31-12-2021
Bank 1	AAA/baa1	193.5	171.4
Bank 2	A+/n/a	13.1	123.8
Bank 3	AA-/Aa3	62.9	123.6
Bank 4	BBB/A2	35.4	27.6
Bank 5	A/A3	27.7	22.7
Bank 6	BBB+/baa1	20.2	15.2
Bank 7	BBB/baa2	50.6	6.7
Bank 8	BBB-/baa2	18.9	2.2
Bank 9	BBB+/baa2	12.7	-
Bank 10	n/a	0.3	-
Total cash in bank		**435.3**	**493.2**
Cash at hand		0.5	-
Total cash in bank and at hand		**435.8**	**493.2**

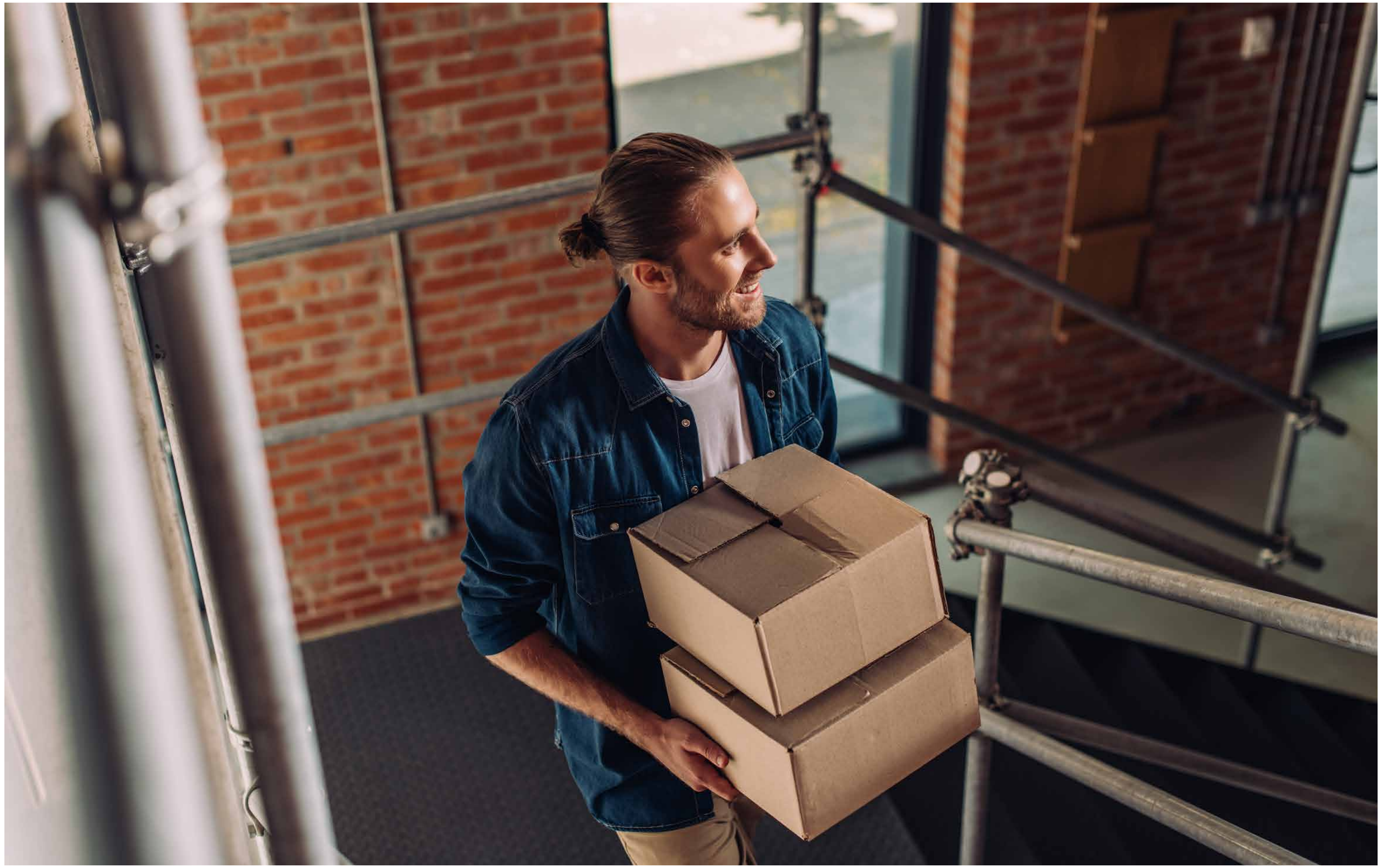
Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

24. Loans and borrowings

Accounting policy
Loans and borrowings are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Transaction costs that are directly attributable to the acquisition or issue of the financial liability are deducted from the liability's book value. The costs are subsequently amortised over the life of the liability, using the effective interest rate method.

	31-12-2022	31-12-2021
Current liabilities	**338.8**	**194.4**
Bank loans	273.6	88.9
Bonds	47.6	86.2
Loans secured by fixed assets	17.6	19.3
Non-current liabilities	**4,717.1**	**4,545.8**
Bank loans	1,939.6	1,857.0
Bonds	2,757.2	2,650.6
Loans secured by fixed assets	20.3	38.2
Total	**5,055.9**	**4,740.2**

Most of loans and all bonds are paid as a lump sum in due date.



Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Lenders	Type	Currency	Agreement	Purpose	Additional information	Interest rate	Nominal value	Carrying amount 2022	Due date	Covenants
Banks[17]	Term Facility	PLN	Agreement of 25/01/2021 IPO Facilities Agreement	Not specified	n/a	WIBOR 1M + 2%	PLN 1,950 m	1,972.7	28-01-2026	Financial covenant under the senior facilities to maintain a maximum leverage ratio of 4.25× calculated based on definitions in the agreement
	Revolving facility						PLN 800 m	240.5		
	Senior Unsecured Notes	EUR	Agreement dated 24/06/2021 – Purchase Agreement	As part of the financing for the acquisition of Mondial Relay SAS	BB/Ba2 - rating	2.25%	EUR 490.0 m	PLN 2,287.5 (EUR 487.8)	15-07-2027	The Notes will contain customary covenants for this type of financing, with the size of baskets to be adjusted to reflect the Issuer's needs and the market conditions at the time of pricing
	Senior Secured Bonds	PLN	Agreement dated 11/05/2021 – InPost's Polish bond program	As part of the financing for the acquisition of Mondial Relay SAS and general corporate purposes	Ba2 - rating	2.50% + WIBOR 6M	PLN 500.0 m	517.3	29-07-2027	Consolidated Net Leverage Ratio max. 4.25x

17 Bank Handlowy w Warszawie S.A., Bank Pekao S.A., BNP Paribas Bank Polski S.A., Goldman Sachs Bank Europe SE, JP Morgan AG, mBank S.A., PKO BP S.A., Barclays Bank Ireland PLC, DNB Bank Polska S.A., Erste Group Bank AG, ING Bank Śląski S.A., Credit Agricole Bank Polska S.A. - Term Facility.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

The table below shows the details of loans and borrowings in 2021:

Lenders	Type	Currency	Agreement	Purpose	Additional information	Interest rate	Nominal value	Carrying amount 2021	Due date	Covenants
Banks[18]	Term Facility	PLN	Agreement of 25/01/2021 IPO Facilities Agreement	Not specified	On October 12, 2021 DNB Bank Polska S.A. was replaced in the bank consortium by Credit Agricole Bank Polska S.A.	WIBOR 1M + 2%	PLN 1,950 m	1,945.9	28-01-2026	Financial covenant under the senior facilities to maintain a maximum leverage ratio of 4.25× calculated based on definitions in the agreement
	Revolving facility						PLN 800 m	0.0		
	Senior Unsecured Notes	EUR	Agreement dated 24/06/2021 – Purchase Agreement	As part of the financing for the acquisition of Mondial Relay SAS	BB/Ba2 - rating	2.25%	EUR 490.0 m	PLN 2,238.3 (EUR 486.6)	15-07-2027	The Notes will contain customary covenants for this type of financing, with the size of baskets to be adjusted to reflect the Issuer's needs and the market conditions at the time of pricing
	Senior Secured Bonds	PLN	Agreement dated 11/05/2021 – InPost's Polish bond program	As part of the financing for the acquisition of Mondial Relay SAS and general corporate purposes	Ba2 - rating	2.50% + WIBOR 6M	PLN 500.0 m	498.6	29-07-2027	Consolidated Net Leverage Ratio max. 4.25x

Collaterals for loans and borrowing are presented in note 30.3. The covenants for above loans and borrowings were complied with during the reporting period ended December 31, 2022. Sensitivity of Loans and Borrowings to changes of floating interest rates is presented in note 34.1.

24.1. ASSETS PLEDGED AS SECURITY FOR LIABILITIES

As of financial year ended December 31, 2022 the Group had no assets pledged and securities for liabilities.

18 Bank Handlowy w Warszawie S.A., Bank Pekao S.A., BNP Paribas Bank Polski S.A., Goldman Sachs Bank Europe SE, JP Morgan AG, mBank S.A., PKO BP S.A., Barclays Bank Ireland PLC, DNB Bank Polska S.A., Erste Group Bank AG, ING Bank Śląski S.A., Credit Agricole Bank Polska S.A. - Term Facility.

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25. Reconciliation of movements of liabilities to cash flows arising from financing activities

31-12-2022	Loans and borrowings	Lease liabilities
Amount at the beginning of the period	**4,740.2**	**1,192.8**
Changes from financing cash flows		
Proceeds from loans and borrowings	235.7	-
Payment of principal portion of the lease liability	-	(490.0)
Repayment of loans and credits	(19.5)	-
Repayment of interest and commission on the loan	(204.8)	(43.1)
Total changes from financing cash flows	**11.4**	**(533.1)**
Other changes		
Lease additions – new leases	-	956.4
Interest cost	246.7	43.2
Contract termination	-	(31.7)
Effect of changes in foreign exchange rates	57.6	16.0
Total liability-related other changes	**304.3**	**983.9**
Amount at the end of the period	**5,055.9**	**1,643.6**

31-12-2021	Loans and borrowings	Lease liabilities	Factoring liabilities
Amount at the beginning of the period	**767.1**	**536.6**	**0.1**
Changes from financing cash flows			
Proceeds from loans and borrowings	4,665.2	-	-
Payment of principal portion of the lease liability	-	(302.1)	-
Repayment of loans and credits	(659.1)	-	-
Repayment of interest and commission on the loan	(124.4)	(25.6)	-
Total changes from financing cash flows	**3,881.7**	**(327.7)**	-
Other changes			
Lease additions - new leases	-	772.0	-
Subsidiary acquisition	-	200.8	-
Interest cost	90.6	25.7	-
Contract termination		(16.3)	
Other changes	-	-	(0.1)
Effect of netting liabilities and leasing receivables	-	1.4	-
Effect of changes in foreign exchange rates	0.8	0.3	-
Total liability-related other changes	**91.4**	**983.9**	**(0.1)**
Amount at the end of the period	**4,740.2**	**1,192.8**	-

26. Employee benefits and other provisions

ACCOUNTING POLICY

Defined benefit plan

The Group's obligation in respect of defined benefit plans (post mortem severances and retirement benefits) is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounted to determine their present value. The discount rate is determined based on interest rates on treasury bonds expressed in the currency of the future benefit payments, with maturities similar to the date of settlement of the respected liabilities. The calculation of defined benefit obligations at the end of the reporting period is performed by a qualified actuary using the projected unit credit method. The cost of a defined benefit plan is recognised in profit or loss with an exception to actuarial gains and losses, which are recognised in other comprehensive income.

Performance Bonuses and Cash Bonus Plan

Members of the Management Board and Middle Management ('Performance Bonuses') and other employees ('Cash Bonus Plan') are eligible to receive an annual bonus subject to the achievement of certain pre-determined financial, strategic, and operational performance measures. Performance Bonuses are based on the remuneration policy determined by Supervisory Board. The Group's obligation in respect of those benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise. The costs of the benefits are recognised on the straight-line basis, over the respective duration of each programme.

Provision for holidays and bonuses

Short-term benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay an amount as a result of a past service provided by the employee and the obligation can be estimated reliably.

Unused holiday and performance bonus provisions representing short-term employee benefits are recognised at the undiscounted amount of benefits expected to be paid in exchange for the respective service.

Other provisions

Other provisions include mainly:
- litigation provision;
- restructuring provision;
- other needed.

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

All above provisions are calculated using relevant and accurate calculations that allow assessing possible future outflows connected with specific possible events. For instance, when calculating the amount of litigation provision, the Group takes into account the opinion of external legal advisors about the possibility that the outcome of the litigation will be unfavourable for the Group, and recognises a relevant provision.

KEY JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

Defined benefit plan

The carrying amount of the defined benefit liability related to post mortem severances and retirement benefits is equal to the present value of the benefits payable. The amount of the liability depends on many factors, which are used as assumptions in the actuarial model. Any changes to the assumptions may impact the carrying amount of the liability. Interest rates are one of the primary variables in measuring liability. At the end of the reporting period, based on the report of an independent actuary, an appropriate discount rate for the Group's companies is used for determining the present value of estimated future cash outflow in relation to these benefits.

For the purpose of determining employee benefits related to defined benefit obligations, the Group applied the projected unit credit method.

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The following were the principal actuarial assumptions at the reporting date:

	31-12-2022	31-12-2021
Discount rate	6.8%	3.6%
Future salary growth	13.1% for 2023 5.9% for 2024 3.5% for 2025 2.5% for 2026 and further	5.8% for 2022 3.6% for 2023 2.5% for 2024 and further

CASH BONUS PLAN ('CBP')

The Group recognises other long-term employee benefits concerning the Cash Bonus Plan ('CBP') for Managers. Under the CBP, members are eligible for a one-off cash payment based on their remuneration for the 12 months prior to Listing (which took place in 2021) and the multiple, which depends on the exit EBITDA of Poland, payable in 3 instalments. Full CBP participation is only possible if the employee is still employed by the Group at the payment date. Appropriate bad leaver definitions and penalties apply if the person leaves the Group before the payment date. The last instalment of the Plan will be paid in April 2023.

In January 2021, a new instance of the programme was announced, under new CBP members are eligible for cash payments based on their remuneration and multiple, which depends on the adjusted EBITDA of Poland Segment for the year ended December 2023. Payments will be divided into three annual instalments (2024, 2025 and 2026). An employee will be eligible for receiving the payment if they are still employed at the time of

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

For the purpose of determining the provision for both employees' awards, the Group applied the projected unit credit method.

The following were the principal actuarial assumptions at the reporting date:

	31-12-2022	31-12-2021
Discount rate for CBP programme dated 2018	3.50%	1.49%
Discount rate for CBP programme dated 2021	6.43%	3.40%

The table below shows the hypothetical amounts of provisions (sensitivity analysis) for exit premiums subject to changes in key assumptions:

	31-12-2022	31-12-2021
Provision for Cash Bonus Plan	**14.3**	**24.5**
Discount rate - 1%	0.2	0.2
Discount rate - 0.5%	0.1	0.1
Discount rate + 0.5%	(0.1)	(0.1)
Discount rate + 1%	(0.2)	(0.2)
Forecasted EBITDA PLN -100 million	(1.2)	(2.4)
Forecasted EBITDA PLN + 100 million	-	-

Employee benefits

The table below presents a summary of employee benefits:

	31-12-2022		31-12-2021	
	Long-term	Short-term	Long-term	Short-term
Post-mortem severance	0.5	-	0.5	-
Retirement benefit	5.4	59.0	5.1	67.1
Unused holiday provision	0.9	18.4	0.3	11.4
Performance bonuses	-	9.5	-	16.3
Cash Bonus Plan	8.4	5.9	16.8	7.7
Total	**15.2**	**92.8**	**22.7**	**102.5**

The Group is not a party to any wage bargaining agreements or collective employment agreements. Short-term employee benefit liabilities are measured according to general principles. Long-term benefits are estimated using actuarial methods.

Provisions Movements

The below table presents balances and movements of provisions during the year:

	Defined benefit plan	Performance Bonuses and Cash Bonus Plan	Provision for holidays and bonuses	Other provisions	Total
Balance as at 31-12-2021	**72.7**	**40.8**	**11.7**	**11.2**	**136.4**
Recognition/ Creation	-	23.8	18.9	4.1	46.8
Reversal	(9.0)	-	-	(2.0)	(11.0)
Utilisation	-	(40.8)	(11.7)	(11.2)	(63.7)
Foreign exchange rate impact	1.2	-	0.4	0.1	1.7
Balance as at 31-12-2022	**64.9**	**23.8**	**19.3**	**2.2**	**110.2**

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27. Share-based payment

Accounting policy
The Group offers the share-based programmes for the employees and grants them shares in the Parent Company. All programmes are classified as equity settled. Over the vesting period, the Group recognises expense (payroll costs), with a corresponding parent contribution recognised as increase in equity (other capital reserves) based on the grant date fair value of the programme. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

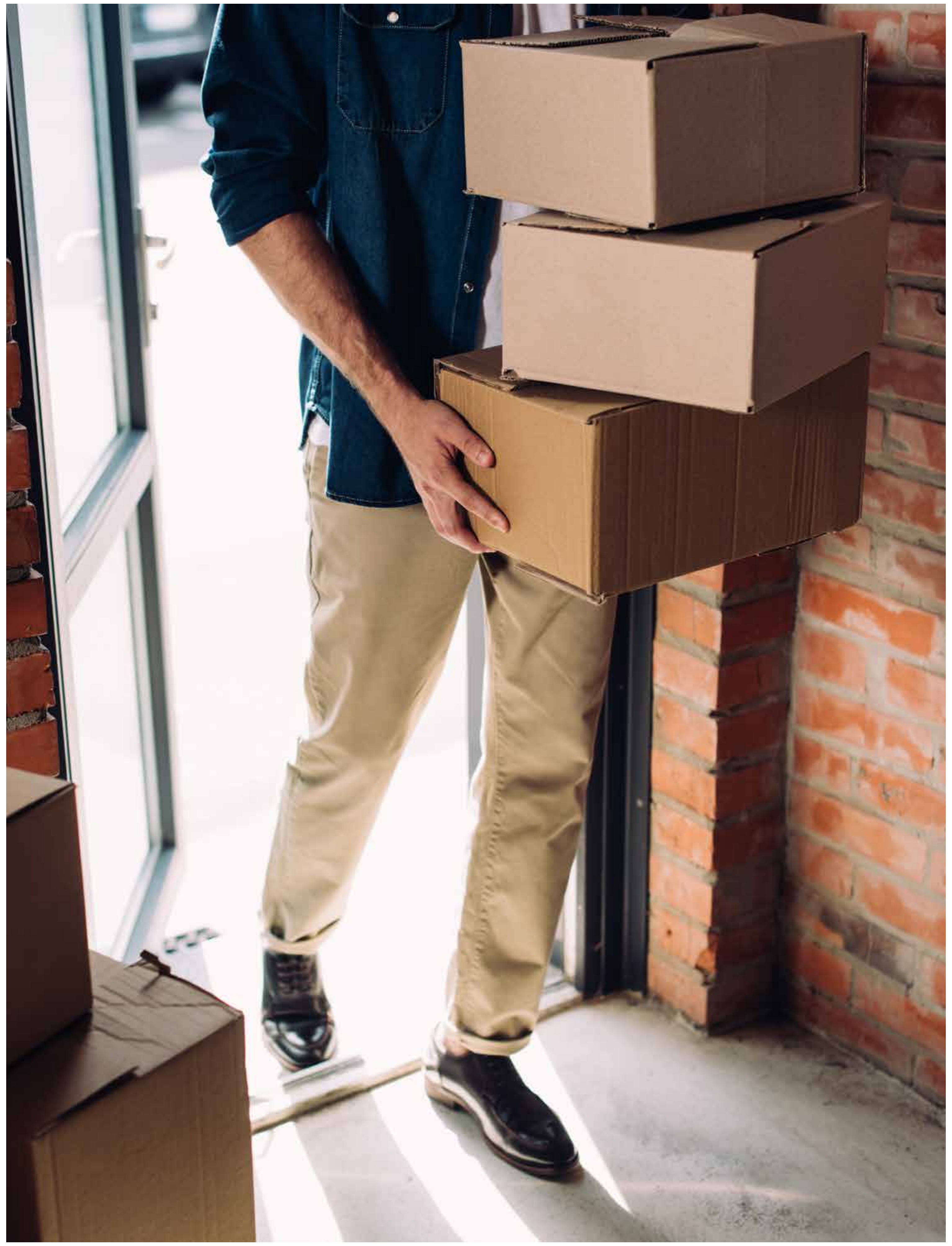
Key judgements, assumptions and estimation uncertainties
Depending on the plan, the allocation of rights to beneficiaries is subject to following assumptions:

	31-12-2022	31-12-2021
Programme		
Management Incentive Plan	Exit date: 2021 – 40% 2024 - 30% 2025 - 30% Attrition rate 50%	Exit date: 2021 – 40% 2022 – 30% 2023 – 30% Attrition rate 0%
Long Term Incentive Plan	Group will achieve 100% of Target EBITDA	Group will achieve 110% of Target EBITDA

The table below shows the hypothetical amounts of expenses (sensitivity analysis) for Share based arrangements subject to changes in key assumptions:

Due to the current economic environment and performance of InPost S.A. shares on stock exchange following the war in Ukraine, the Management has changed assumptions that impact the valuation of share based programmes. Estimated Exit dates (sale of remaining shares of InPost S.A. in possession of Advent International) have been prolonged, the attrition rate of eligible employees has been increased – both of those changes has lowered costs of MIP programme recognised in the current year. For the Long Term Incentive Plan, it has changed the assumption for the Group Target EBITDA realisation from 110% to 100%, which will result in vesting of 50% of granted shares.

	31-12-2022	31-12-2021
Management Incentive plan	**4.4**	**80.0**
Exit date 1y later	(1.0)	(2.0)
Exit date 1y earlier	1.8	3.6
Attrition rate +10%	(1.0)	(1.0)
Attrition rate -10%	1.0	-
Long Term Incentive Plan expenses recognised	**8.9**	**12.5**
Target EBITDA realisation 92%	(4.4)	(9.4)
Target EBITDA realisation 100%	-	(6.3)
Target EBITDA realisation 109%	8.9	-



Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

27.1 MANAGEMENT INCENTIVE PLAN

Model of shares valuation of the Management Incentive Plan ('MIP') did not change in 2022 in comparison to the year 2021. No new shares were granted during the year 2022.

The Management has determined the fair value of shares granted based on the methods and parameters set out below:

MIP Valuation parameters	Jan-18	Feb-18	Jun-18	Sep-18	Jul-19	Oct-19	Nov-19	Nov-20	Jan-21
Fair value of MIP shares (EUR)	0.07	0.07	0.07	0.07	0.56	10.59	10.59	299.70	299.70
Exercise price of MIP shares (EUR)	0.07	0.07	0.07	0.07	0.07	0.07	0.07	21.00	112.00
Number of shares granted	304,011	149,864	71,364	142,728	107,046	142,728	39,963	14,272	111,328
Risk-free interest rate	2.63	2.63	2.55	2.55	1.8	1.8	1.8	(0.01)	(0.01)
Volatility (%)	5.7	5.7	5.7	6.3	20	20	20	20	20
Model used	Black-Scholes Merton			Intrinsic value + Black-Scholes Merton relating to option time value			Intrinsic value + Black-Scholes Merton relating to option time value		

The following table presents the number and change in MIP Shares during the year:

	31-12-2022 MIP Shares granted	31-12-2021 MIP Shares granted
Outstanding at 1 January	**1,054,759.0**	**971,976.0**
Granted during the year	-	111,328.0
Forfeited during the year	-	-
Exercised during the year	-	28,545.0
Expired during the year	-	-
Outstanding at the end of the period	**1,054,759.0**	**1,054,759.0**

The expense recognised during the year:

	31-12-2022	31-12-2021
Expense arising from MIP	4.4	80.0
Total expense	**4.4**	**80.0**

Changes in assumptions made during 2022 (described above in 'Key judgements, assumptions and estimation uncertainties') led to decrease in the amount of costs recognised in 2022, as the assumed vesting period has been extended and the attrition rate has increased.

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27.2. LONG TERM INCENTIVE PLAN

The conditions for the 2021 Long Term Incentive Plan ('LTIP') realisation are based on a three-year performance period (from grant date).

As of December 31, 2022 the assumption is also that no Managers will leave the Group before the shares vest. The shares that will vest under plan will not have an exercise price.

During the Annual General Meeting of Shareholders dated May 19, 2022 it was decided that shares granted will be purchased from the Market by InPost S.A. or its subsidiaries when the programme is settled. The granted shares value is calculated as the average price of InPost. S.A. shares on Euronext stock exchange over 60 days period prior to granting.

Assumed EBITDA for the year ended 2023 (described above in 'Key judgements, assumptions and estimation uncertainties') has been lowered, which has led to derecognition of 50% out of granted shares as new EBITDA entitles employees to receive 50% of shares granted.

The Management has determined the value of shares granted based on the parameter set out below:

LTIP Valuation parameters	Apr-21	Aug-21	Apr-22	Jul-22	Oct-22
Fair value of LTIP shares (EUR)	15.85	17.08	5.19	5.81	6.00
Number of shares granted	681,975	151,054	1.195,045	41,051	174,804
Expiration date	30.09.2026		31.12.2024	01.06.2025	30.09.2025
	Fair value of shares was calculated as the average price of InPost S.A. shares on Euronext stock exchange over 60 days period prior to granting				

The following table presents the number and change in LTIP Shares during the year:

	31-12-2022	31-12-2021
	LTIP Shares granted	LTIP Shares granted
Outstanding at 1 January	**779,165.0**	-
Granted during the year	1,410,901.0	833,029.0
Forfeited during the year	35,219.0	53,864.0
Exercised during the year	-	-
Expired during the year	-	-
Unvested during year	389,492.0	-
Outstanding at the end of the period	**1,765,355.0**	**779,165.0**

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The expense recognised during the year:

	31-12-2022	31-12-2021
Expense arising from LTIP	14.4	12.5
Total expense	**14.4**	**12.5**

27.3. PERFORMANCE BONUSES

On June 10, 2022 a new remuneration policy was adopted. With changes in the policy, it was decided that annual performance bonuses, previously paid in cash, will be partially paid in shares. Senior Management entitled to receive performance bonuses was divided in 3 groups – 1st and 2nd group of participants will receive 50% and 33% respectively of their annual performance bonuses in shares. Performance Bonuses for the year 2021 were settled in June 2022, entitled employees received 141,956 shares with a value of EUR 5.17 per share at settlement date. Shares did not and will not have an exercise price. Performance bonuses were settled using the Treasury shares.

The grant date is April 1, 2022, with 100% of shares vesting on March 31, 2023.

Performance Bonuses Valuation parameters	Jun-22
Fair value of LTIP shares (EUR)	5.94
Number of shares granted	214,357
Expiration date	31.03.2023
Risk-free interest rate	(0.01)
Volatility (%)	20
	Fair value of shares was calculated as the average price of InPost S.A. shares on Euronext stock exchange over 60 days period prior to granting

The following table presents the number and change in Performance Bonus Shares during the year:

	31-12-2022
	Performance Bonus Shares granted
Outstanding at 1 January	-
Granted during the year	356,313
Forfeited during the year	-
Exercised during the year	141,956
Expired during the year	-
Outstanding at the end of the period	**214,357**

	31-12-2022
Expense arising from Performance Bonuses paid in shares	6.4

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28. Other liabilities

Accounting policy
Other liabilities are initially recognised and subsequently measured at their nominal amounts.

	31-12-2022	31-12-2021
Non-financial liabilities	**136.8**	**121.2**
Payroll liabilities	41.4	33.0
Liabilities to the state	95.4	88.2
Other current liabilities total	**136.8**	**121.2**

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29. Trade and other payables

ACCOUNTING POLICY

Liabilities are classified as current liabilities if the payment term is within a year or if they arise in the ordinary cycle of business operations, if longer. Otherwise, liabilities are reported as non-current.

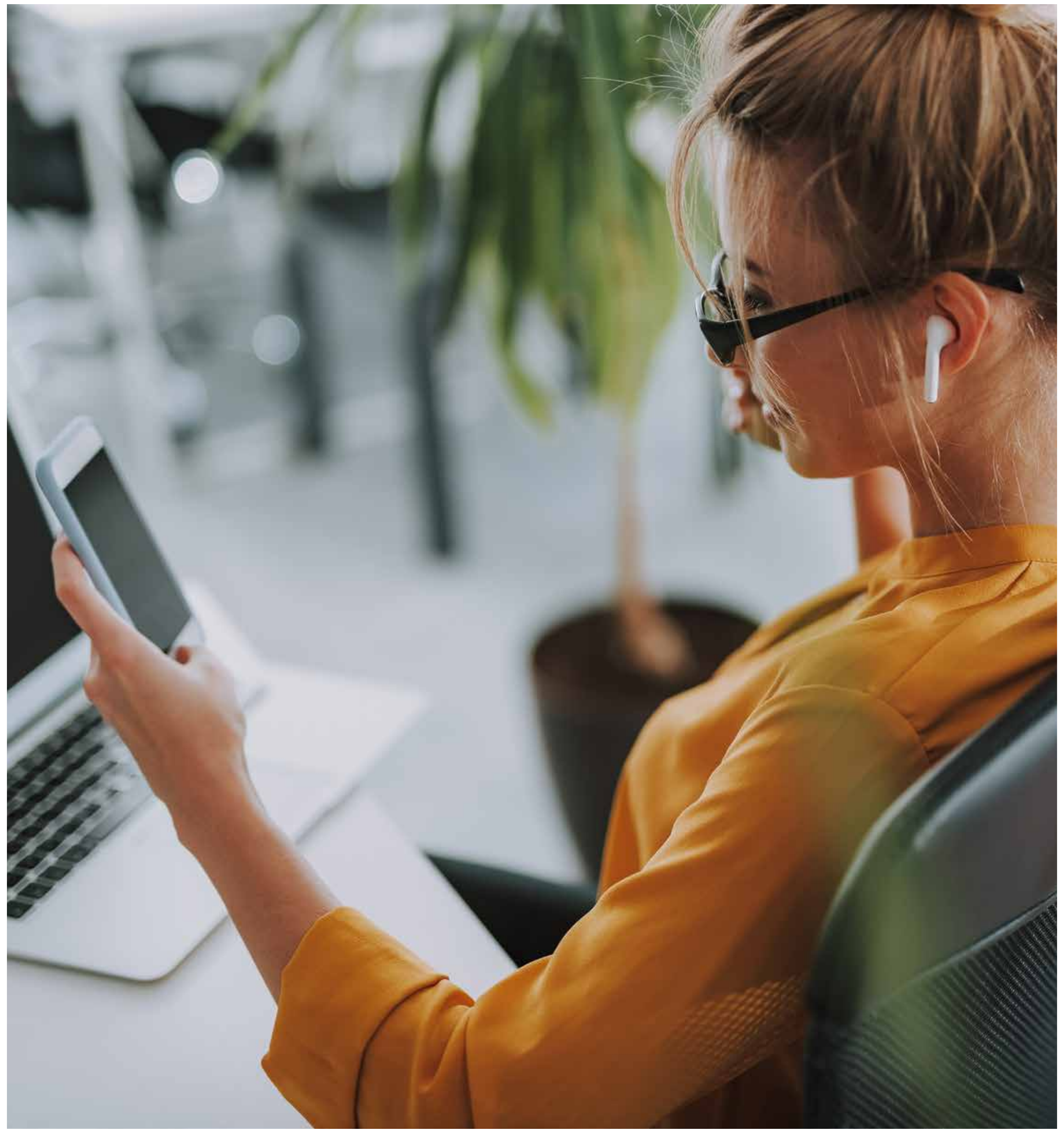
At recognition trade payables and other liabilities are initially measured at fair value, and they are subsequently measured at amortised cost, using the effective interest rate method.

In the event that the effect of the time value of money is not significant, the amount of liabilities is recognised without discounting.

	31-12-2022	31-12-2021
Financial liabilities		
Trade payables	**861.3**	**658.4**
to third parties	861.3	658.4
Other payables	**131.4**	**127.3**
Contract liability (prepaids)	8.3	7.5
Liabilities from the settlement of the cash-on-delivery option	6.5	10.0
Investment liabilities	95.7	98.8
Other	20.9	11.0
Trade and other liabilities total	**992.7**	**785.7**

TERMS AND CONDITIONS OF THE ABOVE FINANCIAL LIABILITIES:

- trade payables are non-interest bearing (unless in default) liabilities for the goods and services purchased in the course of ordinary business operations from suppliers and are normally settled on 30-day terms;
- cash-on-delivery collected from recipients of parcels is passed on to the sender shortly after receipt.



30. Financial instruments

ACCOUNTING POLICY

Recognition and initial measurement

At initial recognition, the Group measures financial instruments at their fair value. In the case of a financial asset or financial liability measured not at fair value through profit or loss, the fair value is adjusted for transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification

The Group classifies financial assets and liabilities into the following categories:

- financial assets measured at fair value through profit or loss ('FVTPL');
- financial assets measured at amortised cost;
- financial liabilities at fair value through profit or loss ('FVTPL');
- other financial liabilities.

Subsequent measurement

Category of a financial asset or financial liability	Measurement method	Recognition principle
Financial assets measured at FVTPL	at fair value	a result from subsequent measurement is recognised in profit or loss
Financial assets measured at amortised cost	at amortised cost by applying the effective interest rate	a result from subsequent measurement, derecognition or modification is recognised in profit or loss, the amortised cost is reduced by impairment losses
Other financial liabilities	at amortised cost by applying the effective interest rate	a result from subsequent measurement, derecognition and modification is recognised in profit or loss
Financial liabilities at FVTPL	at fair value	a result from subsequent measurement is recognised in profit or loss

30.1. THE FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Accounting policy

For financial instruments measured at fair value, the Group categorises the fair value measurement in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group categorises fair valuation inputs on the following basis:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Management assessed that the fair values of cash and short-term deposits, trade and other short-term financial receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the Group's interest-bearing loans and borrowings are determined by using the DCF method using a discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as of the reporting date was assessed to be insignificant. Based on the analysis performed, the Management assessed that the carrying amount of the long-term loans and borrowings are reasonable approximations of fair values.

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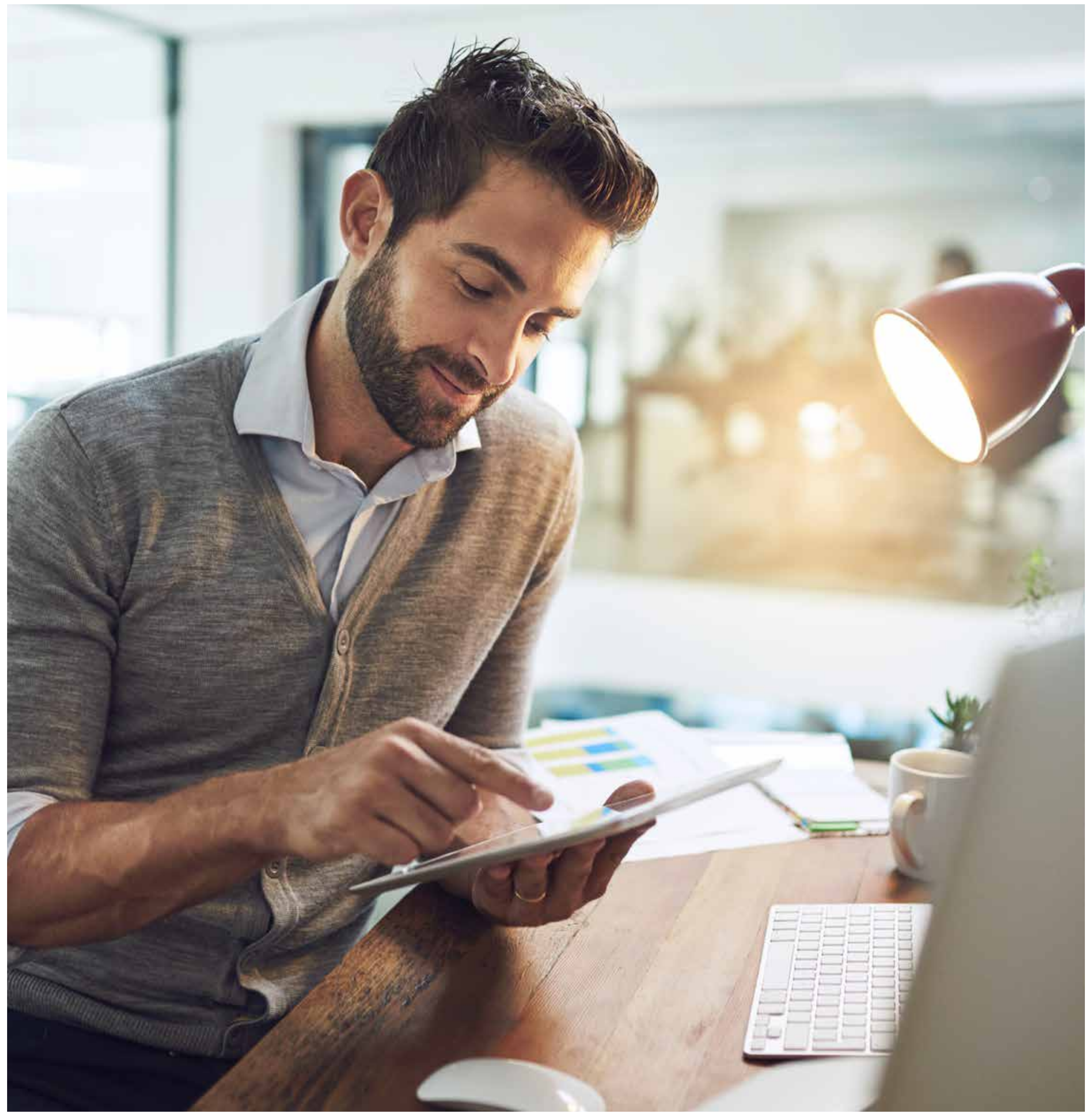
30.2. FINANCIAL INSTRUMENTS BY CATEGORY

	Category under IFRS 9	Carrying amount	
		31-12-2022	31-12-2021
Financial assets not measured at fair value through profit or loss			
Trade receivables	At amortised cost	1,066.9	799.3
Other receivables – current	At amortised cost	4.5	3.3
Other receivables – non-current	At amortised cost	26.1	31.4
Cash and cash equivalents	At amortised cost	435.8	493.2
Total financial assets		**1,533.3**	**1,327.2**

	Category under IFRS 9	Carrying amount	
		31-12-2022	31-12-2021
Financial liabilities not measured at fair value			
Current loans and borrowings	At amortised cost	338.8	194.4
Non-current loans and borrowings	At amortised cost	4,717.1	4,545.8
Trade and other payables	At amortised cost	992.7	785.7
Non-current lease liabilities	Other financial liabilities	1,091.3	835.1
Current lease liabilities	Other financial liabilities	552.3	357.7
Total financial liabilities		**7,692.2**	**6,718.7**

30.3. GUARANTEES AND OTHER SECURITIES

As at December 31, 2022 the total amount of granted bank guarantees on behalf of the companies from the Group amounted to PLN 124.7m (as at December 31, 2021 amounted to PLN 103.9 m). Bank guarantees are a collateral for the obligations from contracts signed by the Group. They relate to warehouses rental agreements entirely, and are required by landlords.



31. Contingent assets and liabilities

Coverage of the net cost of common services provided by the appointed operator – Poczta Polska (contingent liability)

For detailed information about the claim from the Polish Post for 2013, amounting to PLN 3.2m please refer to note 29 in Consolidated Financial Statements of InPost Group for the period of 12 months ended on December 31, 2021.

On July 29, 2022 Poczta Polska S.A. submitted to the President of the Office of Electronic Communications ('UKE') a calculation of the net cost and loss on universal services for 2021. On the same day, Poczta Polska S.A. also applied to the President of UKE for a funding (compensation) to the net cost of universal service obligation for 2021. Due to the entry into force of the amendment to the Postal Law on November 4, 2022, a compensation (if applicable) will be financed entirely from the state budget. Postal operators will not be charged with a share in the compensation. Until date of issuing these consolidated financial statements there is no further development in the above-mentioned case.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

32. Explanations to the cash flow statement

	31-12-2022	31-12-2021
Change in trade and other receivables in the consolidated statement of financial position	**(312.8)**	**(517.8)**
Acquisition of company	-	364.2
Trade and other receivables impairment losses	(9.8)	(6.4)
Compensation of VAT returns from CIT	(9.6)	(6.5)
Advances for materials for the production of parcel machines (included in investment flows)	(0.2)	0.1
Exchange differences	28.4	(0.7)
Other	-	0.9
Change in trade and other receivables	**(304.0)**	**(166.2)**

	31-12-2022	31-12-2021
Change in other assets in the consolidated statement of financial position	**6.9**	**(16.8)**
Acquisition of company	-	11.5
Prepayments for materials used in the manufacture of automated parcel machines	(19.5)	(1.2)
Change in other assets	**(12.6)**	**(6.5)**

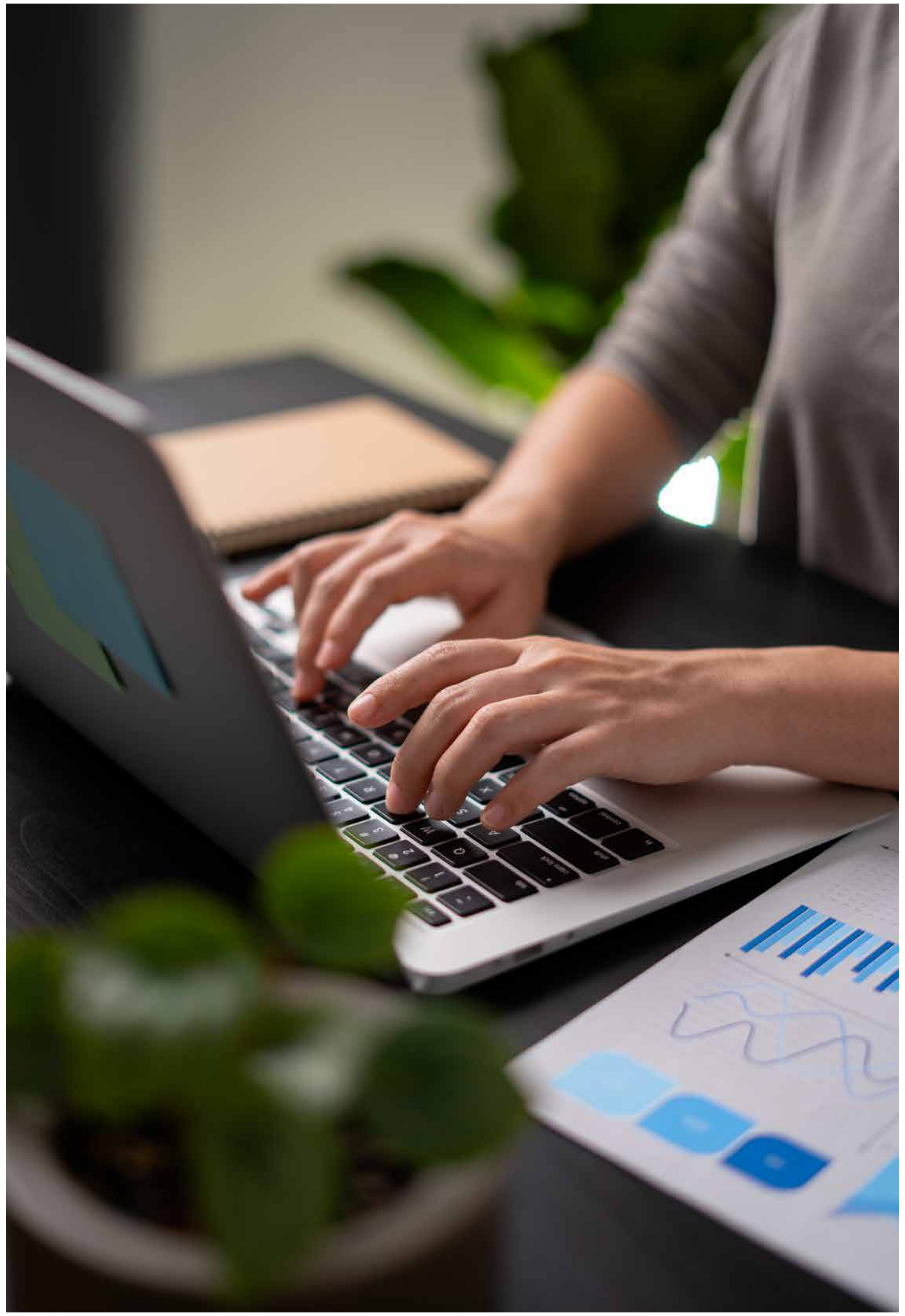
	31-12-2022	31-12-2021
Change in trade payables and other payables in the consolidated statement of financial position	**207.0**	**493.4**
Acquisition of company	-	(293.9)
Change in liabilities due to capital expenditures	2.4	(76.4)
Exchange differences	34.7	(0.6)
Declared dividend payment	-	40.0
Change in presentation for financial liabilities	-	1.7
Change in trade payables and other payables	**244.1**	**164.2**

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

	31-12-2022	31-12-2021
Change in employee benefits, provisions and government	**(26.2)**	**68.0**
Grants in the consolidated statement of financial position	-	(80.7)
Acquisition of company	-	11.6
Government grants received /returned	(0.1)	(1.0)
Other	**(26.3)**	**(2.1)**

	31-12-2022	31-12-2021
Change in other liabilities in the consolidated statement of financial position	**15.6**	**1.5**
Exchange differences	0.8	-
Change in other liabilities	**16.4**	**1.5**

	31-12-2022	31-12-2021
Total net finance cost	**273.3**	**113.6**
Foreign exchange differences realised on working capital	(43.7)	(32.5)
Bank fees paid	2.9	2.0
Other	2.8	1.6
Finance cost/(income) adjustment	**235.3**	**84.7**

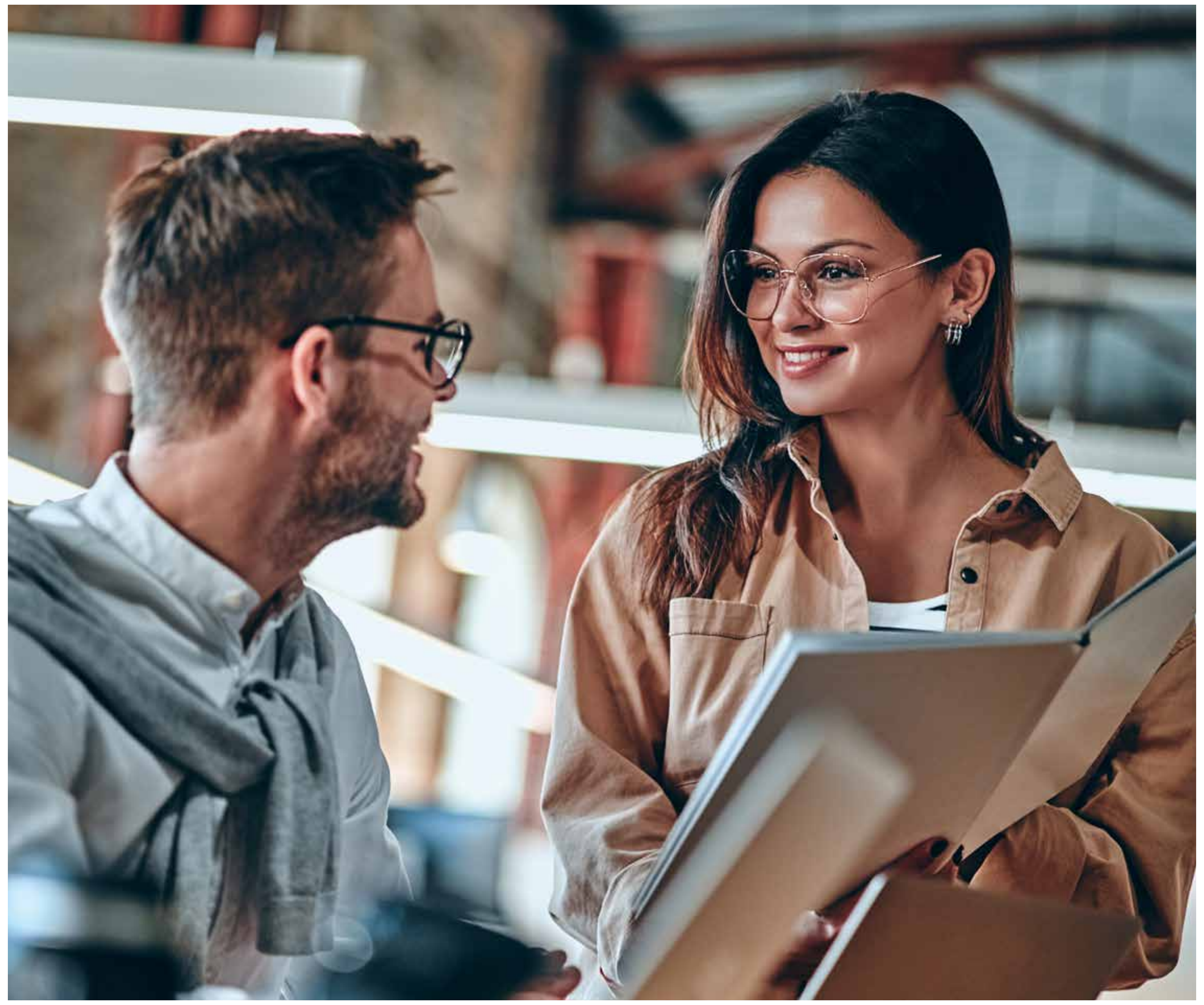


Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

Group's capital and risks

33. Share capital

Series	Face value	Number of shares as at 31-12-2022	Number of shares as at 31-12-2021
Normal shares	EUR 0.01 each	500,000,000	500,000,000
		500,000,000	**500,000,000**



34. Capital management

The Management seeks to maintain a balance between the higher returns that might be possible with the higher levels of borrowing and the advantages and security afforded by a sound capital position. The capital of the Group comprises debt including loans and borrowings (presented in note 24), lease liabilities (presented in note 20.2) and capital attributable to shareholders (including: shares issued, capital reserve and retained earnings).

In the year 2022, the Management has changed the key ratio used to monitor capital position of the Group to Leverage ratio, as in the Management's opinion it is better suited for the capital management purposes. Leverage ratio is monitored four times a year including an analysis of the cost of capital and respective risks associated with each source of the capital. The Group's capital management also aims to ensure that the Group meets financial covenants attached to the interest-bearing loans and borrowings (there have been no breaches in the presented periods).

The Group monitors capital using a leverage ratio which is a ratio of Net debt to adjusted EBITDA. Net debt is defined and calculated as total of Loans, Borrowings and Other Financial Liabilities less Cash and Cash equivalents. The Management aims to keep leverage ratio bellow 4.0 with goal ratio of 2.0-2.5. The Group's Leverage ratio as at December 31, 2022 and December 31, 2021 was as follows:

	31-12-2022	31-12-2021
Total loans and borrowings	5,055.9	4,740.2
Total other financial liabilities	1,643.6	1,192.8
Less: cash and cash equivalents	(435.8)	(493.2)
Net debt	**6,263.7**	**5,439.8**
Adjusted EBITDA	**1,961.4**	**1,626.4**
Leverage	**3.2x**	**3.3x**

34.1. FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group's operations are exposed to a variety of financial risks. The Management Board of the Parent is responsible for risk management through conducting ongoing analyses of financial risks and taking appropriate decisions in this regard. The Group's risk management policy aims to minimise the potential impact of unfavourable financial risks on the financial results.

Market risks:

Currency risk

The Group is exposed to currency risks resulting from transactions in various foreign currencies, predominantly EUR and GBP.

The tables below present the exposure to currency risk and sensitivity analysis of a reasonable possible strengthening (weakening) of foreign currencies, which would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of changes on sales forecasts and purchases.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

An analysis of sensitivity and exposure to currency risk in 2022:

2022	Carrying amount	Amount exposed to risk	GBP/PLN The financial result after tax		EUR/PLN The financial result after tax	
			GBP/PLN exchange rate '+10%'	GBP/PLN exchange rate '-10%'	EUR/PLN exchange rate '+10%'	EUR/PLN exchange rate '-10%'
Cash and cash equivalents	435.8	196.8	2.3	(2.3)	13.2	(13.2)
Trade receivables and other	1,245.2	555.2	5.2	(5.2)	39.4	(39.4)
Trade liabilities and other payables	992.7	600.2	(4.5)	4.5	(44.1)	44.1
Loans and borrowings	5,055.9	4,307.6	-	-	(348.9)	348.9
Other financial liabilities	1,643.6	1,256.8	(6.4)	6.4	(95.4)	95.4
Total	**9,373.2**	**6,916.6**	**(3.4)**	**3.4**	**(435.8)**	**435.8**

An analysis of sensitivity and exposure to currency risk in 2021:

2021	Carrying amount	Amount exposed to risk	GBP/PLN The financial result after tax		EUR/PLN The financial result after tax	
			GBP/PLN exchange rate '+10%'	GBP/PLN exchange rate '-10%'	EUR/PLN exchange rate '+10%'	EUR/PLN exchange rate '-10%'
Cash and cash equivalents	493.2	336.4	1.9	(1.9)	25.3	(25.3)
Trade receivables and other	927.1	396.0	2.3	(2.3)	29.6	(29.6)
Trade liabilities and other payables	785.7	456.0	(4.4)	4.4	(32.5)	32.5
Loans and borrowings	4,740.2	4,184.2	-	-	(338.9)	338.9
Other financial liabilities	1,192.8	916.1	(2.6)	2.6	(71.6)	71.6
Total	**8,139.0**	**5,705.0**	**(2.8)**	**2.8**	**(388.1)**	**388.1**

Interest rate risk

The interest rate risk arises on bank loans, bonds, leases and loans granted by changing their future cash flows. The Group assesses the impact of interest rate fluctuations on profit and loss on an ongoing basis and adjusts the debt instruments structure when necessary.

Taking into account the volatility of interest rates in 2022, the Group has performed a sensitivity analysis based on higher percentage points (pp) as in 2021 financial statements (1.0 pp change in sensitivity analysis used in 2022 in comparison to 0.1 pp change in 2021).

Amounts of loans and borrowings exposed to risk are based on WIBOR and EURIBOR floating rates, which will be changed in the future following EURIBOR and WIBOR reform in the UE. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

The tables below present the profile of the Group's interest-bearing financial instruments and sensitivity analysis.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

An analysis of sensitivity and exposure to interest rate risk in 2022:

2022	Carrying amount	Amount exposed to risk	Change in the financial result after tax	
			Rate + 1.0 pp	Rate - 1.0 pp
Loans and borrowings	5,055.9	2,768.4	(22.4)	22.4
Leases	1,643.6	-	-	-
Total	**6,699.5**	**2,768.4**	**(22.4)**	**22.4**

An analysis of sensitivity and exposure to interest rate risk in 2021:

2021	Carrying amount	Amount exposed to risk	Change in the financial result after tax	
			Rate + 1.0 pp	Rate - 1.0 pp
Loans and borrowings	4,740.2	2,501.9	(20.0)	20.0
Leases	1,192.8	-	-	-
Total	**5,933.0**	**2,501.9**	**(20.0)**	**20.0**

Credit risk:

Trade receivables

The Group is exposed to a significant risk resulting from sales with deferred payment (from 14 to 90 days). The credit quality of each customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables and contract assets are regularly monitored and trade receivables are generally covered by letters of credit or other forms of credit insurance obtained from financial institutions.

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

An impairment analysis is performed for trade receivables measured at amortised cost at each reporting date.

The Group classifies for individual assessment purposes receivables past due for more than one year as well as those that have other reasons to be fully written-off (e.g. subject to legal proceedings, bankruptcy, etc.).

For detailed information about the credit risk exposure on the Group's trade receivables, please refer to note 22.

Cash and cash equivalents

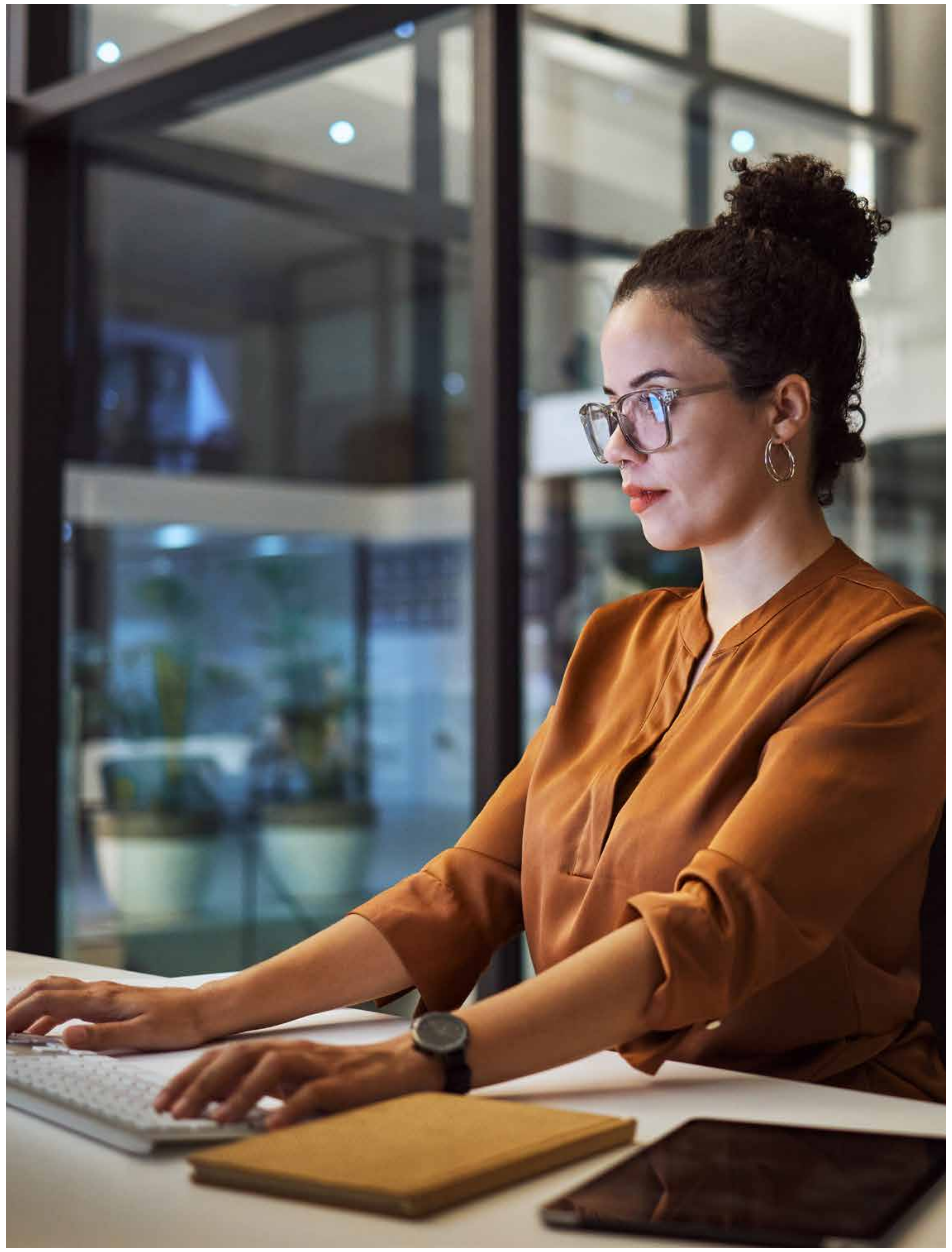
Credit risk from balances with banks and financial institutions is limited, because the Group's business partners are banks with a high credit rating granted by international rating agencies.

The Group's maximum exposure to credit risk for the components of the statement of financial position at December 31, 2022 and December 31, 2021 is their carrying amount.

The expected credit loss relating to cash and short-term deposits of the Group is insignificant – for details please refer to note 23.

Liquidity risk:

Liquidity risk management of the Group assumes maintaining an adequate level of liquid assets or available overdrafts to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Additionally, the Group intends to maintain flexibility of financing under the available funds.



Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

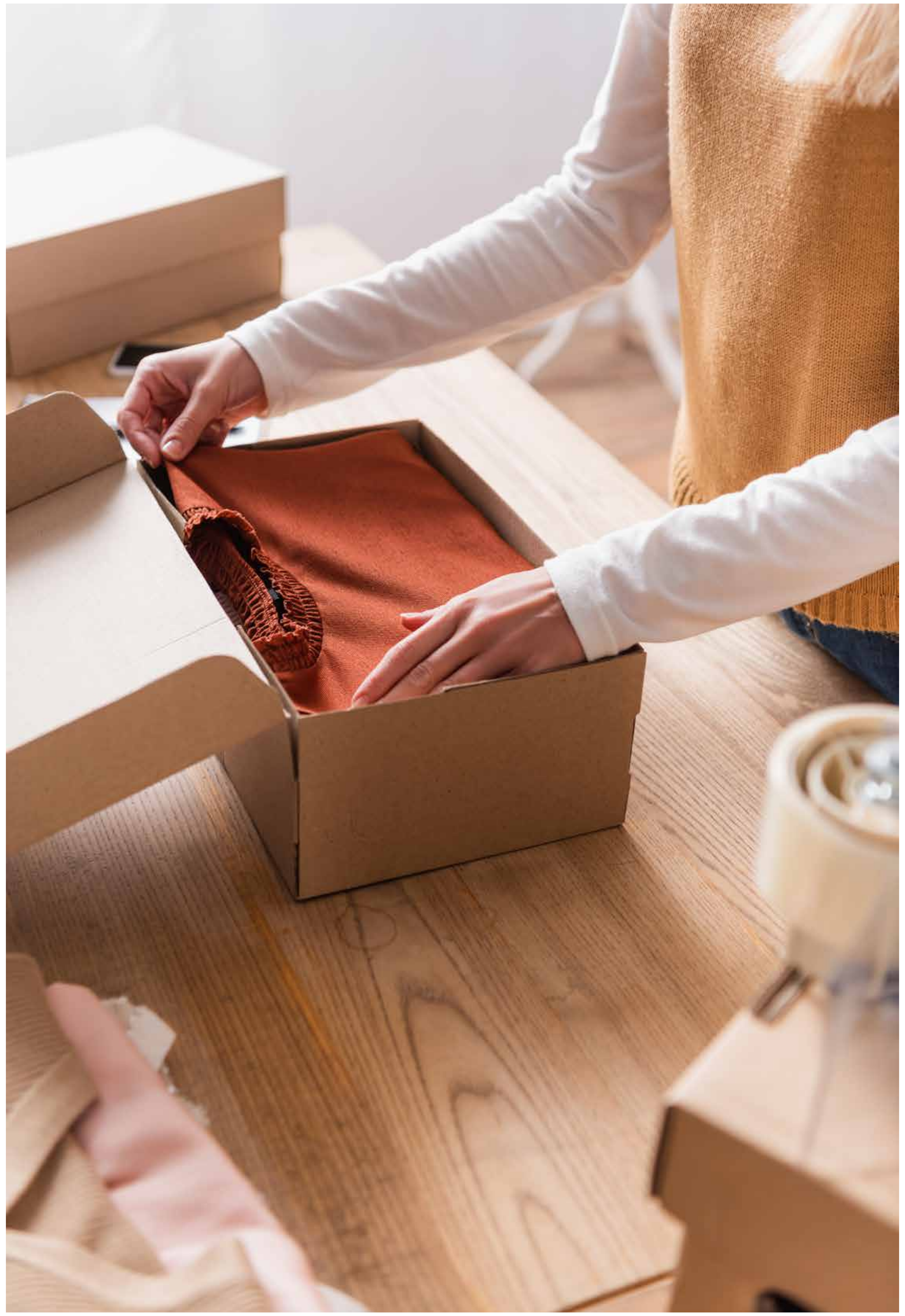
The current cash flow enables the Group to settle its obligations as they arise in a timely manner. The Group also has access to a revolving borrowing facility of PLN 800m. As at December 31, 2022 the use of revolving loans amounted to PLN 240.5m (0.0m in 2021).

Taking into account the positive cash flow and cash balance, actual and planned results, the long-term nature of loans and liabilities (mainly related to leasing or purchase of fixed assets), available overdraft facilities, the Management Board believes that the liquidity risk has been limited.

The table below presents an analysis of the Group's financial liabilities based on the period remaining until the contractual maturity date as at the balance sheet date. The amounts presented in the table are contractual undiscounted cash flows.

2022	< 1 year	1-3 years	3-5 years	> 5 years	Contractual cash flows total	Carrying amount
Variable interest	**814.2**	**1,036.6**	**2,881.9**	**220.4**	**4,953.1**	**4,412.0**
Leases	552.3	529.6	341.3	220.4	1,643.6	1,643.6
Loans and borrowings	261.9	507.0	2,540.6	-	3,309.5	2,768.4
Fixed interest	**59.2**	**118.5**	**2,389.4**	**-**	**2,567.1**	**2,287.5**
Loans and borrowings	59.2	118.5	2,389.4	-	2,567.1	2,287.5
Non-interest-bearing	**992.7**	**-**	**-**	**-**	**992.7**	**992.7**
Trade and other payables	992.7	-	-	-	992.7	992.7
Total	**1,866.1**	**1,155.1**	**5,271.3**	**220.4**	**8,512.9**	**7,692.2**

2021	< 1 year	1-3 years	3-5 years	> 5 years	Contractual cash flows total	Carrying amount
Variable interest	**508.3**	**646.1**	**2,411.0**	**726.4**	**4,291.8**	**3,694.7**
Leases	370.5	375.6	294.5	212.4	1,253.0	1,192.8
Loans and borrowings	137.8	270.5	2,116.5	514.0	3,038.8	2,501.9
Fixed interest	**58.1**	**116.2**	**116.2**	**2,285.2**	**2,575.7**	**2,238.3**
Loans and borrowings	58.1	116.2	116.2	2,285.2	2,575.7	2,238.3
Non-interest-bearing	**785.7**	**-**	**-**	**-**	**785.7**	**785.7**
Trade and other payables	785.7	-	-	-	785.7	785.7
Total	**1,352.1**	**762.3**	**2,527.2**	**3,011.6**	**7,653.2**	**6,718.7**



Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

35. Related-party transactions

The services rendered to the Group by related parties (Key Management personnel) consist of the following: management, quality control, marketing, distribution, advertising, legal or consulting.

All related party transactions were made on terms equivalent to those that prevail in arm's length transactions. All transactions with related parties (Key Management personnel) are part of remuneration subject to agreements between Key Management personnel and Supervisory Board.

As at December 31, 2022 the amount of outstanding balances of receivables and liabilities from related parties (Key Management personnel) amounted to nil.

Entity's name (Key Management personnel)	Transactions	
	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Purchases		
Consulting Services Marcin Pulchny	0.5	0.5
F.H. Feniks Rafał Brzoska	2.5	1.7
Lidar Management Dariusz Lipiński	0.7	0.7
FINSTRAT Adam Aleksandrowicz	1.6	1.3
QUANTUM Damian Niewiadomski	0.4	0.3
Total	**5.7**	**4.5**

Entity's name (shareholder)	Transactions	
	31-12-2022	31-12-2021
Liabilities		
Advent International Corporation	0.8	0.8
Total	**0.8**	**0.8**

The Group has not recorded any other transactions and balances with related parties other than specified above.

35.1. KEY PERSONNEL REMUNERATION

	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Management Board of which:	**21.3**	**16.1**
Short-term employee benefits	11.4	9.0
Share-based compensation	9.9	7.1
Executive Committee of which:	**9.5**	**7.4**
Short-term employee benefits	3.7	3.8
Share-based compensation	5.8	3.6
Supervisory Board of which:	**2.9**	**2.5**
Short-term employee benefits	2.9	2.5
Share-based compensation	-	-
Total key personnel remuneration	**33.7**	**26.0**

Short-term employee benefits include all compensation: gross salaries including the variable component, bonuses, attendance fees and unused holiday compensation.

Share- based compensation includes equity-settled plans: Management Incentive Plan ('MIP'), Long Term Incentive Plan ('LTIP') and performance Bonuses.

Apart from the transactions mentioned above, the Group is not aware of any other material transactions between the Group and Members of the Management Board, Executive Committee or Supervisory Boards.

Consolidated Financial Statements of InPost Group for the period of 12 months ended on 31 December 2022 (in millions PLN)

36. Employment structure

The employment structure of the Group is as follows (total number of employees at the period end):

	31-12-2022	31-12-2021
Management Board	3	3
Management	928	919
White-collar employees	3,084	2,629
Blue-collar employees	2,148	1,723
Total employment	**6,163**	**5,274**

The average number of staff employed by the Group during the financial year 2022 and broken down by companies:

	Management	White-collar employees	Blue-collar employees
InPost S.A.	3	3	-
Integer.pl S.A.	7	25	19
InPost Technology	25	227	-
Integer France SAS	2	3	-
Mondial Relay SAS	9	546	892
InPost Sp. z o.o.	727	884	805
Locker InPost Italia Srl	17	36	-
InPost UK Limited	42	59	-
Integer Group Services Sp. z o.o.	114	1,082	221
Total employment	**946**	**2,865**	**1,937**

The companies excluded from the table above had no employees during the year 2022.

37. Auditors remuneration

	Period of 12 months ended on 31-12-2022	Period of 12 months ended on 31-12-2021
Fees for legal audit of consolidated financial statements and annual accounts	2.8	1.9
Fees for other assurance services	0.5	3.5
Total auditor's remuneration	**3.3**	**5.4**

38. Events after the balance sheet date

There were no significant events after the balance sheet date.

Luxembourg, March 29, 2023

....
Rafał Brzoska
President of the Management Board

....
Michael Rouse
Vice President of the Management Board

....
Adam Aleksandrowicz
Vice President of the Management Board

About the Report

ABOUT THE REPORT

This is the third ESG report of InPost S.A., and the second report with external assurance. The statement of the limited assurance - conducted by EY - can be found [p. 235].

GRI 2-14

The ESG committee receives quarterly reports on the implementation of the ESG strategy and submits them to the Supervisory Board. The Supervisory Board, as the highest governance body at the company, supervises all ESG-related processes, including reporting. This report was approved by the Supervisory Board.

GRI 2-2

The scope of non-financial data contained in the report includes InPost S.A. and subsidiaries: Integer.pl S.A., Integer Group Services sp. z o.o., InPost Paczkomaty sp z o.o., InPost sp. z o. o., InPost Technology S.a.r.l., along with the French company, Mondial Relay Societe par Actions Sumplifieee Unipersonnelle, InPost technology S.a.r.l., the British company InPost UK Ltd, and the Italian company Locker InPost Italia Sri. The remaining companies of InPost Group were not included in the report, as the process of their liquidation had already been initiated or they are companies which do not employ personnel and do not conduct business activity (Modern Postal Services Ltd, InPost France SAS, Granatana Ltd, Giverty Holding Ltd). The list of entities included in the scope of sustainability reporting is the same list that has been included in its financial reporting (on p. 122).

Due to differences in the maturity of reporting between markets, the approach prioritises reporting indicators at the Group level. The rest of the indicators are reported at the level of the Polish companies, Mondial Relay, and International (joint reporting for companies operating in Italy and the UK). Detailed information about how each indicator is reported can be found in the GRI index by each indicator.

OUR APPROACH TO REPORTING

The integrated annual report is one of the key communications with company stakeholders. It combines financial information with an assessment of material sustainability issues, providing an integrated view of the company.

The purpose of integrated reporting is to communicate with stakeholders who are concerned with enterprise value. It provides a balanced insight into the progress made by the company in terms of strategy, with consideration for risks, opportunities, and ESG matters material to creating value. Moreover, we want to include sustainable development goals in the company's activities and reporting. In order to provide a comprehensive view into the company and its long-term creation of values, we use the following frameworks:

- Integrated Reporting Framework;
- United Nations Sustainable Development Goals (SDGs);
- United Nations Global Compact (UNGC);
- The Non-Financial Reporting Directive (NFRD);
- Dutch Corporate Governance Code (Dutch CGC).

ESG is a crucial element of our operations, and our reporting procedures adhere to the highest standards, taking into account topics important to various stakeholder groups. For sustainability reporting, this report provides information on the following standards:

- The Sustainability Accounting Standards Board (SASB);
- GRI Standard;
- Task Force on Climate-related Financial Disclosures (TCFD).

Financial reporting targets investors and capital markets through financial statements that show the effects on value that have already occurred by the reporting date or are included in future cash-flow projections. Financial reporting frameworks reported include:

- The International Accounting Standards Board (IASB);
- Dutch Association of Investors for Sustainable Development (VBDO).

The annual report is one of the primary ways of conveying the progress made in accordance with the requirements of the United Nations Global Compact's 10 Principles for Businesses (see table on p. 266).

GRI 2-3

The company reports in a yearly cycle. This document encompasses the year 2022 (1 January 2022 – 31 December 2022), unless a different reporting period for data and information has been indicated within the text. The period for financial reporting is the same.

Publication date: March 31, 2023

Contact points: In case of any questions or remarks regarding the report, please contact Investor Relations: ir@inpost.eu or the ESG Team: esg@inpost.eu.

GRI 2-4

RESTATEMENTS OF INFORMATION

Below are listed restatements of information made from previous reporting periods.

- GRI 102-8 (new GRI 2-8) – Due to an error in 2021, Mondial Relay (France) reported "workers" under temporary employees (2,809). The second error was misclassification of employees of Management Team (n-1) in Poland. B2B contracts were classified as employees. Both errors influence following indicators: GRI 404-1, 404-3, 405-1, 405-2. Accurate data is currently unavailable.

ABOUT THE REPORT

- GRI 2-21 – Due to the process of settling LTIP, the value of remuneration of the Management Board was restated according to the Remuneration Report, what impacted the value pay ratio.
- GRI 201-1 – Due to an error, the operating costs for 2021 and 2020 were reported as 0. The amounts of operating costs in 2021 and 2020 have been resettled in this report.
- GRI 305-3 – New more accurate method was adopted for measuring GHG emissions, the correct value of Scope 3 emissions is 70.9% higher then previously reported.
- GRI 306-3 – Due to an error regarding municipal waste in Poland in 2021, the correct data for 2021 is 88% lower then previously reported.
- GRI 404-3 – Due to an error percentage of female and male receiving regular career development reviews in Poland in 2021 was reported as 100% while the correct value is 24,5%.

GRI 2-14,3-1

MANAGEMENT OF MATERIAL TOPICS

The determination of material topics is an ongoing process related to the improvement of strategy and responses to the expectations of stakeholders, especially investors (recognised both directly and through ratings).

A formal analysis was conducted in 2021 for the purposes of ESG strategy and also served as the foundation for the reporting process. The analyses conducted include an analysis of market trends, an analysis, of impact on SDGs, a SWOT analysis based on interviews with employees and top management, and a benchmark analysis of peer companies. The analyses consider both the perspectives of internal stakeholders (employees and management) and external perspectives (market trends and competition), identifying actual and potential, negative and positive impacts on the economy, environment, and people. The list of material topics as a basis of the ESG strategy was approved along with the whole strategy by both Management and Supervisory Board.

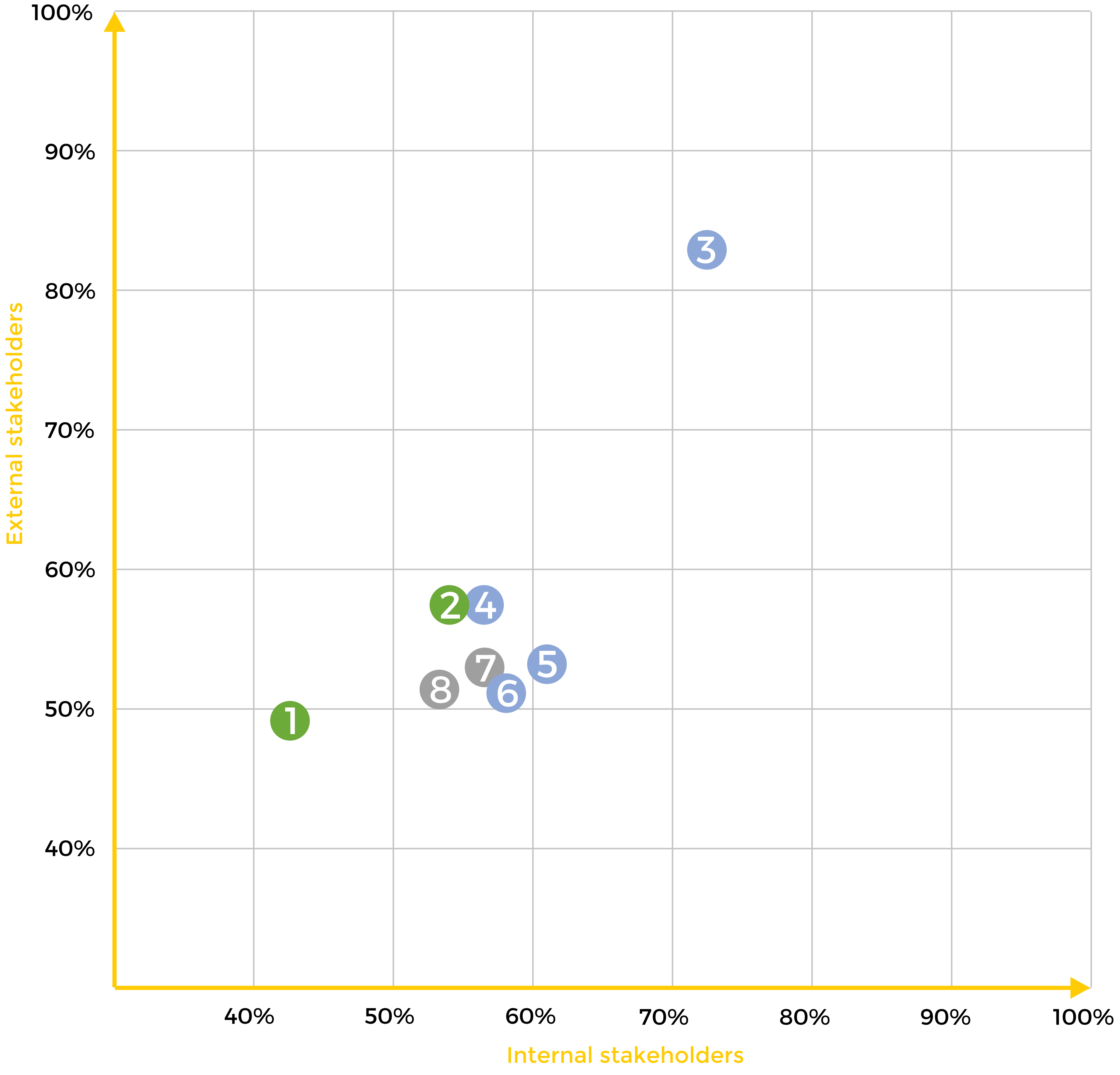
The list is updated each year according to a survey conducted with key stakeholder groups. In 2022, the survey was sent to five groups (employees, investors, customers, and two new groups: management and merchants) to expand the spectrum of business relationships considered in the materiality assessment, and to compile the perspectives of both internal and external stakeholders. The total number of respondents was over 2,700. The survey was adapted to the requirements of the GRI Standard 2021, with the addition of questions related to impact (both positive and negative). The content of the questionnaire included the scope of environmental and social impacts in the entire value chain. Stakeholders assessed the impacts on a scale of 1-5, and a hierarchy of material topics was determined based on the responses.

Percentage of stakeholders who believe that InPost Group has a great or the greatest (4 or 5 point on the scale) impact on these issues:

Metrics	# internal	% internal	# external	% external
Emissions	**103**	**42%**	**1,217**	**49%**
Green technologies and procedures in the production of parcel lockers and logistics	135	54%	**1,412**	**57%**
Access to logistics services (price, location, accessibility for the disabled)	179	72%	**2,041**	**82%**
Sustainable consumer habits	136	55%	**1,403**	**57%**
Equal opportunities, no discrimination (due to e.g., age, nationality, gender)	151	61%	**1,318**	**53%**
Health and safety at work	145	58%	**1,260**	**51%**
Integrity and ethics in all business activities, regulatory compliance / compliance with requirements	142	57%	**1,295**	**52%**
ESG management throughout the value chain, including couriers, suppliers, business partners / ethical conduct in the supply chain	132	53%	**1,273**	**51%**

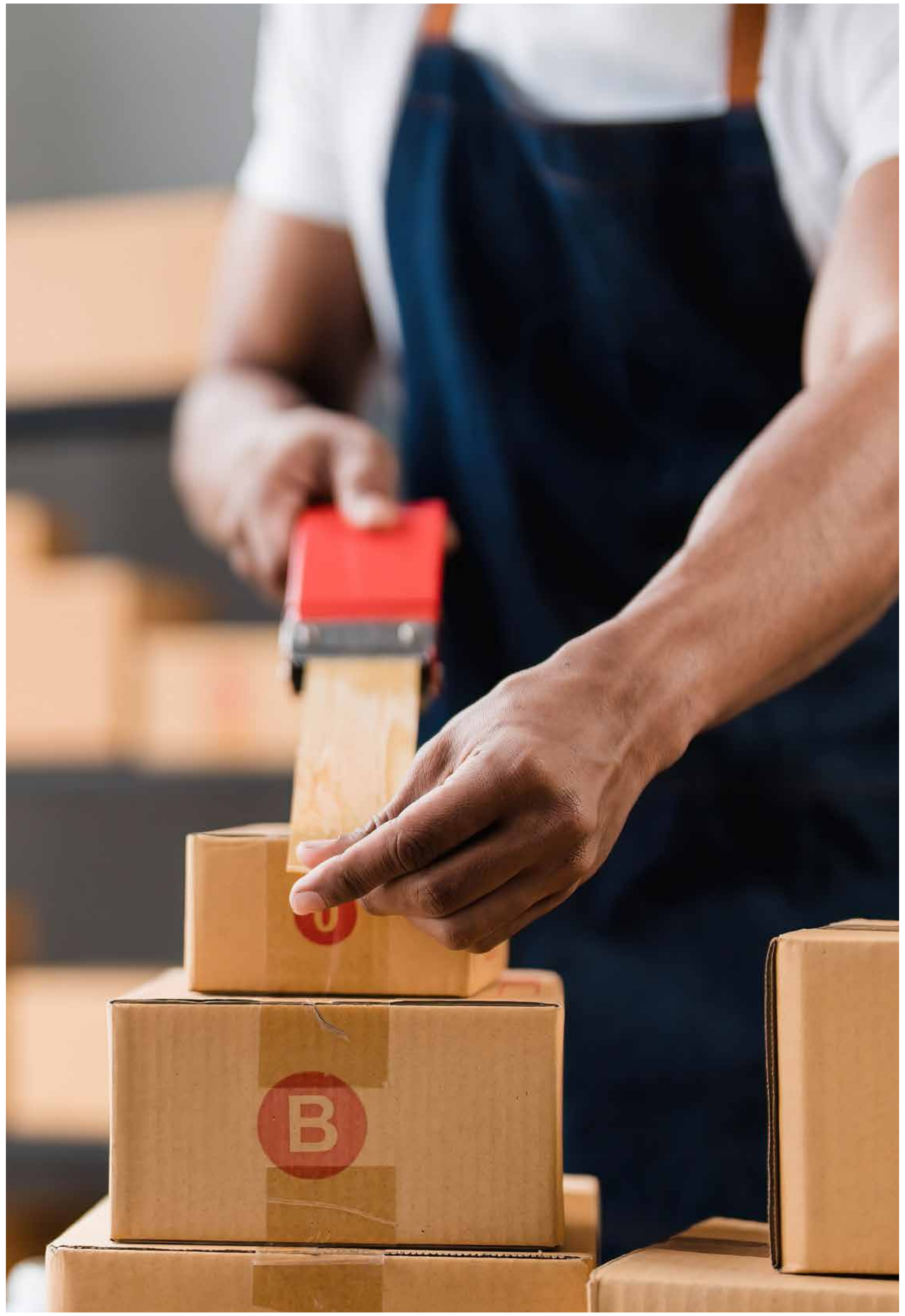
Areas covered by material topics are consistent with those from the ESG strategy and with the list from the last reporting period.

GRI 3-2



- Environmental
- Social
- Governance

1. Emissions
2. Green technologies and procedures in the production of parcel lockers and logistics
3. Access to logistics services (price, location, accessibility for the disabled)
4. Sustainable consumer habits
5. Equal opportunities, no discrimination (due to e.g., age, nationality, gender)
6. Health and safety at work
7. Integrity and ethics in all business activities, regulatory compilance / compilance with requirements
8. ESG management throughout the value chain, including couriers, suppliers, business partners / ethical conduct in the supply chain



Management of material topics

Management of material topics

GRI 3-3

Each market in which InPost is present operates according to its local legal frameworks. We are in the process of developing a group-wide approach to the management of material topics in order to optimise procedures and apply the best practices relevant to each market, as has already been achieved with the compliance and whistleblowing policies. The full list of policies is found in the NFRD table.

The management approach in each market is as follows:

1. For each topic, the business owner is responsible for the daily management of a given topic, including the identification and reporting of potential risks (according to the risk management process). Officers have been appointed for selected material topics.
2. The business owner regularly reports to a member of the Management Board who is responsible for a given topic, in a cycle established for a given process, usually quarterly or at least once every six months.
3. Health and Safety is reported to the CEO. Cybersecurity, data privacy, environmental and social topics are reported to the CFO.

The management of several material topics is organised through the Integrated Management System, which takes on a risk-based approach. When implementing the system, we analysed internal and external factors, identified potential risks and pointed out negative impacts. We currently monitor, report, and implement improvements as needed, based on internal or external audit results. In the case of internal audits, these activities are conducted according to the yearly audit plan approved by the Management Board. The monitoring and reporting process occurs on a quarterly basis. Detailed information on implemented policies, procedures and audited standards related to the material topics can be found in the NFRD table at the end of this report.

ENVIRONMENT

The environmental policy, which is enforced through the Environmental Health Safety system, is connected to the policies within the Integrated Management System, and is compliant with ISO 14001.

Environmental targets include energy efficiency improvement and minimising GHG emissions, waste management, including the reduction of plastic and paper waste, and a commitment to continuous development.

In terms of Environmental Health and Safety, actions that are taken include the performance of external recertifications every three years. Certifications that have been awarded for couriers and fulfillment services include (InPost sp. z o.o.): ISO 9001, ISO 14001 (2019), ISO 45001 (January 2022) and ISO 28000. Between the recertification periods, review audits are conducted. All certifications and external audits are carried out by QS Zurich. Mondial Relay is also guided by the adopted policies in the field of energy audits, waste management and monitoring of greenhouse gas emissions.

We are aware of our impact on the environment, such as its consumption of raw materials and emissions. Therefore, the actions of the teams responsible for the supply chain and logistics are focused on optimisation and the implementation of innovations, resulting in consistent impact reduction. The company has set the focus of its ESG targets on transforming operations to reduce environmental impacts. The most important achievement is the development of a decarbonisation strategy, which was enhanced in 2022 and validated by SBTi in Q1 2023. The bodies responsible for the strategy are the ESG committee and the Management Board of InPost S.A. The second pillar of activities related to the environment are green innovations. They include developing solutions for clients and optimising internal processes, and are managed by our multidisciplinary team of practitioners, including the Heads of IT, Operations, and R&D. More information about actions taken can be found in the IN Planet section of Sustainability Report.

SOCIAL

The core of InPost's business model is to increase convenience for consumers, and ESG is at its centre. Therefore, several of our business activities are closely intertwined with the development of the ESG strategy. Its pillar IN Client is entirely devoted to the implementation of commitments consistent with the diagnosed need of our stakeholders to improve access to logistic services and support their transition toward more sustainable behaviours. We have also built a separate framework for managing our relations with both internal and external environment – the Stakeholders Policy provides guidelines for managing relations and impacts resulting from them. The operationalisation of the Policy and its roll out to the markets are planned for 2023.

The Social Engagement Policy, which has been in force in InPost Group since 2022, creates a framework for managing the impact exerted by InPost on society. Our goal is to reinforce the positive results of our presence in local communities. This policy supports two pillars of the ESG strategy: We change the lifestyle of tomorrow and deliver low-emission e-commerce. Communication and ESG teams in individual companies are responsible for activities in this area. More about social involvement is available here.

Management of material topics

Human Resources are grounded in the Diversity, Equity and Inclusion Policy, which will be in effect across all InPost markets in 2023. Our goal is for every employee to have a clear pathway during their recruitment and through their entire time with the Group. The conditions of remuneration, employee evaluation and potential career paths are developed, accessible, and transparent. We foster a culture of dialogue and feedback, and have established processes to have all voices within our company heard. The procedures also outline the conditions for professional growth, providing equal opportunities for all. In addition, for the needs of activities in Poland, a coordinator for diversity management was appointed in the HR team. This is the first such function in the Group. The coordinator is responsible for building diversity awareness in the Group and monitoring progress in this area.

GOVERNANCE

Compliance is managed according to policies at the Group level and it is fully operational at the markets' level. The details can be found in the Corporate Governance chapter.

In addition to the policies included in the compliance system, we have adopted the Suppliers Standards of Conduct. The Standards take into account issues such as human rights and environmental protection. We are in the process of implementing it in each of the markets. Implementation details and further steps planned are in the Corporate Governance chapter.

GRI 403-1; 403-8

HEALTH AND SAFETY AT WORK

Occupational health and safety ('OHS') has a top priority at InPost Group. We comply with the highest standards and all regulations related to occupational safety. The actions taken within this system prevent accidents at work and improve health and safety across the organisation. InPost Poland (InPost Sp. z o.o.) has a Health and Safety Management System in accordance with ISO 45001: 2018 standard (issued by the International Organization for Standardization), which has been implemented and is operational since March 29, 2022 and has not been at the time of previous reporting. Employees of other polish companies of the Group are covered by local regulations in the area of OHS.

It is not a legal requirement in Poland. ISO 45001 sets the requirements, along with guidelines, which enable InPost Poland (InPost Sp. z o.o.) to proactively improve the OHS performance in preventing injury and illness. The system covers all employees and workers employed by temporary work agencies, which was the subject of the internal audit. Each audit is carried out in accordance with the accepted standards and has a specific course. The auditors carrying out the audits are independent and competent thanks to their training. The audit is announced at least one week before the visit, specifying the date, time and scope of the audit to be carried out. Supervision over the audit process is exercised directly by the Management System Inspector. A report is created from each audit, which indicates (in percent) the degree of compliance of the audited area with the guidelines. For each identified non-compliance, a non-compliance sheet is created, in which the branch manager specifies the time and resources needed to correct/remove the problem. At the end of the year, all reports are analysed in one document, which proposes the implementation of changes in the organization in sensitive processes. The ISO Plenipotentiary and Quality Managers are mainly responsible for the Management System, including verification of the correctness of its operation. These are individuals employed by the organization. Health and Safety Specialists support the above-mentioned people and are employed by the organisational. The continuous improvement of the system shall be achieved through systematic ISO internal audits and inspections, taking corrective and preventive actions and training of employees in this regard.

In the second half of FY2022, the InPost Group has hired the OHS Manager to manage markets located in Western Europe and OHS Manger for France in the area of OHS management. Mondial Relay is in the process of developing an internal occupational health and safety management system, while it is not a legal obligation in France nor in Benelux. It is expected to be based on the ISO 45001: 2018 standard and cover in its scope all permanent and temporary workers and activities on the plants. The internal policy in Mondial Relay is adapted to the French regulation.

GRI 403-8

At the level of the InPost Group, data was collected only for France and Poland. The percentage of employees covered by the occupational health and safety (OSH) management system will increase in 2023 and will be reported accordingly. In Poland 100% of employees and workers are covered by the rules. [Read more GRI Disclosure]. No employees, nor workers were excluded from the disclosure.

GRI 403-2; 403-10; 403-9

In Poland, the process of Occupational Risk Assessment, Hazard Identification was implemented. As part of inspections and accident cause assessment are carried out by teams of authorized specialists in accordance with the requirements of Polish law. Assessment of the quality of the above processes is subject to external audits under ISO 45001 certification, which the organization has implemented precisely to ensure high standards and quality of the tasks performed. The Occupational Risk Assessment is updated to address individual positions within the organization as needed, for example if the process changes significantly. When preparing the document, an update period is specified, typically for three years. The assessment is based on the PHA method, analysing scale and probability of an incident to establish different levels of priority.

A five-person Health and Safety Committee (Director of the Courier Operations Division, Head of the SOR Administration Team, Coordinator of the SOR Sorting Department, Head of the Courier Service Team, Chief Health and Safety Specialist) meets every quarter to investigate work-related incidents. The representation meets the requirements of a set of skills due to their wide experience in their roles in the organisation.

Management of material topics

Awareness-raising activities dedicated to Occupational Health and Safety are conducted by internal parties. Health and safety issues are communicated to all employees at the company in compliance with the internal ISO INS_PP 9-1-100 procedure. The obligation to inform employees about hazards is carried out by the OHS and Environmental Protection Department and the Managers of organizational units. Risks were determined by the index as part of an occupational risk assessment using the Preliminary Hazard Analysis (PHA) method. Risk is valued at 3 levels. Identification of threats is carried out as part of the cyclical Occupational Risk Assessment at workplaces. The assessment of hazard identification is carried out routinely as part of the monthly Health and Safety Analysis. Threat identification takes into account the division of causes into technical, organisational and human. The list of identified hazards related to the work performed, which pose a risk of serious injury, includes, among others: falls from vehicle loading and unloading ramps, collisions of employees with handling equipment. Employees are required to familiarize themselves with the occupational risk assessment and OHS procedures and instructions before starting work. All information regarding the security rules is available on information boards, in the intranet and in current e-mail communication.

All accidents and near-misses are monitored throughout the organisation, and the circumstances of such events undergo subsequent analysis. After the occurrence of an accident, by Polish law, the victim or witness is obliged to report such an event to the supervisor. The supervisor (or other functional person) reports the accident to the Health and Safety Department by submitting a form. After this is done, the accident is considered to be officially reported. A post-accident team is appointed which is responsible for determining the causes and circumstances of the event as well as its legal repercussions and preparation of relevant documentation (post-accident report or accident card with attachments). The event is entered into the Accident Register and the documentation is properly archived. The victim is informed about their rights (post-accident benefits from the Social Insurance Institution), and post-accident recommendations are provided to minimize the risk of a similar event in the future. Health and Safety alerts are submitted to the Management Board.

For warehouse positions, additional measurements, such as noise levels or vibrations, are performed by an accredited testing laboratory. The measurement results were not included in the risk assessment card and register because the measurements are made for specific locations and the Occupational Risk Assessment is done for a given position (globally). In no case did the noise measurement results exceed the permitted standards. Therefore it was not necessary to include noise as a hazard. The results of noise measurements are presented in a separate document (card of tests and measurements of harmful factors). In terms of vibrations, the principle is similar, except that the measurements are made only in the Main Sorting Room. In the future, measurements will be taken in different branches.

The company operates in this area in full compliance with Polish Law, which under the Labor Code (Art. 210) guarantees, among other things, that no consequences will be drawn against employees who withdraw from work if they feel threatened. Thus, an employee has not only the right but even the obligation to withdraw from performing activities in a threatening situation and to immediately inform his supervisor.
To eliminate hazards and minimize risks there are taken actions in accordance with the assumptions in the occupational risk assessment. In addition, recommendations are provided as results of monthly health and safety inspections and as post-accident recommendations.
In Mondial Relay, the risk assessment is updated every year for France or in case of necessity for Benelux.

In accordance to French regulations (R4131-1 of the Labour Code), any worker who believes that a work situation in which he (or she) is involved presents a serious and imminent danger to his (or her life) or health may alert his (or her) employer and withdraw from the situation.

GRI 403-3

At InPost Group the actions are taken to build a corporate culture based on education of employees and workers in OHS topics by specific trainings and regular communication. Top-down, the OHS service and organizational unit managers communicate hazards to employees.
All employees in Poland are obliged to undergo health examinations, as required by the Polish Law. They undergo them before starting work for InPost, as well as periodically and after coming back from a long sick leave. The medical examinations make it possible to determine whether the state of health of a candidate or employee is sufficient to work or continue in the considered position. This helps reduce the risk of accidents at work and the occurrence of occupational diseases. The quality of service is assessed with surveys sent to employees.
For Mondial Relay, additional measures are provided, such as first aid, firefighting, evacuation trainings, etc.

GRI 403-4

In Poland, bottom-up, employees communicate proposals and suggestion to reduce work-related risks and improve health and safety. Any suggestions can be made by employees both to employee representatives and to health and safety coordinators present in each branch. In addition, proposals for improvements in the area of OHS and environmental protection can be submitted during workshop inspections that take place once a quarter and standard inspections or ad-hoc contacts. During the workshops, we collect feedback and suggestions from employees, including regarding Health and Safety. They receive additional points to the control result. The suggestions are directed to the H&S department in accordance with the InPost document ISO INS_PP 9-1-110 (Consultation and participation in OHS). Bottom-up reporting is also possible through whistleblowing channels.

In France and Benelux, bottom-up, all employees and workers of plants can communicate recommendations to improve health and safety.

Management of material topics

Additionally, in France OHS is covered by national agreements with trade unions. In accordance to French regulations, Health, Safety and Working Conditions Commission meets every two months automatically and as often as necessary when situations require. This joint committee is made up of representatives of the employer and elected members representing the employees. The mission is to discuss and study all issues related to the health and safety of workers. Minutes from these meetings are made available to staff. In Belgium, elections will have to take place to elect staff representatives. This committee will be called the Committee for the Prevention and Protection of Workers

GRI 403-5; 403-7

In Poland, initial, periodic and supplementary OHS trainings are carried out in accordance with the legal regulations and in response to emerging needs, for all workers. They are free of charge and take place during working hours. Effectiveness of OHS trainings is evaluated by examination tests and only those, who pass the test are allowed to continue working.

Some workers are also given specialist training to administer first aid. Those who require specialised training, such as for safe operation of machinery, receive training to address specific risks associated with the task. Health and safety issues are also communicated more frequently during daily briefings, Health and Safety Alerts (after accidents) and monthly health and safety summaries. Alerts that need to be communicated urgently due to the fact they involve cases that can have serious effects or can occur in different localisations are sent by email. The Alerts aim to provide information about the accident and how to prevent it in the future.

In France and Benelux, trainings are conducted by the Human Resources Department according to the needs of the employer and placed in the annual training plan. They are provided in languages adapted to workers, free of charge, taking place during working hours and concluded with test as an evaluation.

GRI 403-6

In InPost Poland, a range of non-wage benefits is provided through a cafeteria system. Each person has the opportunity to join a medical insurance scheme for both themselves and their family/partner.
In France and Benelux, each employee is affiliated to an occupational health service which carries out medical check-ups in accordance with national regulations.

GRI 403-7, 403-9

At InPost Poland there are various of activities provided to prevent significant OHS impacts. The process of mitigating risks stars with a list of main causes of accidents by type of performed work. Based on this preventive measures are recommended.

Management of material topics

Type of accident	Share in total	Recommended preventive measures
Loading, unloading, sorting, lifting	38%	• Additional training as part of job apprenticeship, where there will be more emphasis on safety issues (e.g. in terms of proper securing of packages, safe stacking, etc.), • Strengthening management supervision and proper selection of employees, • Introduce cap-helmets as an additional means of protection, • Review processes in terms of the impact of the pace of work on accident risk.
Internal transport, operation of forklifts, pallet trucks, vehicles	36%	• Accelerate work on the introduction of a driving style monitoring system (iSite), • Improve the quality of training through the selection of appropriate training companies and additional internal trainings on safety rules for forklift operation, • Develop stricter driving safety guidelines, • Where conditions permit, consider separating walkways for pedestrian traffic, • Introduce an incentive system for operators and managers.
Employee movement	14%	• Enforcement of irregularities related to non-compliance with the rules of movement in the facility and non-compliance with the recommendations and requirements of the Regulations of the InPost Facility, • Introduce stricter rules for the use of traffic routes at the facilities, • Taking care of the quality of horizontal and vertical signage and traffic routes.
Handling of transport carriers (cages, rollcontainers)	5%	• Instruction and training, where employees will be made aware of the risks associated with handling carriers (including the risk of running a carrier over their legs, risks associated with running several carriers at once), • Eliminate carriers with handles that are too short, • Recommended to run the carrier next to, not on the same track as the worker is moving.
Operating machinery, equipment, tools	5%	• Enforcement of irregularities related to non-compliance with the prohibition of staying in the connection zone of moving parts, • Further expansion of guarding systems so that the recommendation ultimately covers all types of conveyor belts in the organization, • Taking care of the technical condition of machinery and equipment. Making repairs only by authorized and trained persons.
Other	2%	Other

For France and Belenux, the new tool for analysing causes of accidents will be implemented in the near future to prevent similar accidents from happening again. Additionally, it is planned to carry out checklists to identify reinforcement needs in a short term and external audits – in a longer one. Moreover, in 2023 lost time accidents will be analysed and presented to managers. Finally, studies are carried out periodically to avoid the appearance of musculoskeletal disorders on the plants.

GRI 403-9

In 2022, in InPost Group work-related 218 accidents were reported. They resulted from breaches of Health and Safety regulations or haste in carrying out professional responsibilities. No fatalities were recorded in 2022. Statistical data on accidents are analysed in the monthly health and safety analyses and in the annual health and safety analysis. The tables with the exact data can be found in GRI Index. At the level of the InPost Group the main types of work-related injury of all (employees and workers who are not employees) include: contusions and fractures/strains. In addition in Poland there are: abrasions, burns/reactions and overloads.

GRI 403-10

In addition, there were no reports of suspected occupational disease in InPost Polska. During health and safety training, employees are informed that they should report it if they suspect an occupational disease. The suspicion of an occupational disease is reported on the form, the model of which is specified as an attachment to the Ordinance of the Minister of Health (Journal of Laws of 2012, item 663).

HEALTH AND SAFETY OF COURIERS

Cooperation between InPost Poland and couriers is based on a contract defining the roles and responsibilities for each party, managed by the Courier Operations Support Team. InPost's priority is to offer a safe working environment for couriers, and all business partners must comply with our standards. At the beginning of their cooperation with

Management of material topics

us, new couriers participate in a comprehensive onboarding process that includes both substantive training and health and safety topics. In the interest of maintaining the highest quality of our services and safety of our workers, couriers can benefit from online trainings and materials available in the knowledge base over the course of our cooperation with them. We monitor the number of incidents involving couriers and take preventative measures to minimise the number of incidents. In 2022, we saw 20 of incidents involving couriers, none of them was fatal.

Couriers can continue their development throughout their employment via the e-learning platform, EduKurier. The platform provides mandatory training on the protection of personal data, health and safety, new processes and products, and customer service. Their knowledge is assessed through monthly and daily tests.

Couriers at InPost are supported through innovative solutions, such as the timesaving, convenient ICRA application and the Courier App, which allows them to receive notifications about packages, accept orders, monitor availability of parcel machines, and properly and safely carry out their tasks from receiving the order to the end of delivery. Couriers are also supported through benefits, in addition to remuneration. These include access to the Multisport card on special terms, affordable life insurance, and access to health care as part of health insurance. The "InPost Summer Tour" allows couriers to receive vouchers to cover their holiday stay, with the value of the bonus increasing with seniority.

CYBERSECURITY

The Information Security Policy defines our approaches to issues related to cybersecurity. The Policy provides guidelines in areas such as how to comply with legal requirements, maintain the confidentiality, integrity and availability of data and IT services, technical and organisational security measures within the company, and the increased level of employee awareness in regard to data security. Other subordinate policies applied to cybersecurity, are the Acceptable Use Policy, Business Continuity Management Security Policy, Cryptography Policy, HR Security Policy, Identity and User Access Management Policy, Information Classification Policy, Information Security Policy, IT Operations Security Policy, Network Security Policy, Systems and Applications Security Policy, and the Vulnerability Management Policy. These policies comply with ISO27001 and NIST Cybersecurity Framework.

The Information Security Policy appoints roles and responsibilities related to cybersecurity. The implementation of these policies is assigned to management within the Group. The IT Security Team Manager is responsible for data security and protection of ICT systems. The Head of the IT Security Team cooperates with the Operational Security Office. These teams are responsible for actions related to operating, monitoring, reviewing, maintaining, and improving the established Information Security Management System (ISMS). Additionally, the Data Protection Officer (DPO) is responsible for personal data protection, and the Operational Security Office Manager handles physical security. Finally, the Compliance Officer ensures legal compliance and compliance with internal regulations, and the Risk Officer manages risk.

The Information Security Policy requires a cyber risk assessment at least twice a year. Two aspects are analysed: Severity and Confidence. The analysis enables the development of appropriate responses. Additionally, internal security tests are conducted annually to assess technical and organisational security measures, and they may also be conducted if significant new changes are introduced. Finally, an annual external audit is carried out in accordance with the NIST Cyberframework.

DATA PROTECTION

To mitigate risk, we strive to comply with international legislation regarding data protection and the creation of our own internal standards applied throughout company operations, and we adhere to General Data Protection Regulation (GDPR), a key part of EU privacy and human rights laws. This regulation aids us in protecting customers, merchants, and employees from having their data misused. We have also adopted the Personal Data Security Policy (internal policy), which defines the process of ensuring data safety within the Group. Compliance with the principles of personal data protection is supervised by the Data Protection Officer, who, in line with the GDPR, reports to the CEO and is supported by the Data Protection Team

Strategic goals for data protection include ensuring that the company is meeting all legal requirements regarding data; that confidentiality and integrity of personal data is maintained and the data can be accessed at any time; technical and organisational security measures; increasing employee awareness regarding personal data security. InPost employees take part in cyclical online training, which in 2022 was completed by over 95% of employees. In addition, stationary workshops, short training courses reminding about the most important rules of information security on the knowBe4 platform and regular mailings to employees are conducted. Finally, we have applied organisational and technical solutions to communicate with data subjects and allow them to exercise their rights, including the right to access, erase, rectify, supplement or amend their personal data.

The framework for data protection in InPost Group includes the Procedure for Handling Requests related to Data Subject Rights, directed to the Controller; Procedure for Assessment and Reporting of Personal Data Breaches, which defines the principles of the assessment, recording and reporting of personal data as required by the GDPR; Data Retention Policy, which specifies the principles for processing data according to the principle of limited retention; Procedure for Risk and Impact Assessment of Personal Data Processing, which describes the principles for conducting risk analysis for the protection of personal data; All of the procedures are subject to internal audits. Moreover, we provide communication and staff training to increase awareness and provide information about emerging risks.

Management of material topics

The effectiveness of our data protection policies is calculated and tracked by counting the number of substantiated complaints concerning breaches of customer privacy and losses of customer data. Both employees and customers can report any suspected breaches or incidents related to the protection of personal data:

- By email: customers dane_personal@inpost.pl and employees zod@inpost.pl;
- By phone: Customers via the Inpost hotline; and employees via the IOD telephone number or to the Data Protection Team;
- In writing: to the address of the Company's registered office;
- Using the form on the website https://inpost.pl/formularz-kontaktowy-chce-napisz-w-spraw-ochrony-danych-personalch.

The complaints and breaches are also forwarded to the relevant authorities by InPost.

In 2022, as many as 745 million parcels were processed, and only 5 cases were brought forward to the President of the Personal Data Protection Office. Of these cases, only two were considered to be legitimate. There were 37 substantiated complaints received in Poland concerning breaches of customer privacy, which is an improvement from 2021, when 45 complaints were reported.

Of the cases brought forward, two occurred on the InPost side. The first was related to the unlawful use of video surveillance by an employee of the complaints department. In response, InPost ceased cooperation with this employee and new procedures were introduced. In the second case, a parcel was left at the reception desk of the building. InPost reminded couriers about the rules of handing over deliveries, and each courier was required to read the information and confirm their commitment to complying with the guidelines. The remaining three cases were customer complaints, which the President of the Personal Data Protection Office is obliged to consider as part of explanatory proceedings. In our perspective, the reported complaints were unjustified, and this position has been presented to the Personal Data Protection Office. Another two cases reported to the Personal Data Protection Office were related to external institutions.

GRI 418-1

Substantiated complaints concerning breaches of customer privacy and losses of customer data	InPost Group		InPost Poland		Mondial Relay		InPost International	
	2022	2021	2022	2021	2022	2021	2022	2021
Substantiated complaints received concerning breaches of customer privacy	**41**	**45**	**37**	**45**	**4**	**0**	**0**	**n/a**
Complaints received from outside parties and substantiated by the organisation	39	40	35	40	4	0	0	n/a
of low severity	29		29		0		0	n/a
of medium severity	9		6		3		0	n/a
of high severity	1		0		1		0	n/a
Complaints from regulatory bodies	2	5	2	5	0	0	0	n/a
of low severity	1		1		0		0	n/a
of medium severity	0		0		0		0	n/a
of high severity	1		1		0		0	n/a
TOTAL number of identified leaks, thefts, or losses of customer data	**41**	**3**	**37**	**2**	**4**	**1**	**0**	**n/a**
of low severity	33		30		3		0	n/a
of medium severity	7		6		1		0	n/a
of high severity	1		1		0		0	n/a

Methodology: All complaints for InPost UK in 2021 are included in InPost Poland.

Further mitigation measures regarding data security have been implemented in the company. They include trainings, communication about data processing, regulations, and new security tools. Over 95% of our personnel have received comprehensive trainings related to data security. We also maintain anonymity on the labelling of our packaging, using only the last four digits of the recipient's phone number for identification. Other countermeasures include implementation of company policies regarding data protection, information security and cybersecurity, incident management processes, procedures for data subjects, the establishment of a Personal Data Protection Team, support of external law firms, internal and external audits, maintenance of the Register of Personal Data Processing Activities, notifications about possible personal data breaches, and obliging all individuals who process personal data to keep personal data confidential and to comply with all rules related to their processing.

Stakeholder management

Stakeholder management

GRI 2-29

InPost is motivated by the commitments we make to our stakeholders. Our Stakeholder Engagement Policy, which has been implemented in Poland and is being adapted to other markets in 2023, serves as a foundation for productive discussion that allows us to develop in ways that are advantageous for all. This year, we are also establishing a formal process of continuous dialogue with stakeholders, including an active approach to the management of relations with key groups. Stakeholders are also important to our ESG policies, as they are included in the survey to determine non-financial material topics for a given year. We believe that long-term relationships with all of our stakeholders bring value to our company, and we aim to foster these relationships through regular communication.

In the previous year, the starting point for identifying stakeholders was the definition of what a stakeholder is: every individual, organisation or group that has an interest in or is impacted by the activities of InPost Group. Subsequently, a group of staff members involved in drafting the Stakeholder Policy (ESG Team and Legal Team) conducted a qualitative analysis to determine which entities meeting the enlisted criteria have a material impact on the organisation's performance along the value chain, thus determining the list of key stakeholders:

Shareholders. We engage our investors for business updates on performance, future financial expectations, and capital allocations, and our communication with them can help foster relationships and promote transparent communication. The Investor Relations Office coordinates all activities necessary to initiate and maintain good relations with our current and potential shareholders through comprehensive and timely communication with the market. We offer updated information through presentations and ESG reports that are approved by rating agencies. Using methods such as meetings, online communication and briefings, we communicate with our shareholders daily.

Merchants. Merchants are a key partner for InPost, and it is crucial for us to respond to their needs. We keep track of trends so that we can work together, prepare for challenges, and better anticipate customers' needs, for instance, by conducting research on the quality of customer service. Moreover, we are in constant communication to ensure the quality of services, prepare optimised offers, and participate in joint marketing campaigns. We research planned products and services by developing a Demand Book, and invite larger companies to participate in the tests of new products and services. Channels of day-to-day communication with merchants include social media and digital tools (websites, mailing, apps), advertising and educational campaigns, surveys, and direct contact. Merchants receive regular mailings informing them about changes in regulations, price lists, InPost documentation, and topics related to sustainability. We also hold conferences and publish specialist articles on our website.

Customers. InPost is defined by its customer-centric approach. While we acknowledge their needs, our aim is to also drive sustainable habits. We know that customers expect activities to counteract climate change, which is why we have established In_Client, an entire ESG pillar dedicated to this issue. We foster long-term relationships with customers by providing new products, services and initiatives. By handling complaints and suggestions through direct communication, we engage in customer support and conduct surveys of customer satisfaction, behaviours and attitudes, as well as their expectations related to InPost products and services. We communicate with this stakeholder group daily by post, social media and digital tools (such as websites, mailing, apps and newsletters), traditional and online advertising campaigns, and PR channels.

Couriers. We are driven by concern for our couriers. For this reason, they all participate in a thorough onboarding process and health and safety training. At the same time, it is necessary for couriers to be up to date on current information about the offer and be trained in topics relevant to our company through access to the most current knowledge base. Trainings are conducted using EduKurier, InPost's original e-learning platform, and via daily tests solved by all couriers. Our couriers' opinions are always valuable, and InPost offers this group of stakeholders the ability to share their thoughts and provide comments regarding the company. We communicate with them daily via morning briefings, direct contact, push notifications, through the app, online messenger, and surveys.

Employees. We want our team to include highly qualified experts and leaders who tie career development with the company's success. We achieve this by attracting employees who are the best fit for our organisation, creating an engaging culture with a positive employee experience. Onboarding, upskilling and reskilling training, talent programmes, personal development initiatives, a transparent succession pipeline, and leadership programmes are some of the ways in which we engage our employees. The Engagement Survey helps us monitor employee sentiments. In terms of business updates, we communicate financial results, targets, new projects and solutions and their launches, along with HR updates and new benefits. The staff are also involved in the annual survey to identify relevant non-financial reporting topics. We communicate daily with employees through the intranet, mailings, InPost News, InTalk, posters, screens, and meetings.

Stakeholder management

Suppliers. Partnerships based on responsible sourcing allow us to conduct our business in an innovative and reliable way. The Supplier Standards of Conduct (“SSoC”) was created to reinforce InPost’s commitment to work together with our Suppliers towards a long-term, sustainable and successful future for all involved parties. Communication with suppliers is necessary to provide information about our offer, terms of trade and quality assurance. Suppliers are also invited to participate in fairs. Channels of daily communication with suppliers include mailings, online meetings, direct meetings, fairs, and informal networking.

Local communities and NGOS. InPost contributes to the socio-economic development of regions and makes an indirect contribution to the prosperity of local communities. We organise social, educational, cultural and sports projects for the benefit of the community, and encourage employee volunteering in local programmes. We communicate with local communities and NGOs through channels such as online meetings, phone calls, e-mail, and direct meetings. Depending on the entity, we may meet with them from a few times a week to several times a year. The purpose of this communication is to establish cooperation and charity initiatives, participate in working groups, and to develop relationships.

Media. Media are an important stakeholder in our company, and necessary for communication with the wider public. They are involved in our communications to provide information on new offers and solutions and to report our business results. Our company Spokesperson responds to inquiries, and we participate in press conferences and meetings with journalists. Daily communication with the media is conducted through PR channels, InPost’s social media and digital tools.

City departments and municipalities. We operate in many administrative areas, so it is important for us to maintain cooperation with local governments. We communicate parcel machine deployments and consult where to place the machines, in the case of urban locations that may be contentious. We also discuss eco/smart initiatives and processes and consult contract workflows and approvals, along with valuations of initiatives. We also discuss initiatives included in the InPost Green City programme and beyond, servicing cities after they have joined. We communicate with administrative departments daily through online meetings, phone calls, e-mail and direct meetings.

Business Partners. Our aim is to build long-term relationships with our business partners to gain and provide support. We provide project support and organise press conferences, along with providing valuation of event activities and initiatives. Channels of communications on a daily basis include online meetings, phone calls, e-mail and direct meetings.

GRI 2-28

InPost is a member of business leadership organisations, participating in multilateral dialogue to shape a secure regulatory environment for further growth.

Business Centre Club (‘BCC’) is a prestigious business club and the largest individual entrepreneur organisation in Poland, concentrating on lobbying activities that are aimed at furthering the growth of the Polish economy.

The French-Polish Chamber of Commerce (‘CCIFP’) is an independent organisation which contributes to the development of investment and business activities in Poland and plays an active role in contacts with state administration bodies and employer organisations.

Employers of Poland represents 19,000 companies with over five million employees, supporting communication with political and economic decision-makers and working for the common interests of employers in member organisations.

The American Chamber of Commerce in Poland (AmCham) is composed of over 300 companies representing a wide range of sectors, aiming to build connections and develop the business market in Poland.

Polish Confederation Lewiatan is a Polish business organisation, which acts on behalf of its members by supporting legislation, dialogue with administration, and tools for business development.

The Polish Business Roundtable is an association of owners and top managers of the largest companies operating in Poland. It promotes Polish entrepreneurship, monitors economic and legal conditions of business activity in Poland and supports civic and social campaigns.

Corporate Connection is an international professional business organisation that brings together business owners seeking intensive growth and creating business opportunities for each other.

The Luxembourg-Poland Chamber of Commerce (LPCC) is a well-established non-profit organisation based in the Grand Duchy of Luxembourg which facilitates business-to-business relations in Luxembourg and Poland.

The Polish Chamber of Commerce and Industry in France cooperates with the Polish embassy, governmental and non-governmental institutions to bring together both Polish and French companies, among which are representatives of the main sectors of the economy: energy, construction, metallurgy, agro-food industry, transport, services and telecommunications.

Stakeholder management

GRI 2-25

Stakeholders can report all grievances and negative impacts of InPost anywhere along its value chain. The Whistleblower Policy and SpeakUp platform for reporting violations are described in the Corporate Governance chapter.

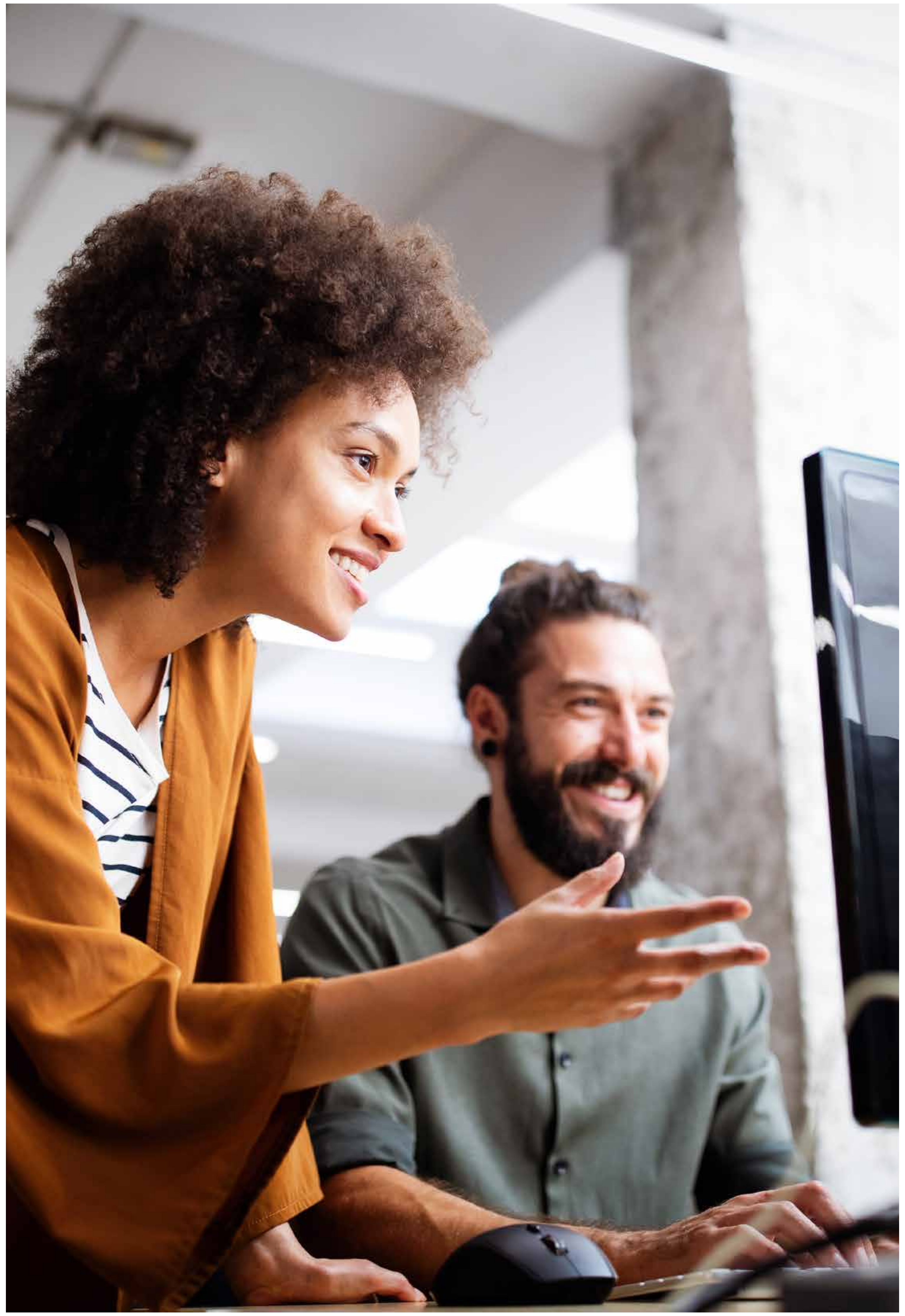
Negative impacts or instances of dissatisfaction with InPost activities include:

Complaints related to services. The stakeholders involved in reporting this negative impact include consumers, merchants, business partners, and third parties. The complaint process is managed by InPost employees, and it includes the analysis and assessment of validity. Customers can lodge complaints through the company website (most commonly), by post, or Web Trucker (if already part of the system). They can also make claims via the chatbot in the mobile app or the contact the centre hotline, by e-mail or phone. The complaint is then referred to the appropriate department, and a response is provided to the customer. InPost responds individually to each complaint, and may grant financial or non-financial compensation, such as discount codes or gadgets. The effectiveness of the grievance processes are monitored in a complaint registry, which includes information about the reasons for the complaint, solutions, and timeliness of the response.

Reports of GDPR violations: management approach to this topic and confirmed numbers of GDPR violations are described in the Management of Material Topics section..

Postulates concerning the presence of couriers in urban spaces: Impacts related to couriers are reported by administrations of the different cities that are part of the InPost Green City Programme. They report negative impacts such as couriers driving over green spaces or parking in unauthorised areas. City leaders can contact InPost directly or in writing to report issues. The company then decides which local branch of the company is responsible for resolving the issue and actions are taken to mitigate negative impact. They are further reported to the city administrators.

In addition, employees can submit proposals to streamline company processes and mitigate negative impacts. The stakeholders reporting such improvements include employees and the recipients of InPost's products and services. This reporting process is managed by the Control and Improvement of Processes team. Its responsibilities include process review and proposals for optimisation activities, along with the support of automatisation and robotisation. Stakeholders participate in all stages of the review, optimisation, and implementation. Activities within these procedures include recommendations for process optimisation, corrective actions and controls, which aim to prevent negative impacts in the future. Post-control monitoring is deployed to ensure that the controls are conducted, and solutions are implemented according to the timeframe established. The final product includes a report outlining the process and control, monitoring solution implementation and the results of control tests to monitor the effectiveness of the mechanisms.



Climate Report

Introduction

This 2022 update on InPost Group's climate management progress has been structured in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), including:

Governance	**Strategy**
Risk management	**Metrics and targets**

In this report, we describe how climate change may impact our business and outline our strategy to mitigate those potential impacts and ensure our resilience. Our understanding of the challenges associated with climate change is evolving and we continuously update our plans accordingly.

We understand the reality that implementing change for the better takes more than operating a single company or organisation, even a large one. In order to reduce our environmental impact, coordination at the local and global level is necessary. InPost Group supports important initiatives aimed at saving the future of the entire planet, including the Task Force on Climate-related Financial Disclosures (TCFD).

Through creative, and transformative business models, we constantly seek long-term value development, remain flexible to adapt to changing circumstances, and align our strategic agenda with the broader developmental needs. At InPost Group, we use the potential of technology to shape a new, sustainable future. Our innovativeness is a sustainable development tool supporting green transformation. InPost Group supports also important initiatives connected with climate change prevention, including the Task Force on Climate-related Financial Disclosures (TCFD).

Over the past year, we have developed a Decarbonisation Strategy for the entire InPost Group in accordance with the Paris Agreement and our targets approved by the Science Based Targets Initiative (SBTi). This is a natural consequence of the ESG Strategy adopted by us a year ago. We are aware that we are beginning a journey with our stakeholders into the field of climate change, defining an effective response to climate risks and opportunities. Therefore, we have committed to the constant improvement of data-collection methods used to disclose information in our external financial and non-financial documents.

We are on our way to full compliance with the TCFD recommendations regarding the provision of reliable information related to the impact of business on climate and the impact of climate change on our business in the context of our strategic commitments.

We invite you to read InPost Group's 2022 Climate Report.

Governance

Enhanced Climate Risk Governance Structure

Climate risk management is an inherent part of the Enterprise Risk Management system and its processes. The ERM system involves all levels of management both at the level of individual companies as well as the whole InPost Group.

Main participants in the ERM process	
Supervisory Board of InPost S.A.	The Supervisory Board provides a leading role in the scope of supervision over the ERM system. It is authorised to report new risks and make recommendations regarding the functioning of the ERM system.
Management Board of InPost S.A.	The Management Board is the main beneficiary of management information generated by the ERM system. Tasks related to ongoing supervision over the ERM system are entrusted to the Risk Committee. It is authorised to report new risks and make recommendations regarding the functioning of the ERM system.
Company Management Board of InPost Group	The Company Management Board supervises the implementation of the ERM Policy and Methodology. The Management Board accepts and analyses reports in the area of risk management within the Company, as provided by the Company Risk Manager.
Risk Committee	The Risk Committee exercises ongoing supervision over the ERM System and is the recipient of updated information on all significant changes in the Group's corporate risks. It is authorised to report new risks and make recommendations regarding the functioning of the ERM system.
Group Risk Manager	The Group Risk Manager is the owner of the ERM process at the InPost Group level, coordinates all activities related to the implementation of the ERM Policy and Methodology.
Company Risk Manager	The Company Risk Manager is the owner of the ERM process at the company level, coordinates activities related to the implementation of the ERM Policy and Methodology.
Risk Owner	The Risk Owner is responsible for the ongoing management of the Enterprise Risk which it owns, such as by taking actions aimed at reducing the likelihood and effects of risk materialisation, cyclical risk assessment, ongoing reporting of operational events and monitoring of risk status.
Internal Audit	The Internal Audit provides support related to the ERM System and is the recipient of information resulting from InPost Group's Risk Register. In particular, this applies to the provision of information on identified risks during audits and the provision of the current Risk Register by the Group Risk Manager.
Key Controls Team	The Key Controls Team primarily provides the Group Risk Manager with information on identified risks that may be covered by the ERM System and controls the effectiveness of mitigation measures taken as part of a given risk, forwarding the control results to the Group Risk Manager.

Governance

Enhanced Climate Risk Governance Structure

Additional participants in ESG topics, including climate-related risks and opportunities

Due to its priority, ESG topics, including climate-related risks and opportunities, fall under the direct control of Rafał Brzoska (CEO) and Adam Aleksandrowicz (CFO). In the management process, climate risk management is fully integrated within the Enterprise Risk Management system (ERM), which is under the direct supervision of the Risk Committee, chaired by Adam Aleksandrowicz (CFO). The Management Board conducts monthly pulse check summaries on the implementation status of individual projects as part of the ESG strategy, considering risk management.

ESG Committee	The ESG Committee's responsibilities include ongoing control and supervision over the implementation of the ESG Strategy, including the implementation of climate goals (near-term and net-zero) as well as monitor actions or initiatives taken to prevent, mitigate and manage risks related to ESG matters which may have a materially adverse impact on the Company, or are otherwise pertinent to its stakeholders and provide guidance to the Supervisory Board hereon. The chair of the Committee is Cristina Berta Jones.

Strategy

Our climate story

2021

1. Calculation of the organisation's carbon footprint in scopes 1, 2 and 3 for Poland and France
2. Identification and assessment of climate risks and opportunities in relation to two climate scenarios
3. Setting climate goals within the ESG strategy:

   - Climate neutrality by 2025 (Scope 1 and 2) and total neutrality by 2040 (Scope 1, 2 and 3)
   - Declaration that we are striving to be NET-ZERO in Scopes 1,2, and 3 by 2040 in accordance with the SBTi methodology

4. Joining the SBTi initiative

2022

1. Update of the carbon footprint calculation methodology and extending it to the entire InPost Group and for all 3 scopes
2. Development of Decarbonisation Strategy
3. Implementation of the process of identifying and assessing climate risks into the ERM system

2023

1. Approval of decarbonisation targets by SBTi
2. Publication of a Climate Report in line with TCFD recommendations

Strategy

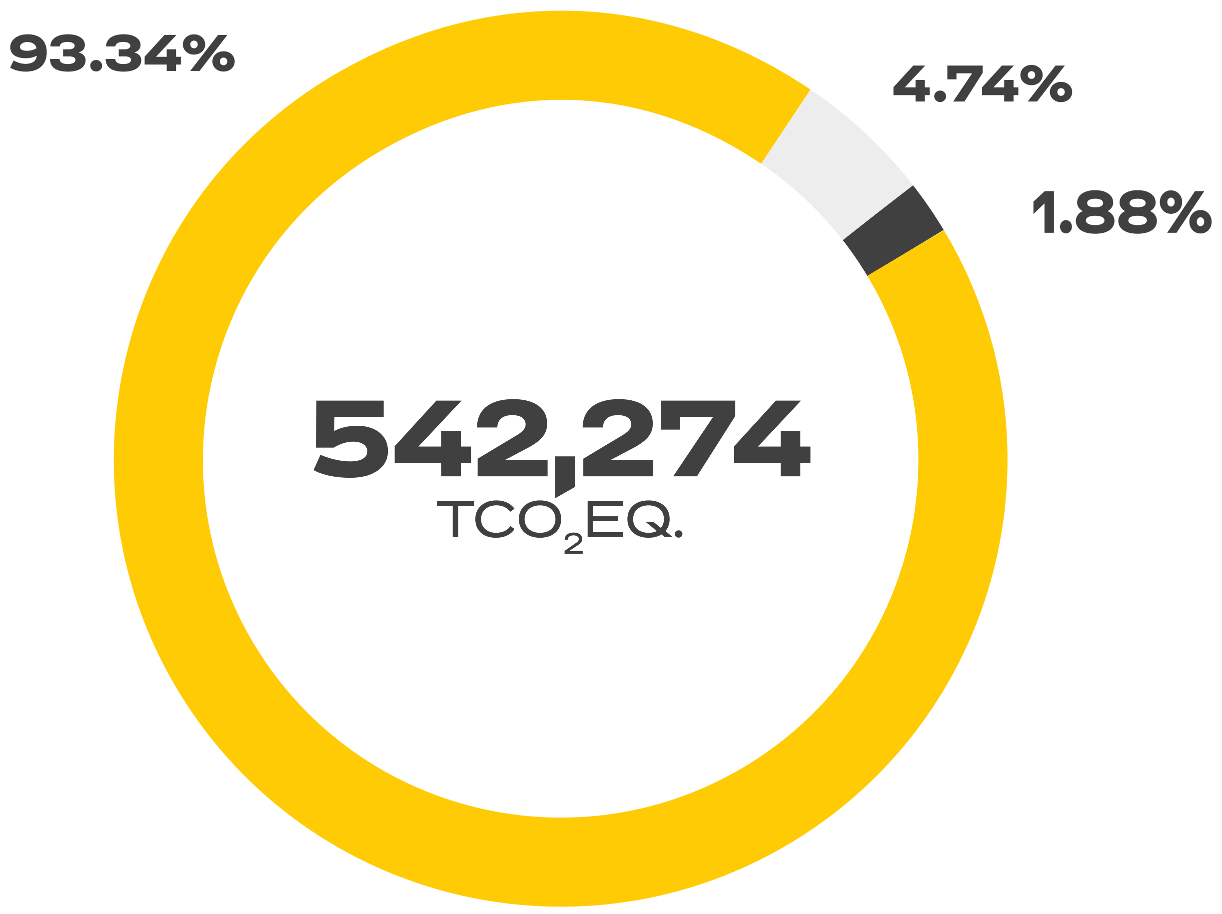
Our Decarbonisation Strategy

Our decarbonisation journey accelerated in 2021 when we calculated the emissions of the entire InPost Group for the first time. Most of our emissions were calculated based on current InPost data and amounted to 542,274 tCO_2e in 2021. Our goal is to regularly monitor the carbon footprint for the entire organisation, improve data quality, and provide transparent cyclical reporting.

In 2022, we went a step further and adopted an ambitious Decarbonisation Strategy. We cannot develop without respect for the natural environment, especially as we know that the intensive development of e-commerce may have a significant environmental impact. Even though we have made a solid impact on reducing emissions through our business model – delivery to a APM reduces CO_2 emissions by up to 97% (weighted average) in the last mile – we know that the climate crisis requires more bold and decisive action. The goals we have set will require us to be more innovative and forward-thinking, and to engage our suppliers, merchants and customers.

We are among 4,000 leading companies and institutions from around the world that have joined The Science Based Targets initiative. This position places us at the forefront of climate commitments, as our NET-ZERO goal by 2040 makes us a leader in the European market.

GROUP'S TOTAL EMISSIONS IN SCOPE 1, 2 AND 3 FOR 2021[1]

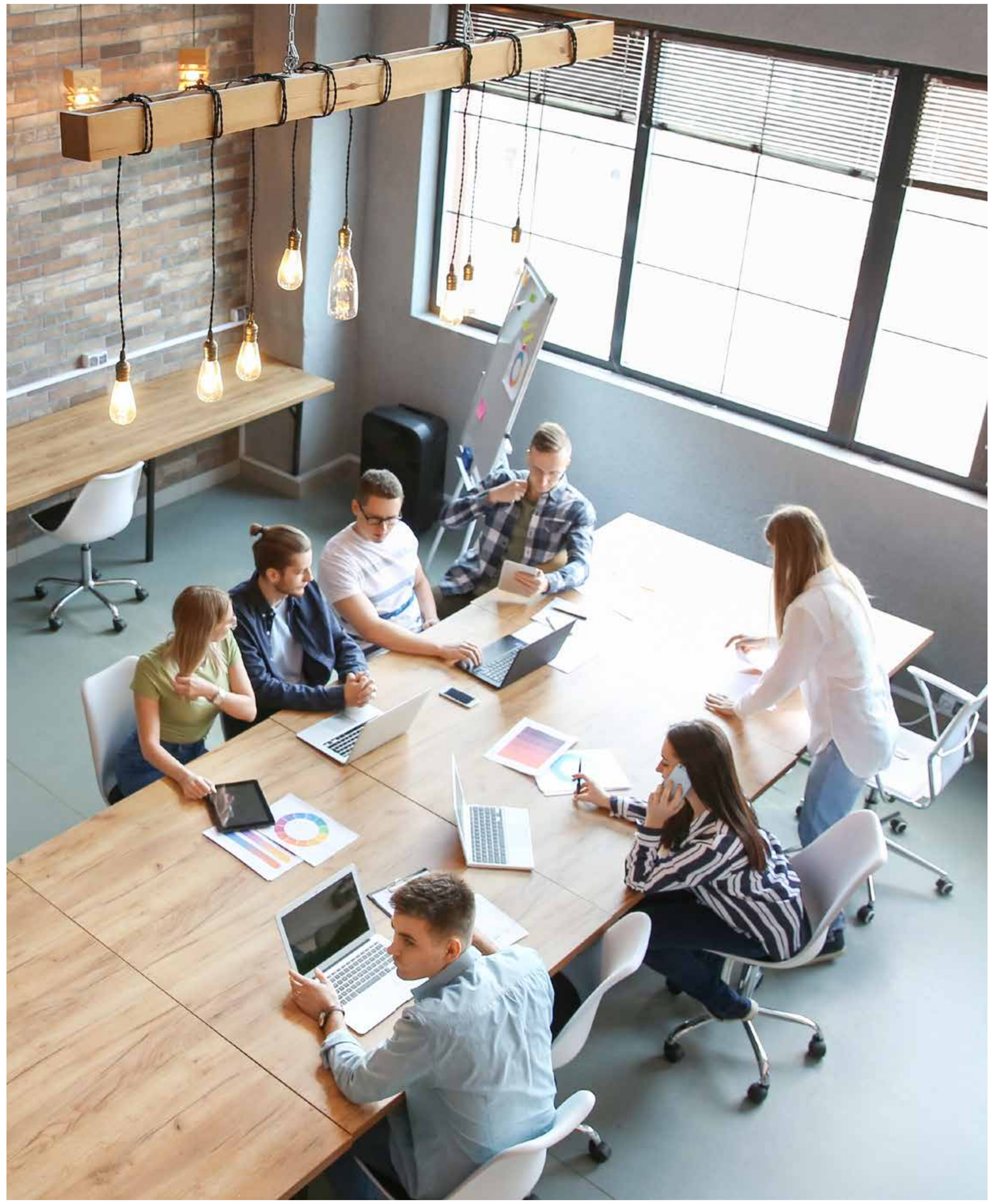


Scope 1 – 1.89%

Scope 2 – 4.79%

Scope 3 – 93.31%:
35% APMs manufacturing
(incl. ~23% PL, ~1% FR – only 300 APMs in 2021)
49% transport
(incl. ~33% PL, ~11% FR)

1 2021 data are the baseline used in the Decarbonisation Strategy, validated by SBTi.



Strategy

Our Decarbonisation Strategy

TARGET	KPI	BASE VALUE 2021	RESULT 2022	ACTIONS
NEAR-TERM PERSPECTIVE				
InPost S.A. commits to reducing absolute Scope 1 and Scope 2 GHG emissions 42% by 2030 from the 2021 base year	% emissions reduction in Scope 1&2 market-based	36,108 tCO_2e	30,759	• 100% electricity from RES for the Polish market from 2025; • 100% of electricity from RES for markets (Spain, the UK, Italy); • Gradual replacement of standard fleet with electric fleet (company's cars and VANs) in Poland and France.
InPost S.A. commits that 69% of its suppliers by emissions covering categories purchased goods and services, capital goods, and upstream transportation and distribution, will have science-based targets by 2027	Share of suppliers that have Science Based Targets in Scope 1&2	0%	in progress	• Supplier engagement target means that suppliers responsible for ~69% of emissions should establish SBT aligned targets; • The Supplier Engagement Programme will be created; • On top of that an implementation of efficient system for collecting of the suppliers' commitment (over a period of 5 years) of setting decarbonisation targets in line with SBTi for Scope 1 and 2.
InPost S.A. commits to achieving climate neutrality by 2025 in Scope 1 and 2 (unreduced emissions in Scope 1 and 2 will be compensated)	Climate neutrality in Scope 1&2 market-based	36,108 tCO_2 e	Target from 2025	• Purchase 100% electricity from RES for the Polish market from 2025; • Gradual replacement of a standard fleet with electric fleet (company's cars and VANs); • Offset remaining emissions from 2025.
LONG- TERM PERSPECTIVE				
InPost S.A. commits to reducing absolute Scope 1&2 GHG emissions by 95% by 2040 from a 2021 base year.	% emissions reduction in Scope 1&2 market-based	36,105 tCO_2 e	30,759	• All actions as for near term target; • Electrification of InPost's own fleet on all international markets; • Purchase of 100% electricity from RES for International markets; • Warehouses with alternative heating systems, e.g. heat pumps, biogas; • Development of Independent APMs (with RES); • Replacement for more environmental-friendly refrigerants; • Neutralising the remaining 5% of emissions (residual emissions).
InPost S.A. commits to reducing absolute Scope 3 GHG emissions by 90% by 2040 from 2021 base year.	% emissions reduction in Scope 3	506,167 tCO_2e	462,572	• Change of used materials; • Decarbonisation of Last-mile, middle-mile; • Neutralising the remaining 10% of emissions (residual emissions).
InPost S.A. commits to reaching net-zero GHG emissions across the value chain by 2040.	Net-zero	542,275 tCO_2e	in progress	• All listed actions.

Risk management

Climate risk management

GRI 201-2

ESG risk management processes, including climate risks, are fully integrated methodologically and subordinated to the stages of the Enterprise Risk Management (ERM) process in InPost Group. This means that both climate risks identified within ESG by the team supervising the implementation of the strategy in this area and risks identified as part of the ERM process are analysed in terms of their impact on InPost Group's ESG strategy. Each risk is then assessed based on standardised methodological assumptions and included in the Risk Register of the Company and InPost Group. This approach allows the Group to continuously monitor and report changes in ESG risks as part of the ERM system.

Risks identified as part of the ERM process are also assessed in terms of the environmental effects of the materialisation of a given threat. This approach allows the Group to perform a two-way analysis of environmental risks, on the one hand identifying threats resulting from climate change affecting the Group's operations, while on the other pointing to risks arising from the operations of the Group's companies which may have a negative impact on the natural environment.

Contrary to other risk categories, in the case of ESG risks such as climate, the ERM system includes both verified ESG risks and those which may potentially occur and can be verified when internal or external parameters of InPost Group are changed. This is to ensure the constant supervision of ESG risks in the face of a variety of newly emerging and planned legal regulations, rapidly changing market requirements and analyses and effects of climate change.

A detailed description of the Company and InPost Group's corporate risk management is presented in the Risk Management chapter of InPost Group's Integrated Report for 2022.

Risk management

Climate scenario analysis

In 2021, InPost performed a climate scenario analysis. The goal of the process was to inform the identification and assessment of climate-related risks and opportunities and to comply with the Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). InPost has constructed 2 scenarios, which represent plausible, yet different outcomes in regard to global emission pathways and the resulting mean temperature rise: a 1.5°C Scenario and a 4°C Scenario.

The key assumptions regarding the scenario analysis and risk and opportunity assessment methodology are presented in the Table below.

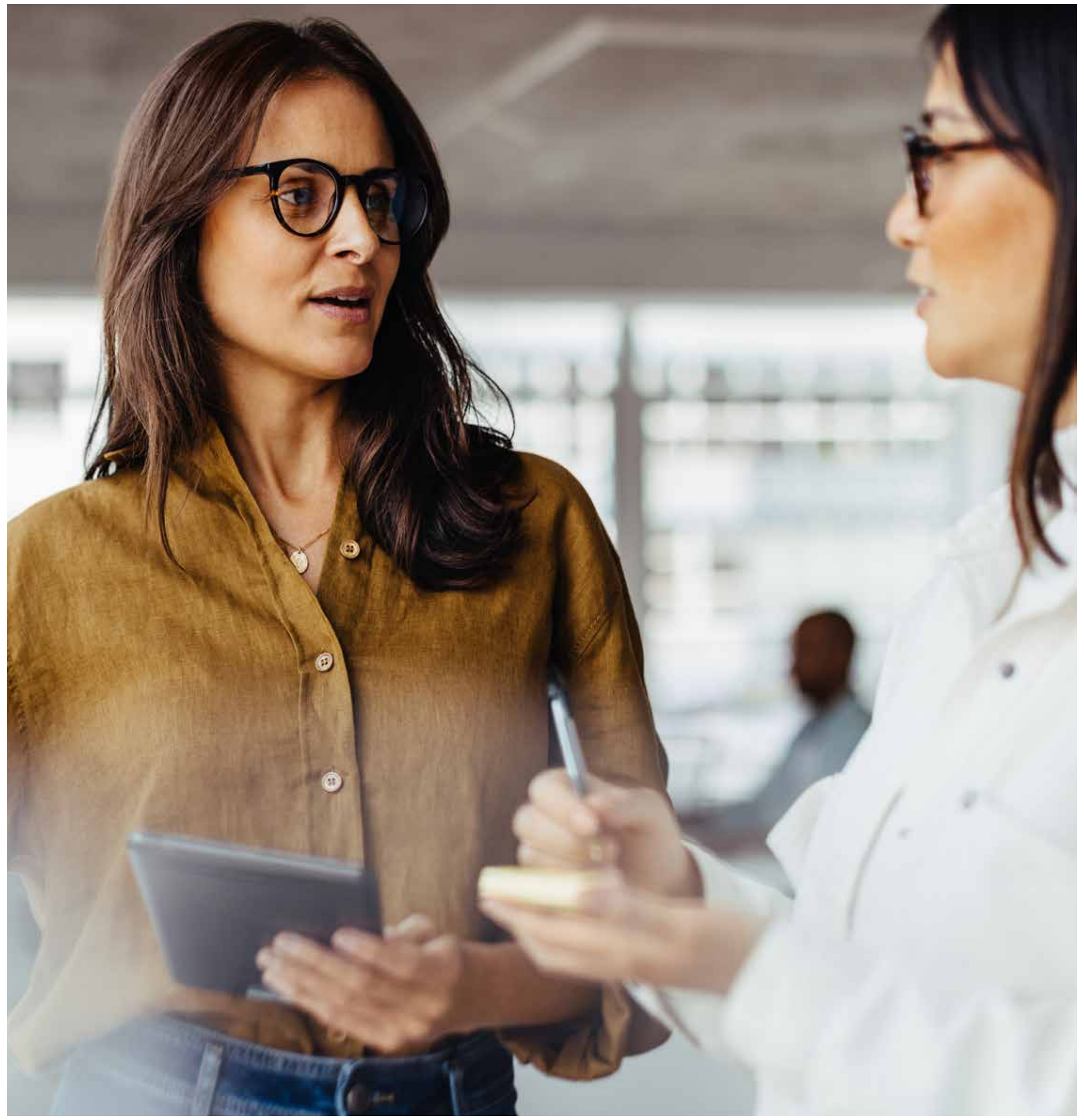
1.5°C Scenario[1] **Transition risks dominate**	**4°C Scenario[2]** **Larger physical impacts**
Globally coordinated effort to decarbonise in line with the Paris Agreement	Climate policies limited to the current regulation
Strict emerging regulation to limiting use of fossil fuels	Continued use of fossil fuels and energy-intensive activities
Transition towards more sustainable and less resource-intensive lifestyles	Unsustainable and energy-intensive consumption patterns
Rapid decline in costs of key green technologies (EV and hydrogen)	More visible physical effects of climate change

1 Based on the Intergovernmental Panel on Climate Change (IPCC) scenarios: RCP 2.6 and SS1 and the Nationally Determined Contributions (NDCs) submitted by the European Union.
2 Based on scenarios by the Intergovernmental Panel on Climate Change (IPCC): RCP 8.5 and SSP5.

Scenarios cover risks and opportunities relating to the transition towards a low-carbon economy, as well as risks associated with physical impacts of climate change. For InPost's operations, this meant accounting for, inter alia, the potential establishment of a new Emission Trading System (ETS) for buildings and transport within the EU. In regard to the physical effects of climate change, the Group has analysed impacts regardingall countries in which it operates using publicly available data, with focus placed on Southern Europe and the Mediterranean region, which is the most vulnerable to mean temperature rise and extreme heat.

The identification and assessment of climate-related risks and opportunities for both scenarios have been conducted by a team of internal and external experts, using qualitative risk assessment in relation to the entire value chain and all markets the Group operates in. Climate impacts have been assessed using a range of techniques, including brainstorming during climate workshops held for key management functions. Three timeframes have been considered: short-term (until 2025), medium-term (2030) and long-term (2050).

In 2022, as part of workshops conducted with an external company, we updated the analysis of climate risks and opportunities and adapted the assessment methodology used to our ERM. The analysis covered climate risks and opportunities in all TCFD categories. On this basis, we conducted a detailed review, allowing us to identify the most important risks and opportunities from the perspective of InPost's operations, including strategic plans and the value chain. The process for the identification and rating of risks has been fully aligned with InPost's Enterprise Risk Management system (impact assessment and cost of risk management made by risk owners will be the last factor in full ERM and climate-related risks and opportunities integration). Climate



opportunities are not yet included in the ERM system, but have been rated on the basis of an analogous probability and impact scale. Most of the key climate opportunities have been reflected in the ESG strategy.

Risk management

Our key climate-related risks and potential impacts on Group's financial results

Key climate-related risk and potential impact on Group's financial results

Category	Risk	Risk rating			Mitigation strategy
		2025 – 1.5°C 2030 – 1.5°C	2025 – 4°C 2030 – 4°C	Trend 2050 1.5/4°C	
Market	The risk of higher dynamics of growth in the prices of energy in relation to changes in the prices of services offered by InPost. InPost recognises this risk as a climate risk in the long-term and market risk in the short- and mid-term perspectives Impact on own operations and supply chain Financial impact: increased operational cost			↓/↓	• Efficiency increase; • Introduction of electric cars; • Analysis of the purchase of electricity in the PPA model.
Market	Risk of increased production costs due to the introduction of the Carbon Border Adjustment Mechanism and/or other carbon-related regulations (1.5°C scenario only) Impact on own operations and supply chain Financial impact: increased capital cost			↑/↑	• Supplier diversification.
Market	Risk of limited availability of green energy on the market for InPost's operations, limiting the possibility of decarbonisation Impact on own operations Financial impact: decreased capital availability			↑/↑	• Improved energy efficiency; • Installation of photovoltaic panels in branches; • Analysis of the purchase of electricity in the PPA model.
Reputational	Risk of greenwashing in marketing communication to customers regarding the Group's climate impact Impact on own operations Financial impact: decreased capital availability, decreased revenue			↓/↓	• Verification of the content of messages by the Marketing; Department and the Legal Department; • Employee education (plan for 2023).
Market	The risk of a significant increase in the costs of cooperating services in connection with the implementation of their decarbonisation goals Impact on own operations and supply chain Financial impact: increased operational cost			↑/↑	• Appropriately designed Supplier Engagement Programme; • Cooperation with cooperating parties; • Education of cooperators (the above activities will be implemented in the future).
Policy and legal	Increased operating expenditure due to introduction of a carbon tax and/or a cap-and-trade system on transport sector and buildings Impact on own operations and supply chain Financial impact: increased operational cost			↓/↓	• Monitoring of draft regulations; • Improved energy efficiency; • Installation of photovoltaic panels in branches; • Analysis of the purchase of electricity in the PPA model; • Introduction of electric cars.
Physical (acute)	Losses due to damages to APMs to sudden weather phenomena Impact on own operations Financial impact: increased capital and operational cost			↑/↑	• Anchoring APM's to prevent them from tipping over by strong winds.
Physical (chronic)	Risk of lack of electricity supply for APMs Impact on own operations Financial impact: increased operational cost, decreased revenue			↑/↑	• Development of autonomous APM's with photovoltaic panels.

Risk management

Our key climate-related risks and potential impacts on Group's financial results

Key climate-related opportunities and potential impact on Group's financial results

Category	Opportunity	Opportunity raiting			Reinforcement strategy
		2025 – 1.5°C / 2030 – 1.5°C	2025 – 4°C / 2030 – 4°C	Trend 2050 1.5/4°C	
Energy source	Lower green energy costs due to committing to long-term contracts (PPAs) Impact on own operations Financial impact: decreased operational cost			↑/=	• Analysis of electricity purchase in PPA model.
Products and services	Increased revenue due to shifts in consumer preferences towards pro-environmental solutions Impact on own operations Financial impact: increased revenue			↑/=	• Realisation of ESG and Decarbonisation Strategy. • We are developing Climate label programme for our merchants (part of ESG Strategy).
Products and services	Increased revenue, brand value and staff motivation due to communicating climate commitments and eco-friendliness of APM delivery Impact on own operations			↑/=	
Markets	Improved capital availability and/or lower cost of capital due to strong climate performance Impact on own operations Financial impact: increased capital availability			↑/=	• Realisation of ESG and Decarbonisation Strategy.

Legend:

Probability	Very high	medium	key	key	critical
	High	low	medium	key	key
	Medium	low	medium	medium	key
	Low	low	low	low	medium
Maximum value of the effect evaluation		1. Low effect	2. Medium effect	3. High effect	4. Very high effect

Trends in risk/ opportunity rating:

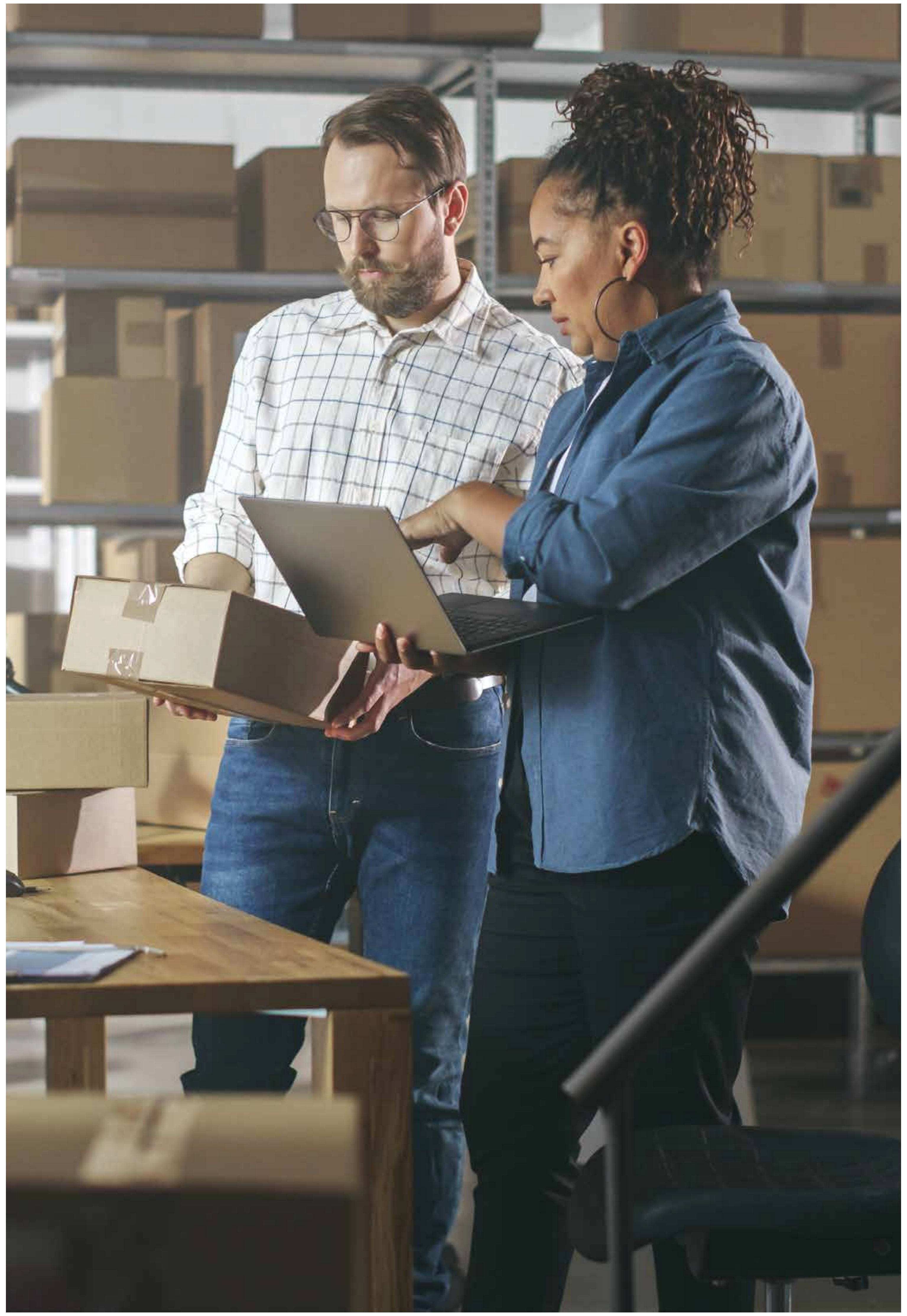
↑ - increase
↓ - decrease
= - unchanged

Metrics & Targets

Our key metrics

In line with TCFD Guidance on Metrics, Targets, and Transition Plans (October 2021), we are disclosing the following climate-related metrics which we used to measure and manage our climate-related risks and opportunities.

Metrics	Unit	2021	2022
Directly related to emissions			
Scope 1	tCO_2e	10,224	6,666
Scope 2 market-based	tCO_2e	25,884	30,759
Scope 3	tCO_2e	506,167	462,572
Scope 1+2+3 market-based	tCO_2e	542,275	499,997
Indirectly related to emissions			
Total energy consumed	GJ	331,618	323,731
Energy consumed that is renewable energy	%	0.44	1.9
Energy consumed that was supplied from grid electricity	GJ	149,480	207,910



TCFD content Index

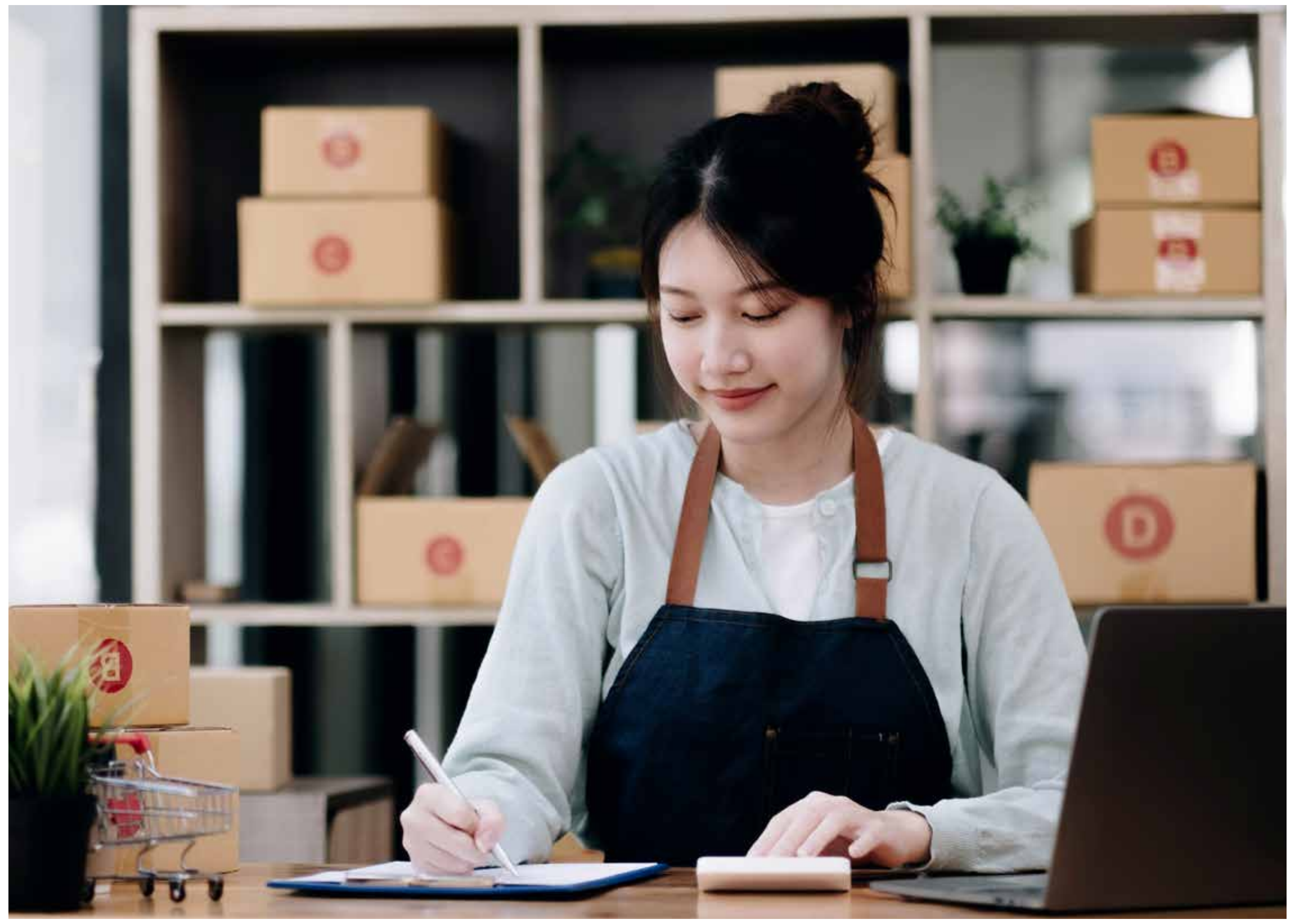
The table below provides page references of Task Force on Climate-related Financial Disclosures (TCFD) information included in this report.

Area	Disclosure	Page
Governance Disclose the organisation's governance around climate-related risks and opportunities.	Description of the board's oversight of climate-related risks and opportunities.	206; 207
	Description of management's role in assessing and managing climate-related risks and opportunities.	206; 207
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.	Climate-related risks and opportunities identified over the short, medium, and long term.	213; 214
	Impact of climate-related risks and opportunities on the businesses, strategy, and financial planning.	211
	Resilience of the strategy to different climate-related scenarios, including a 2°C or lower scenario.	209; 210
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks.	Processes for identifying and assessing climate-related risks.	211; 212
	Processes for managing climate-related risks.	205; 206; 211
	Integration of climate-related risks into overall risk management.	206
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Metrics used to assess climate-related risks and opportunities in line with the strategy and risk management process.	212; 213; 214
	Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and related risks.	215
	Targets used to manage climate-related risks and opportunities and performance against targets.	215

About TCFD

The Task Force on Climate Financial Disclosure (TCFD) was established in 2015 by the Financial Stability Board. Its purpose was to develop voluntary, consistent recommendations on climate-related information disclosure. Published in 2017, the recommendations in the final TCFD report are now the leading global standard, supported by over 2,000 organisations.

Due to their universal structure, the recommendations are applicable to companies and investors operating in various sectors and markets. The recommendations included in the final report consist of a total of 11 recommendations related to four areas: corporate governance, strategy, risk management as well as metrics and targets.



GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
Disclose the organisation's governance policies around climate-related risks and opportunities.	Disclose the actual and potential impacts of climate-related risks and opportunities on your organisation's businesses, strategy, and financial planning, where such information is material.	Disclose how your organisation identifies, assesses, and manages climate-related risks.	Disclose the measures and targets used to assess and manage relevant climate-related risks and capabilities, where such information is material.
Recommended disclosures			
Describe the board's oversight of climate-related risks and capabilities. Describe the management's role in assessing and managing climate-related risks and opportunities.	Describe the climate-related risks and opportunities that organisation has identified over the short, medium and long term. Describe the impact of climate-related risks and opportunities on your organisation's businesses, strategy, and financial planning. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a scenario of 2˚C or lower.	Describe the organisation's processes for identifying and assessing climate-related risks. Describe the organisation's processes for managing climate-related risks. Describe how processes for identifying, assessing and managing climate-related risks are integrated into organisation's overall risk management.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its risk management strategy and risk management process. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

EU Taxonomy disclosures

EU Taxonomy disclosures

INTRODUCTION

EU Taxonomy is a classification system that indicates what types of investments and activities can be defined as environmentally sustainable. It is an essential component of the EU's climate policy action, which aims to channel the flows of public and private capital more effectively in an environmentally sustainable direction. Currently, the EU Taxonomy includes more than 80 activities representing 93% of all GHG emissions in the EU. However, not all sectors and economic activities are mentioned in the EU Taxonomy; its scope will be subject to future revisions, which will expand the list of relevant activities. Accordingly, InPost will continue to monitor any regulatory changes which may affect the Group's business.

According to the Taxonomy Regulation[1], to qualify as environmentally sustainable (Taxonomy-aligned), an economic activity shall:

- contribute substantially to one or more of the following six environmental objectives:
  - Climate change mitigation;
  - Climate change adaption;
  - Protection of water and marine resources;
  - Waste reduction, recycling and transition to a circular economy;
  - Pollution prevention and control;
  - Protection and restoration of biodiversity and ecosystems.
- Do no significant harm to any of the environmental objectives;
- Be carried out in compliance with the minimum safeguards;

BUSINESS MODEL SUPPORTING OBJECTIVES OF THE EU TAXONOMY

The business model of the InPost Group related to APMs supports the ongoing transformation to net-zero carbon emissions and, therefore, the environmental objectives laid out in the EU Taxonomy. The system of deliveries to APMs and PUDOs is not only cost-effective, but also significantly reduces fuel consumption and emissions. Delivery to AMPs reduces CO_2 emissions by 97% (weighted average) in the last mile vs. delivery to-door [Read more in Parcels carbon footprint calculator (Poland)]. Furthermore, the Group has made commitments related to reducing its impact on the climate. In 2022, the Group developed and adopted a decarbonisation strategy, which will be implemented – starting in 2023 – to further strengthen the transition to a net-zero business model and the entire supply chain [Read more in: We are committed to decarbonisation, also through the successive improvement of operational efficiency].

Due to the specific and innovative character of the business related to APMs, this activity currently does not have a separate category within the EU Taxonomy. The Group analysed its activities in terms of the EU Taxonomy based on the indicated descriptions and NACE codes. It should be noted that the EU Taxonomy will be subject to periodic revisions, which in the future may provide a separate category and specific technical screening criteria for activities related to APMs.

EU TAXONOMY REPORTING OBLIGATION

InPost Group is obliged to disclose non-financial data in accordance with the Non-financial Reporting Directive (NFRD)[2] and falls under the scope of the Taxonomy Regulation, together with the delegated acts: Delegated Act supplementing Article 8 of the Taxonomy Regulation[3] ("Disclosures Delegated Act"), the EU Taxonomy Climate Delegated Act ("Climate Delegated Act")[4] and Complementary Climate Delegated Act[5].

As required in the reporting process for 2021, the Group disclosed the percentage of eligible and non-eligible economic activities in total turnover, capital expenditure and operating expenditure. Beginning this year, for the 2022 reporting process the Group is required to disclose information regarding the percentage of Taxonomy-aligned economic activities in total turnover, capital expenditure and operating expenditure together with accompanying qualitative information referred to in Article 8 Delegated Act Annex I, point 1.2. (assessment of compliance with Regulation (EU) 2020/852, accounting policy and contextual information). The assessment of the activity in terms of meeting the technical screening criteria covers two environmental objectives: climate change mitigation and climate change adaptation. The analysis will be extended in the future to other four environmental objectives when the relevant delegated acts come into force.

1 Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

2 Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups.

3 Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation.

4 Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

5 Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

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ASSESSMENT OF COMPLIANCE WITH REGULATION (EU) 2020/852
In order to identify activities that are Taxonomy-aligned, InPost Group has conducted an analysis which consisted of two phases.
The first phase involved the identification of Taxonomy-eligible activities based on the description of activities according to the final version of Climate Delegated Act: Annex I (climate change mitigation) and Annex II (climate change adaptation). For the purpose of CapEx and OpEx, KPI calculations covered relevant expenditures on assets and processes. As the allocation of eligible turnover, CapEx and OpEx was conducted on a case-by-case basis, it was ensured that no revenue and expenditures are considered more than once (avoiding double-counting, also in the light of the fact that the data is consolidated).

The second phase covered the analysis concerning the Taxonomy-alignment. Based on the identified Taxonomy-eligible activities, the Group examined whether the relevant technical screening criteria are fulfilled according to the final version of Climate Delegated Act: Annex I (climate change mitigation) and Annex II (climate change adaptation). As the allocation of aligned turnover, CapEx and OpEx was conducted on a case-by-case basis, it was ensured that no revenue and expenditures are considered more than once (avoiding double-counting, also in the light of the fact that the data is consolidated).

As a result of the first phase of an analysis of the Group's relevant turnover and CapEx, which are related to APM and courier deliveries, it has been identified that they fall under the following Taxonomy-eligible activities:

- 6.5. Transport by motorbikes, passenger cars and commercial vehicles;
- 6.6 Freight transport services by road.

The main turnover of the Group is related to the activities concerning deliveries to APMs and PUDOs only and amounts to 86% of turnover. However, those types of activities are currently not included in the Climate Delegated Act and do not fall under the scope of the EU Taxonomy reporting.

The Group did not identify any OpEx which can be regarded as Taxonomy-eligible.

During the second phase, the Group conducted an assessment of meeting the technical screening criteria by the identified activities.

ANALYSIS OF TECHNICAL SCREENING CRITERIA FOR ACTIVITY 6.5. AND 6.6.
The Group owns a fleet of 463 electric vehicles (EVs), which were ordered in 2021 and put into operation in 2022. Based on the description of activities 6.5. and 6.6. indicated in the Climate Delegated Act and the guidelines from the European Commission (as of December 2022)[6], it was established that category 6.5. covers vehicles of category N1 with a reference mass below 2610 kg. Category 6.6. includes vehicles of category N1 with a reference mass above 2610 kg. According to that, 286 of EVs were qualified under category 6.5. and 177 of EVs under category 6.6.

The fleet of EVs delivering parcels to APMs was subject to an analysis in terms of technical screening criteria for activities 6.5. and 6.6. concerning climate change mitigation. As a result, it was indicated that EVs meet the criteria for category 6.5., as they are zero-emission vehicles and for category 6.6., as they have zero direct (tailpipe) CO_2 emissions and are not dedicated to the transport of fossil fuels. For this reason, the activities of the Group substantially contribute to the environmental objective of climate change mitigation. In terms of "do no significant harm" criteria, the outcome of the analysis is as follows:

- Activities comply with the criteria for climate adaptation for category 6.5. and 6.6. Based on the carried out assessment of physical climate risks, no significant risks affecting the activity were identified. At the same time, some of the risks assessed as low have already been reduced by introducing solutions in the field of adaptation, e.g., in terms of the risk of disruption of electricity supplies as a result of the impact of drought on the functioning of the energy system. EVs are charged mainly at night, when the energy demand in the system is lower and secures its branches with emergency power sources in the event of disruptions in power transmission;
- Activities comply with the criteria for transition to circular economy for category 6.5. and 6.6. Vehicles meet the criteria of being reusable or recyclable to a minimum of 85% by weight, and reusable or recoverable to a minimum of 95% by weight. In accordance with the applicable regulations, only vehicles compliant with those requirements can be put on the market. Furthermore, the activity meets the criteria concerning the implementation of relevant measures to manage waste, both in the use phase and the end-of-life of the fleet. It is recognised that the end-of-life of the fleet takes place when it is returned to the lessor;

6 Draft Comission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Climate Delegated Act establishing technical screening criteria for economic activities that contribute substantially to climate change mitigation or climate change adaptation and do no significant harm to other environmental objective, 19 December 2022

EU Taxonomy disclosures

- Activities comply with the criteria for pollution prevention and control for category 6.5. and 6.6. The criteria concerning the most recent applicable stage of the Euro VI light-duty and heavy-duty emissions type approval, and emission thresholds for clean light-duty vehicles are not applicable to EVs. Additionally, it was indicated that the EV tyres fulfil the criteria in terms of the rolling resistance coefficient (which influences the vehicle's energy efficiency), concerning the two highest populated classes as stipulated by the EU regulations. The EVs owned by the Group have all-season tyres. Furthermore, it should be stressed that the EVs used by the Group require extra load tyres. During the analysis within the EPREL database, it was identified that in the case of all-season extra load tyres, there was a lack of similar models for comparison available on the market. According to the European Commission guidelines "the technical screening criteria target the two highest classes for rolling resistance (influencing energy efficiency) that are populated, in which at least some tyres are on the market"[7]. As a result, it was recognised that the requirement is fulfilled. Furthermore, based on the conducted analysis, all EVs from category 6.5. and 6.6. meet the sound level requirements in accordance with the applicable regulations. Their level is 68 dB (approx. 93% of the fleet) and 70 dB (approx. 7% of the fleet) respectively. The maximum permissible value is 71 dB or 73 dB, depending on the vehicle weight.

Therefore, the activities meet all the requirements for recognition as Taxonomy-aligned activities. For this reason, the Group reports information about Taxonomy-alignment in its disclosures. Furthermore, it should be indicated that the Group's business model of delivering parcels to APMs supports the reduction of greenhouse gas emissions. The network of APMs addresses the issues of the last mile deliveries by limiting the number of failed deliveries and redeliveries to customers. Additionally, due to the APMs, the delivery of parcels is significantly more effective than standard to-door delivery. Thus, the activities of the Group substantially contribute to environmental objectives indicated in the Taxonomy.
The quantitative information concerning the turnover KPI, CapEx KPI and OpEx KPI is presented in the tables below.
The Group did not identify any activities related to gas and nuclear energy in its operations. The relevant disclosures tables are attached in Appendix 1 to the Report.

VOLUNTARY DISCLOSURES
InPost Group also manufactures APMs. This activity could be potentially qualified as Taxonomy-eligible under category 3.6. Manufacture of other low-carbon technologies. The Group is responsible for the development and end-to-end production of APMs and due to this, the logistics process is considerably more efficient in terms of last-mile emissions, compared to traditional to-door deliveries. This indicates that manufacture of APMs is aimed at a substantial reduction in greenhouse gas emissions in the delivery process.

However, the activity of manufacturing APMs is not directly indicated in the Climate Delegated Act. Furthermore, some data and established processes concerning the verification of technical screening criteria for activity 3.6. are missing. Due to the above-mentioned reasons, the Group decided not to include this activity in the mandatory disclosures for the year 2022.

The estimates concerning the CapEx KPI and OpEx KPI for activity 3.6. are presented below:

KPI	Taxonomy-eligible activity	
	Amount	%
CapEx KPI	1,057.0	50.5%
OpEx KPI	47.5	76.5%

INFORMATION ON CONSOLIDATION PROCESS
Consolidation rules applied for the purpose of calculation of KPIs (Turnover, CapEx, and OpEx) are the same, as the rules applied by InPost for the purpose of preparation of consolidated financial statements. That is, the regulations explicitly refer to International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), which constitute the framework for financial reporting that the Group obeys. The information consolidation process was subject to analysis and control by the team in charge of reporting data by activities (eligibility) or by facilities, projects, services or products (alignment), and by the corporate Reporting team (in charge of reporting the Group's consolidated indicators) to ensure consistency in the criteria adopted for reporting the indicators, the treatment of intra-group operations and the breakdown of the indicators by business activity segment or subsegment.

7 Draft Comission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Climate Delegated Act establishing technical screening criteria for economic activities that contribute substantially to climate change mitigation or climate change adaptation and do no significant harm to other environmental objective, 19 December 2022

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CONTEXTUAL INFORMATION & ACCOUNTING POLICY
The core business of InPost Group is delivering parcels either to APMs or to-door. This activity is classified as taxonomy aligned and falls under activities 6.5. Transport by motorbikes, passenger cars and light commercial vehicles and 6.6 Freight transport services by road.

The three KPIs reported under EU Taxonomy disclosures are calculated as a percentage. Therefore, the correct determination of the numerator and denominator of these indicators is of key importance.

The definitions indicated in the Disclosures Delegated Act and applied by InPost are as follows:

- **KPI related to turnover Denominator** – the turnover shall cover the revenue recognised pursuant to International Accounting Standard (IAS) 1, paragraph 82(a). References to the Consolidated Financial Statements for the year ended 31 December 2022:
  - Net turnover presented in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2022 and note 9. Revenue in the relevant disclosures.

  Revenue from the sales of services and products is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. It is accounted for in line with IFRS 15 Revenue from Contracts with Customers (courier services and out-of-home services, Sale of APMs and other equipment or other services such as marketing, installations and maintenance) where the Group identifies performance obligations and recognises them as they are fulfilled. The Group has no material transactions as a lessor which would have been accounted for in line with IFRS 16 Leases.

  Numerator – the part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities. InPost Group calculates Taxonomy-aligned turnover as revenue generated under activities 6.5. Transport by motorbikes, passenger cars and light commercial vehicles and 6.6 freight transport services by road. This includes turnover from the Group's activities, where InPost Group provides courier and APM services and uses electric vehicles to this end.
- **KPI related to CapEx Denominator** – shall cover additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any remeasurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. The denominator shall also cover additions to tangible and intangible assets resulting from business combinations. The Group's additions of property, plant and equipment and intangible assets including those from business combinations determined at fair value and including additions of right-of-use assets. References to the Consolidated Financial Statements for the year ended 31 December 2022:
  - Intangible assets additions – note 18. Intangible assets in the relevant disclosures, row named Additions;
  - Property, Plant and Equipment additions (including right-of-use assets additions) – note 19. Property, Plant and Equipment in the relevant disclosures, row named Additions.

The above-mentioned additions were generally accounted for in line with IAS 38 Intangible assets (intangible assets, e.g. internally developed product design), with IAS 16 Property, Plant and Equipment (tangible fixed assets, e.g. automated parcel machines) and with IFRS 16 Leases (right-of-use assets, e.g. sorting equipment, electric vehicles or a land on which automated machines are placed). The Group has not purchased any investment properties nor biological assets.
Numerator – equals to the part of the capital expenditure included in the denominator that is any of the following:
(a) related to assets or processes that are associated with Taxonomy-aligned economic activities;
(b) part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned ('CapEx plan');
(c) related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to a reduction in greenhouse gases, as well as other economic activities, provided that such measures are implemented and operational within 18 months.

InPost Group calculates Taxonomy-eligible and Taxonomy-aligned CapEx from activities 6.5. Transport by motorbikes, passenger cars and light commercial vehicles and 6.6 Freight transport services by road. Long-term leases of electric vehicles only (recognised in accordance with IFRS 16) form the eligibility in this specific KPI. No long-term leases of land for purpose of APM deployment and APM additions, nor the additions to development projects connected to logistics software or to new logistics hubs are considered eligible.

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- **KPI related to OpEx Denominator** – shall cover direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced, that are necessary to ensure the continued and effective functioning of such assets. A majority of outlay that meets the definition of operating expenditure relate to maintenance costs (with regard mainly to the APMs) and renovation measures (in buildings).
  Numerator – equals to the part of the operating expenditure included in the denominator that is any of the following:
  (a) related to assets or processes associated with Taxonomy-aligned economic activities, including training and other human resources adaptation needs, and direct non-capitalised costs that represent research and development;
  (b) part of the CapEx plan to expand Taxonomy-aligned economic activities or allow Taxonomy-eligible economic activities to become Taxonomy-aligned within a predefined timeframe;
  (c) related to the purchase of output from Taxonomy-aligned economic activities and to individual measures enabling the target activities to become low-carbon or to lead to a reduction in greenhouse gases as well as individual building renovation measures, providing that such measures are implemented and operational within 18 months.

  In addition, the other expenditures relating to the day-to-day servicing of items of property plant and equipment that are included within the OpEx denominator comprise cleaning services or workwear for the repairmen and service engineers. However, these types of costs are a tiny minority in comparison to the named groups of OpEx (such as maintenance or renovation) and none of them is present in the numerator of the KPI.

Minimum safeguards at InPost Group

The minimum safeguards are part of the EU Taxonomy Regulation and are one of the criteria for taxonomy aligned activites (Article 3 of the Taxonomy). The aim of minimum safeguards is to prevent green investments from being labelled and regarded as 'sustainable' when they involve negative impacts on human rights, including labour rights, corrupt practices, or are linked to non-compliance with letter or spirit of tax laws or anti-competitive practices.

In 2022 InPost's activities were carried out in compliance with the minimum safeguards, as outlined in Article 18 of the taxonomy. Below, we delve deeper into how the minimum safeguards compliance criteria were met in 2022.

HUMAN RIGHTS DUE DILIGENCE AT INPOST GROUP
For the past 2 years, InPost has consistently taken human rights issues into consideration in its corporate governance system. As mentioned in the Corporate Governance chapter of this report, InPost's approach to human rights corresponds with the minimum safeguards compliance criteria, as outlined in documents referenced in Article 18: UN Guiding Principles for Business and Human Rights (UNGPs) and OECD Guidelines for Multinational Enterprises.

EU Taxonomy disclosures

Steps on human rights due diligence as outlined in the UNGPs and OECD Guidelines		InPost's approach
1.	Committing to human rights due diligence	InPost's declaration to respect human rights is embedded in Group-level company policy documents (Code of Conduct, Supplier Code of Conduct, Diversity, Equity & Inclusion Policy – to be published in 2023). InPost also expresses commitment to respect human rights through its membership of the UN Global Compact.
2.	Identification and assessment of adverse impacts in operations, supply chains and business relationships	Risks related to InPost's impact on human and labour rights will be identified and included in the Enterprise Risk Management (ERM) system. Furthermore, indices of human rights violations are part of assessments based on InPost's Supplier Standards of Conduct (SSoC). By integrating mentioned risks, human rights considerations will be part of regular business processes. InPost will define two new risks related to human rights, most significant for its situation and most likely to be present: 1. InPost's potential adverse impact on its employees with regards to equity, diversity and inclusion; 2. the risk of human rights violations by InPost's suppliers and business partners. InPost currently wants to prioritise these potential adverse impacts, which will be further specified in the ERM system. See more details on ERM in Corporate Governance – Risk Management part of this report.
3.	Taking actions to cease, prevent, mitigate, and remediate adverse impacts	InPost addresses these identified adverse impacts through: **Ad. 1.** Complying with local labour laws, Anti-harassment and Anti-discrimination Policy, and Diversity, Equity & Inclusion (DEI) Policy. See more on DEI Policy and how InPost strives to eliminate unfair biases, stereotypes, or barriers that could inadvertently exclude some employees in the Sustainability Report chapter of this report. **Ad. 2.** InPost's Supplier Standards of Conduct (SSoC), which sets out expectations for some of its Suppliers. These expectations concern, first and foremost, the maintaining of highest ethical standards and working conditions, as well as full compliance with laws and regulations, in particular anti-corruption laws. To engage with relevant suppliers to prevent and mitigate the potential adverse human rights impacts in the value chain, InPost sends out an SSoC acceptance request to its top suppliers. Moreover, relevant suppliers receive a self-assessment questionnaire which reviews compliance with SSoC in more detail. InPost prioritises suppliers it currently checks, based on their size, contract size, and country of operation (specifically country position in indices of human rights violations). This supplier risk calculation method will be finalised in 2023. See more on SSoC in the Corporate Governance chapter of this report. InPost also aims to better its approach beyond supplier self-assessment and develop rules for additional verification of suppliers in case of irregularities. Moreover, InPost's goal for 2023 is to implement the Business Partner Code of Conduct, so that InPost also verifies those partners crucial for its operations, who are not already covered by the existing Supplier Standards of Conduct (e.g. couriers, PUDO point partners, etc.).
4.	Tracking the implementation of these actions and its results	InPost monitors the effectiveness of its policies through compliance and whistleblowing systems. Moreover, in 2022 InPost also performed a Gender Scan – by calculating the gender pay gap and monitoring gender-related tendencies in recruitment and talent development. InPost monitors the effectiveness of SSoC through obtaining SSoC approval and self-assessment questionnaire results from selected suppliers. In 2023 InPost will conduct an analysis of supplier responses to the SSoC acceptance request and questionnaire.
5.	Communicating publicly on the approach and actions taken to avoid and address adverse impacts	InPost formally communicates on human rights due diligence at the Group in this report for the first time, although InPost have disclosed our approach to employee relations, ethics, corruption, and grievance mechanisms in previous ESG reports.
6.	Providing or cooperating in remediation, including establishing or participating in grievance mechanisms	As described in the Whistleblower Policy InPost offers a grievance mechanism that is effectively addressing the complaints of employees and stakeholders outside the company. Through InPost's whistleblowing channels, stakeholders can raise concerns where they believe they were or will be the object of InPost's adverse impacts in any way. See more details: Corporate Governance chapter of this report (GRI 2-16, 2-26). InPost also established the 'Speak Up' procedure dedicated to its suppliers (a follow-up procedure is to be determined).

Please see the documents we refer to at https://inpost.eu/investors/documents.

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UNGPs and OECD MNE Guidelines expect due diligence to be an iterative, ongoing process to identify and address risks. The goal for 2023 is to implement improvements to human rights due diligence at InPost Group to ensure an adequate human rights approach across key business activities. The key ambitions for 2023 are:

- Integrating already existing elements of due diligence into one consistent procedure on a Group-wide level;
- Establishing a formal response plan to the identified risks that includes preventive and mitigating actions;
- Continuously identifying, preventing, mitigating, tracking, and accounting for actual and potential adverse impacts on human rights along the whole value chain.

OBSERVANCE OF HUMAN RIGHTS

In 2022, neither InPost Group nor its companies were found in any final breach of labour law or human rights, neither by courts of law nor by OECD National Contact Points. InPost was not contacted with allegations by the Business and Human Rights Resource Centre. We are consistently engaged with our stakeholders regarding issues important to them (see more in Stakeholder engagement part of this report).

BRIBERY/CORRUPTION

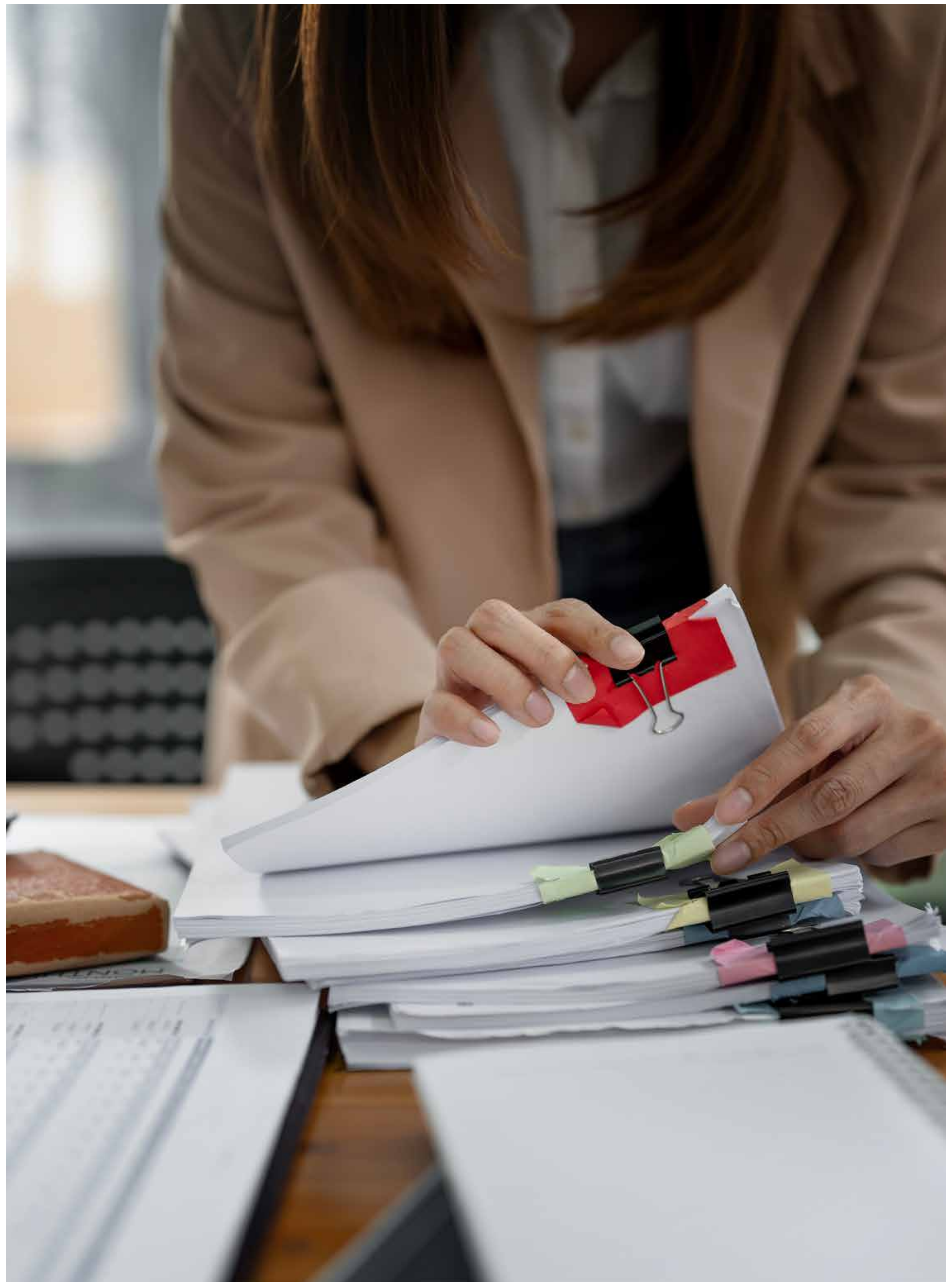
According to the Code of Conduct, InPost Group's staff must not offer, pay, demand, or accept bribes, kickbacks, facilitation, or similar payments. Detailed rules on internal controls are articulated in our Anti-corruption policy. See more on how InPost communicates and trains staff about anti-corruption policies and procedures in the Governance chapter under disclosure GRI 205-2. In 2022 neither InPost Group companies nor its top management have been finally convicted in court on corruption.

TAXATION

InPost Group complies with both the letter and spirit of the tax laws and regulations of the countries in which it operates. Tax governance and tax compliance are treated as important elements of the oversight and broader risk management system. As mentioned in point 1.3 of this report (Our impact), InPost prioritises suppliers who pay taxes locally. In 2022, neither InPost Group companies nor its top management have been finally convicted of tax evasion.

FAIR COMPETITION

The InPost Group regularly promotes employee awareness of the importance of abiding by all applicable competition laws and regulations through compliance training and employee communication. In 2022, neither InPost Group's companies nor its top management have been finally convicted of breaking competition laws.



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KPI RELATED TO TURNOVER

				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)										
Economic activites (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaption (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaption (12)	Water and marine resources (13	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy aligned proportion of turnover, year N (18)	Taxonomy aligned proportion of turnover, year N-1 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
		mPLN	%	%	%	%	%	%	%	Y/N	Y/N	YN/	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmental sustainable activities (Taxonomy-aligned)																				
Transport by motorbikes, passenger cars and light commercial vehicles	6.5.	207	2.9%	100%	0%	0%	0%	0%	0%	N/A	Y	N/A	Y	Y	N/A	Y	2.9%	0%	N/A	N/A
Freight transport services by road	6.6.	33	0.5%	100%	0%	0%	0%	0%	0%	**N/A**	**Y**	**N/A**	**Y**	**Y**	N/A	**Y**	0.5%	0%	N/A	N/A
Turnover of environmental sustainable activities (Taxonomy-aligned (A.1)		240	3.4%	100%	0%	0%	0%	0%	0%	N/A	Y	N/A	Y	Y	N/A	Y	3.4%	0%	N/A	N/A
A.2 Taxonomy-eligible but not environmental sustainable activities (not Taxonomy-aligned activities)																				
	N/A	0	0%																	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%																	
Total (A.1 + A.2)		240	3.4%														3.4%	0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities (B)		6,820.2	**96.6%**																	
Total (A + B)		7,060.2	**100%**																	

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KPI RELATED TO CAPEX

Economic activites (1)	Code(s) (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)										
				Climate change mitigation (5)	Climate change adaption (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaption (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy aligned proportion of OpEx, year N (18)	Taxonomy aligned proportion of OpEx, year N-1 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
		mPLN	%	%	%	%	%	%	%	Y/N	Y/N	YN/	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmental sustainable activities (Taxonomy-aligned)																				
Transport by motorbikes, passenger cars and light commercial vehicles	6.5.	4.1	0.2%	100%	0%	0%	0%	0%	0%	**N/A**	**Y**	**N/A**	**Y**	**Y**	N/A	**Y**	4.1	0%	N/A	N/A
Freight transport services by road	6.6.	14.8	0.7%	100%	0%	0%	0%	0%	0%	**N/A**	**Y**	**N/A**	**Y**	**Y**	N/A	**Y**	14.8	0%	N/A	N/A
CapEx of environmental sustainable activities (Taxonomy-aligned (A.1)		18.9	**0.9%**	100%	0%	0%	0%	0%	0%	**N/A**	**Y**	**N/A**	**Y**	**Y**	N/A	**Y**	18.9	0%		
A.2 Taxonomy-eligible but not environmental sustainable activities (not Taxonomy-aligned activities)																				
	N/A	0	0%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	**0%**															N/A		
Total (A.1 + A.2)		18.9	**0.9%**																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities (B)		2,075.5	**99.1%**																	
Total (A + B)		2,094.4	**100%**																	

EU Taxonomy disclosures

KPI RELATED TO OPEX

				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)										
Economic activites (1)	**Code(s) (2)**	**Absolute CapEx (3)**	**Proportion of CapEx (4)**	**Climate change mitigation (5)**	**Climate change adaption (6)**	**Water and marine resources (7)**	**Circular economy (8)**	**Pollution (9)**	**Biodiversity and ecosystems (10)**	**Climate change mitigation (11)**	**Climate change adaption (12)**	**Water and marine resources (13)**	**Circular economy (14)**	**Pollution (15)**	**Biodiversity and ecosystems (16)**	**Minimum safeguards (17)**	**Taxonomy aligned proportion of CapEx, year N (18)**	**Taxonomy aligned proportion of Capex, year N-1 (19)**	**Category (enabling activity or) (20)**	**Category (transitional activity) (21)**
		mPLN	%	%	%	%	%	%	%	Y/N	Y/N	YN/	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmental sustainable activities (Taxonomy-aligned)	N/A	0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A
OpEx of environmental sustainable activities (Taxonomy-aligned (A.1)		0	0%	0%	0%	0%	0%	0%	0%	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	N/A	**N/A**	0%	0%	N/A	N/A
A.2 Taxonomy-eligible but not environmental sustainable activities (not Taxonomy-aligned activities)																				
	N/A	0	0%																	
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	**0%**																	
Total (A.1 + A.2)		0	**0%**														0%	0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-non-eligible activities (B)		62.2	**100%**																	
Total (A + B)		62.2	**100%**																	

EU Taxonomy disclosures

APPENDIX 1

In accordance with Art. 8 Sec. 6, 7 and 8 of Disclosures Delegated Act, the Group is obliged to disclose relevant information concerning the activities related to gas and nuclear energy. The relevant disclosures tables can be found below.

Template 1 Nuclear and fossil gas related activities

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

EU Taxonomy disclosures

Template 2 Taxonomy-aligned economic activities (denominator)

Row	Company name	Amount and proportion (the information is to be presented in monetary amounts and as percentages) Climate change mitigation					
		KPI Turnover		KPI CapEx		KPI OpEx	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
2	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
3	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
4	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
5	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
6	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
7	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**240**	**3.4%**	**18.9**	**0.9%**	**0**	**0%**
8	**Total applicable KPI**	**7,060.2**	**100%**	**2,094.4**	**100%**	**62.2**	**100%**

EU Taxonomy disclosures

Template 3 Taxonomy-aligned economic activities (numerator)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages) Climate change mitigation					
		KPI Turnover		KPI CapEx		KPI OpEx	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	N/A	0	N/A	0	N/A
2	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	N/A	0	N/A	0	N/A
3	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	N/A	0	N/A	0	N/A
4	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	N/A	0	N/A	0	N/A
5	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	N/A	0	N/A	0	N/A
6	Amount and proportion of Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	N/A	0	N/A	0	N/A
7	**Amount and proportion of other Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**240**	**100%**	**18,9**	**100%**	**0**	**100%**
8	**Total amount and proportion of Taxonomy-aligned economic activities in the numerator of the applicable KPI**	**240**	**100%**	**18,9**	**100%**	**0**	**100%**

EU Taxonomy disclosures

Template 4 Taxonomy-eligible but not Taxonomy-aligned economic activities

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages) Climate change mitigation					
		KPI Turnover		KPI CapEx		KPI OpEx	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
2	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
3	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
4	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
5	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
6	Amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
7	**Amount and proportion of other Taxonomy-eligible but not Taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**0**	**N/A**	**0**	**N/A**	**0**	**N/A**
8	**Total amount and proportion of Taxonomy-eligible but not Taxonomy-aligned economic activities in the denominator of the applicable KPI**	**0**	**N/A**	**0**	**N/A**	**0**	**N/A**

EU Taxonomy disclosures

Template 5 Taxonomy-non-eligible economic activities

Row	Economic activities	KPI Turnover		KPI CapEx		KPI OpEx	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is Taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	N/A	0	N/A	0	N/A
7	**Amount and proportion of other Taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**6820,2**	**96,6%**	**2075,5**	**99,1%**	**62,2**	**100%**
8	**Total amount and proportion of Taxonomy-non-eligible economic activities in the denominator of the applicable KPI'**	**6820,2**	**96,6%**	**2075,5**	**99,1%**	**62,2**	**100%**

GRI disclosure

Independent Limited Assurance Report to InPost S.A.

GRI 2-5

To the Management Board
InPost S.A.
70, route d'Esch
L-1470
Luxembourg

Scope
We have been engaged by InPost S.A. ("InPost" or the "Entity") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, in relation to the specific GRI indicators included in the ESG Report for the year ending 31 December 2022 listed and detailed below under the definition "GRI Indicators in Scope" ("2022 ESG Report" or the "Subject Matter"). The ESG Report is part of the Company's annual report ending 31 December 2022.

The sustainability information, narratives and indicators presented in the 2022 ESG Report of Inpost S.A. are included in the scope of our assurance engagement, namely:

- GRI 2-7, GRI 2-8, GRI 2-9, GRI 2-15, GRI 2-19, GRI 2-20, GRI 2-21, GRI 2-26, GRI 2-27, GRI 2-29, GRI 3-1, GRI 3-2,
- GRI 201-1, GRI 201-2, GRI 204-1, GRI 205-2, GRI 205-3, GRI 207-1, GRI 207-2,
- GRI 401-1, GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-7, GRI 403-8, GRI 403-9, GRI 404-1, GRI 404-3, GRI 405-1, GRI 405-2, GRI 406-1, GRI 418-1,
- GRI 301-1, GRI 301-2, GRI 302-1, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5 (only data for Polish entity), GRI 306-3.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by InPost S.A.
In preparing the 2022 ESG Report, InPost S.A. applied the Global Reporting Initiative Standards' ("GRI Standards") ("Criteria"). Such Criteria were specifically designed for reporting sustainability information. As a result, the Subject Matter information may not be suitable for another purpose.

InPost S.A.'s responsibilities
InPost S.A.'s management is responsible for selecting the Criteria, and for presenting the 2022 ESG Report in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities
Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with InPost S.A. on 17 January 2023.Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control
We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent Limited Assurance Report to InPost S.A.

Description of procedures performed
Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the 2022 ESG Report and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Assessment of the suitability of the reporting criteria and their consistent application.
- Obtaining an understanding of InPost S.A.'s processes for determining the material issues for InPost S.A.'s key stakeholder groups.
- Interviews with relevant representatives at group level and selected business unit level concerning sustainability strategy and policies for material issues, and the implementation of these across the business.
- Interviews with relevant staff at corporate and business unit level responsible for data capture and preparation of the information in the 2022 ESG Report.
- Review of the processes for gathering and consolidating the specified performance data and, for a sample, checking the data consolidation.
- Checks on a sample basis of the quantitative information included in the 2022 ESG Report as well as its adequate compilation from data supplied by information sources. The tests have been defined to provide limited assurance levels in line with the criteria described in this report.
- Review of material qualitative statements in the 2022 ESG Report with regard to consistency and plausibility.
- We also performed such other procedures as we considered necessary in the circumstances.

Conclusion
Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the 2022 ESG Report for the year ended 31 December 2022, in order for it to be in accordance with the Criteria.

Ernst & Young
Société Anonyme
Cabinet de Révision Agréé

Olivier Lemaire
Partner

Luxembourg, 30 March 2023

GRI disclosures

GRI [2-7]: Employees	2022		2021		2020	
	female	male	female	male	female	male
InPost Group						
permanent employees	1,541	2,300	1,119	1,615	887	1,368
temporary employees	1,053	1,269	5,242		956	3,793
full-time employees	2,571	3,559	2,190	3,496	1,547	2,846
part-time employees	23	10	2,290		15	2,596
non-guaranteed hours employees	0	0	0	0	0	0
all employees	**6,163**		**7,976**		**7,004**	
InPost S.A. and InPost Poland						
permanent employees	1,021	1,021	788	725	601	552
temporary employees	1,027	1,223	1,076	1,357	676	843
full-time employees	2,036	2,237	1,855	2,075	1,270	1,390
part-time employees	12	7	9	7	7	5
non-guaranteed hours employees	0	0	0	0	0	0
all employees	**4,292**		**3,946**		**2,672**	

GRI [2-7]: Employees	2022		2021		2020	
	female	male	female	male	female	male
Mondial Relay						
permanent employees	448	1,190	290	838	269	785
temporary employees	26	43	2,809		280	2,950
full-time employees	463	1,231	294	1,369	260	1,425
part-time employees	11	2	2,274		8	2,591
non-guaranteed hours employees	0	0	0	0	0	0
all employees	**1,707**		**3,937**		**4,284**	
InPost International*						
permanent employees	72	89	41	52	17	31
temporary employees	0	3	0	0	0	0
full-time employees	72	91	41	52	17	31
part-time employees	0	1	0	0	0	0
non-guaranteed hours employees	0	0	0	0	0	0
all employees	**164**		**93**		**48**	

Methodology: Calculations conducted in head count, all entities of InPost Group are included in the calculation. The category InPost S.A. and InPost Poland consists of employees located in Luxembourg (headquarters) and all Polish subsidiaries. Calculations are based on data coming from the internal HR systems and local data files collected by responsible persons. Dates of 31.12.2022, 31.12.2021 and 31.12.2020 respectively and are in line with the reporting date for financial statements.
In 2021, Mondial Relay (France) reported "workers" under temporary employees (2,809). Accurate data is currently unavailable, therefore in order to have a full picture of employment in Mondial Relay it should be read in conjunction with GRI 2-8 Workers that are not employees. In 2021, Management Team (n-1) was reported for InPost Poland as employees, however under new GRI 2021 they meet the definition of 'Workers' and are there reported.
* Under InPost International for 2021 and 2020 data only for the UK

GRI disclosures

GRI [2-8]: Workers who are not employees	2022		2021		2020	
	female	male	female	male	female	male
InPost Group						
Agency workers	5,516		3,940		4,040	
Commission contract with hourly rate (including Internship contracts)	203	449	123	365	233	724
Management contract (Managers)	0	1	0	0	0	0
Management contract (highest governance body: Management Board + Supervisory Board)	2	6	2	6	0	3
Self-employment (including B2B contracts)	65	362	43	231	39	201
all	**6,604**		**4,710**		**5,240**	
InPost Poland						
Agency workers	4,109		3,940		4,040	
Commission contract with hourly rate (including Internship contracts)	202	447	123	365	233	724
Management contract (Managers)	0	0	0	0	0	0
Management contract (highest governance body: Management Board + Supervisory Board)	2	6	0	5	0	2
Self-employment (including B2B contracts)	43	289	43	231	39	201
all	**5,098**		**4,707**		**5,239**	

GRI [2-8]: Workers who are not employees	2022		2021		2020	
	female	male	female	male	female	male
Mondial Relay**						
Agency workers	63	1,334				
Commission contract with hourly rate (including Internship contracts)	1	2				
Management contract (Managers)	0	0				
Management contract (highest governance body: Management Board + Supervisory Board)	0	0				
Self-employment (including B2B contracts)	22	72				
all	**86**	**1,408**				
InPost International*						
Agency workers	3	7	0		0	
Commission contract with hourly rate (including Internship contracts)	0	0	0	0	0	0
Management contract (Managers)	0	1	0	0	0	0
Management contract (highest governance body: Management Board + Supervisory Board)	0	0	2	1	0	1
Self-employment (including B2B contracts)	0	1	0	0	0	0
all	**3**	**9**	**3**		**1**	

Methodology: Calculations conducted in head count, data from all entities are reported. InPost S.A. (headquarters) had no workers as of FY2022. Calculations based on data coming from the internal HR systems and local data files collected by responsible person. Dates of 31.12.2022, 31.12.2021 and 31.12.2020 respectively.
* Under InPost International for 2021 and 2020 data only for the UK
**Due to an error in 2021, Mondial Relay (France) reported "workers" under temporary employees (2,809). Accurate data is currently unavailable.

GRI disclosures

GRI [2-21]: Annual total compensation ratio	Inpost Group	
	2022	2021
Annual compensation ratio*	296.2	377.6
Ratio of the percentage increase in annual total compensation for the organisation's highest-paid individual to the median percentage increase in annual total compensation for all employees	-0.9	-

* The calculation includes base, varied and LTIP remuneration of the highest-paid individual as disclosed in the Remuneration Report. Median annual total compensation for employees excluding the highest-paid individual is calculated based on the base and bonus compensation for employees in Poland, indicated in 2-7. The Human Resources structures are under development.

GRI [2-30]: Collective bargaining agreements	InPost Group	InPost Poland	Mondial Relay	InPost International
	2022	2022	2022	2022
Percentage of employees covered by collective bargaining agreements	26.1%	0.0%	94.2%*	0.0%

* All employees in France and Spain are covered by collective bargaining agreements.

GRI disclosures

GRI [201-1]: Direct economic value generated and distributed in the reporting period in millions PLN	InPost Group		
	2022	2021	2020
Direct economic value generated	**7,060.2**	**4,581.9**	**2,514.4**
Revenues	7,060.2	4,581.9	2,514.4
Economic value distributed	**6.603.3**	**5,377.5**	**2,198.2**
Operating costs*	5,262.0	3,144.6	1,636.6
Employee wages and benefits	850.1	606.3	255.3
Payments to providers of capital	255.8	1,371.5	198.9
Payments to governement	226.4	252.8	106.1
Community investment	9.0	2.3	1.3
Economic value retained	**456.9**	**(795.6)**	**316.2**

Economic value generated presents the wealth produced by the Company and its impact on key stakeholders. It is a sum of economic value retained and economic value distributed.
Please be aware that the data presented in the table is not consistent with EBITDA.
All entitites included in the calculations. Data collected from entities donations and sponsorship as well as internal Accounting programme.
* The amounts of operating costs in 2021 and 2020 have been resettled in this report.

GRI [204-1]: Proportion of spending on local suppliers	InPost Poland
	2022
Percentage of the procurement budget spent on local suppliers	94.4%

Local supplier is a company that is headquartered and pays taxes in the country of operations.

GRI [201-3]: Defined benefit plan obligations and other retirement plans	2020
Retirement plan	**Employee Capital Plans According to the Law of 04.10.2018**
Value of liabilities	458,625.9 PLN
Type of participation	voluntary
Level of participation	15% employees
Percentage of salary contributed by employee	2%
Percentage of salary contributed by employer	1.5%

GRI [202-1]: Ratios of standard entry level wage by gender compared to local minimum wage	2022		2021		2020	
	female	male	female	male	female	male
InPost Group						
Ratio of entry level wage of the organisations to the minimum wage	1.02	1.02	1.10	1.06	1.04	1.02
InPost Poland						
Ratio of entry level wage of the organisations to the minimum wage	1.00	1.00	1.14	1.14	1.06	1.06
Mondial Relay						
Ratio of entry level wage of the organisations to the minimum wage	1.03	1.03	1.00	1.00	1.00	1.00
InPost International						
Ratio of entry level wage of the organisations to the minimum wage	1.50	1.42	1.73	1.40	1.54	1.63

Methodology: Ratio for InPost Group for 2022, 2021, 2020 as well as for Mondial Relay and InPost International for 2022 was calculated based on weighted average, where the weights correspond with the number of employees in each of the markets.
* for 2021 and 2020 data only for the UK

GRI disclosures

GRI [203-1] Infrastructure investments and services supported						
Extent of development of significant infrastructure investments						
No.	**Name of the significant infrastructure investments**	**Size**	**Cost - value [PLN]**	**Duration**	**Current and expected impacts (positive or negative) on the community or local economies**	**Type of support (commercial/ in-kind/ pro bono)**
1	Warsaw - Mokotow pocket park	800m^2	504,200.0	July 2022- December 2022	Positive - financial support in the implementation of AdaptCity - Warsaw's climate change adaptation strategy	Pro bono
2	Green investments	9 cities (Gniezno, Krakow, Warsaw, Katowice, Wroclaw, Rumia, Srem, Przemysl, Skarzysko-Kamienna)	136,665.6	May-November 2022	Positive - new plantings, increasing biodiversity, cooperation with cities	Pro bono (8), In kind (1)
3	Installation of air sensors	2 cities (Rzeszow, Krakow)	104,985.0	June - November 2022	Positive - 33 new air sensors, cooperation with cities	Pro bono (2)
4	Additional infrastructure investments	4 cities (Gniezno, Skarzysko-Kamienna, Krakow, Czestochowa)	81,709.57	April - December 2022	Positive - investments in small architecture, supporting revitalisaton, cooperation with cities	In kind (4)
5	EV depots infrastructure. Charging stations.	30 InPost depots	9,780,000.0	Feb 2022-Feb 2023	Positive - popularisation of EV, improvement in air quality	Commercial (30)
Extent of development of significant services provided						
No.	**Name of the significant services provided**	**Size**	**Cost - value [PLN]**	**Duration**	**Current and expected impacts (positive or negative) on the community or local economies**	**Type of support (commercial/ in-kind/ pro bono)**
1	Inscribing the machine into the urban fabric	3 cities (Gniezno, Srem, Sopot)	14,200.0	March - June 2022	Positive - consistency of the APM apperance with the surroundings	Pro bono (3)
2	Education support	3 cities (Lodz, Skrazysko-Kamienna, Lublin)	72,167.92	May - November 2022	Positive - supporting children with new equipment, scholarships and knowledg about ecology	Probono (2), In kind (1)

GRI disclosures

GRI [205-2]: Communication and training about anti-corruption policies and procedures	2022	
	Percentage of employees that the organisation's anti-corruption policies and procedures have been communicated to	Percentage of employees that have received training on anti-corruption
InPost Group	**96.5%**	**58.2%**
Management Team (n-1)	82.2%	73.3%
Middle Management	98.5%	75.6%
Other employees	96.0%	52.1%
InPost Poland	**100.0%**	**72.3%**
Management Team (n-1)	n/a	n/a
Middle Management	100.0%	94.0%
Other employees	100.0%	65.1%
Mondial Relay	**87.5%**	**26.4%**
Management Team (n-1)	61.9%	42.9%
Middle Management	94.9%	33.1%
Other employees	85.1%	13.8%
InPost International	**100.0%**	**93.9%**
Management Team (n-1)	100.0%	100.0%
Middle Management	100.0%	100.0%
Other employees	100.0%	91.0%
Highest Governance Bodies	**90.0%**	**50.0%**
Management Board	66.7%	66.7%
Supervisory Board	100.0%	42.9%

Not all employees are subject to anti-corruption trainings due to the characterisitc of their work performed.

GRI [205-2]: Communication and training about anti-corruption policies and procedures	2022
	Percentage of business partners that the organisation's anti-corruption policies and procedures have been communicated to
InPost Group	**1.9%**
InPost Poland	**0.7%**
Temporary work agencies	12.5%
Suppliers of products	1.8%
Suppliers of services	0.3%
Mondial Relay	**2.9%**
Temporary work agencies	50.0%
Suppliers of products	2.0%
Suppliers of services	3.9%
InPost International	**100.0%**
Temporary work agencies	100.0%
Suppliers of products	n/a
Suppliers of services	100.0%

GRI disclosures

GRI [205-3]: Confirmed incidents of corruption and actions taken	InPost Group 2022	InPost Poland 2022	Mondial Relay 2022	InPost International 2022
Total confirmed incidents of corruption including:	**2**	**2**	**0**	**0**
Confirmed incidents in which employees were dismissed or disciplined for corruption	0	0	0	0
Confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	2	2	0	0

GRI [207-4]: Country-by-country reporting			
Country of tax jurisdiction	**Name of the resident entity**	**Primary activities**	**Number of employees**
Luxembourg	InPost S.A., InPost Technology S.a r.l	Holding company. IT services.	3
United Kingdom	InPost UK Ltd.	Logistics and courier services.	99
France	Mondial Relay SASU Integer France SAS	Holding company. Logistics and courier services.	1,411
Italy	Locker InPost Italia S.a r.l.	Logistics and courier services.	65
Poland	InPost Sp. z o.o. InPost Paczkomaty Sp. z o.o. Integer.pl S.A. Integer Group Services Sp. z o.o. InPost Technology S.a r.l. Branch in Poland	Holding company. Logistics and courier services. IT services (branch).	4,289
Belgium	Mondial Relay Branch in Belgium (BE)	Logistics and courier services.	72
Netherlands	Mondial Relay Branch in Netherlands (NL)	Logistics and courier services.	12
Spain	Mondial Relay Branch in Spain (ES)	Logistics and courier services.	197
Portugal	Mondial Relay Branch in Portugal (PT)	Logistics and courier services.	15
Other European countries			
Rest of the world			
TOTAL			**6,163**

GRI disclosures

GRI [207-4]: Country-by country reporting in million PLN													
Country of tax jurisdiction	Revenues from third-party sales		Revenues from intra-Group transactions		Profit/loss before tax*		Tangible assets other than cash and cash equivalents*		Corporate income tax paid on a cash basis		Corporate income tax accrued on profit/loss*		Reasons for the difference between corporate income tax accrued on profit/ loss and the tax due if the statutory tax rate is applied to profit/loss before tax.
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
Luxembourg	0.0	0.0	6.0	0.0	(1,527.1)	(95)	38,286.1	39,635.0	0.0	0.0	0.0	0.0	
United Kingdom	175.4	66.3	0.0	0.0	(246.7)	(129.4)	469.9	281.9	0.0	0.0	0.0	0.0	
Poland	4,168.0	3,421.6	2380.7	2,373.5	1,300.1	1,171.6	6,404.5	5,762.7	148.9	201.9	214.4	219.8	
Italy	32.0	2.34	64.9	0.0	(28.1)	(23.6)	151.6	29.9	0.0	0.0	0.0	0.0	
France	2,160.3	1,091.7	150.5	11.9	66.0	24.8			46.2	41.1			
Belgium	248.1	-	56.9	-	39.6	-			20.3	-			
Netherlands	40.7	-	18.8	-	(6.3)	-	3,862.0	3,295.1	0.0	-	36.4	38.9	
Spain	214.9	-	84.6	-	12.7	-			4.2	-			
Portugal	20.8	-	5.9	-	(5.3)	-			0.0	-			
Other European countries	0.0	0.0	0.0	0.0	(0.1)	(3.4)	0.0	0.02	0.0	0.0	0.0	0.0	
Rest of the world	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
TOTAL	**7,060.2**	**4,581.9**	**2,768.3**	**2,385.4**	**(395.0)**	**944.5**	**49,174.1**	**49,004.6**	**219.6**	**243.0**	**250.8**	**258.7**	

Methodology: in 2021 data was not collected seperately for Belgium, Netherlands, Spain and Portugal
*Standalone data, don't reconcile to consolidated data

GRI disclosures

GRI [301-1]: Materials used by weight or volume [tonnes]	InPost Group 2022	InPost Poland 2022	Mondial Relay 2022	InPost International 2022
TOTAL materials used	**7,621.3**	**3,908.5**	**3,695.4**	**17.3**
TOTAL (non-renewable materials)	**4,250.4**	**2,781.6**	**1,452.0**	**16.9**
Plastic including:	1913.5	614.0	1,282.6	16.9
Plastic bags/ poly mailers	1103.4	325.6	776.8*	1.0 *
Plastic stretch	592.6	284.0	293.1*	15.6*
Plastic pallets	164.8	0.0	164.8*	0.0*
Plastic cloth parcel bags	52.7	4.5	48.0*	0.3*
Metal	1,273.6	1,273.6	0.0	0.0
Glass	1.5	1.5	0.0	0.0
Other non-renewable materials	1061.9	892.5	169.4	0.0
TOTAL (renewable materials)	**3,370.8**	**1,126.9**	**2,243.4**	**0.4**
Paper	53.8	31.0	22.8	0.0
Cardboard	3,079.7	1,082.2	1,997.1	0.4
Wood	237.3	13.8	223.5	0.0
Other renewable materials	0.0	0.0	0.0	0.0

*Activity data estimated based on Polish InPost (for the UK and Italy) or French MR (for Spain, Portugal, Belgium and the Netherlands) activity data.

GRI [301-2]: Recycled input materials used	InPost Group 2022	InPost Poland 2022	Mondial Relay 2022	InPost International 2022
Plastic including:	10.9%	29.2%	2.4%	0.0%
Plastic bags/ poly mailers	18.9%	54.9%	3.9%	0.0%
Plastic stretch	0.0%	0.0%	0.0%	0.0%
Plastic pallets	0.0%	0.0%	0.0%	n/a
Plastic cloth parcel bags	0.0%	0.0%	0.0%	0.0%
Paper	0.0%	0.0%	0.0%	n/a
Cardboard	0.0%	0.0%	0.0%	0.0%
TOTAL	**2.7%**	**4.6%**	**0.8%**	**0.0%**

Materials with FSC Mix certificate are not included, as they consists of both recycled and non-recycled materials. Blue Angel certificate ensures that 80% of those materials are recycled, so the amount is reported accordingly (t of Blue Angel materials *80%).

GRI disclosures

GRI [302-1]: Energy consumption within the organisation: GJ	InPost Group			InPost Poland			Mondial Relay			InPost International	
	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021
Non-renewable sources											
Petrol	20,773	13,374	11,171	19,627	13,276	11,171	0	89	0	1,146	9
Natural gas	33,259	143,602	68,209	26,503	132,024	60,224	5,208	10,793	7,985	1,548	785
Diesel	29,825	22,588	15,761	17,770	13,540	9,893	11,038	9,039	5,868	1,017	9
Heating oil	0	266	372	0	266	372	0	0	0	0	0
LNG	14,857	0	0	14,037	0	0	0	0	0	820	0
LPG	5,051	0	0	4,772	0	0	0	0	0	279	0
TOTAL	**103,765**	**179,830**	**95,513**	**82,709**	**159,106**	**81,660**	**16,246**	**19,921**	**13,853**	**4,810**	**803**
Renewable sources											
Electricity Offices, Branches	5,739	763	0	5,739	763	0	0	0	0	0	0
Electricity EV fleet	299	0	0	299	0	0	0	0	0	0	0
TOTAL	**6,038**	**763**	**0**	**6,038**	**763**	**0**	**0**	**0**	**0**	**0**	**0**
Purchased electricity and heating											
Electricity Offices, Branches	93,295	63,501	71,698	62,324	42,142	55,005	27,014	20,999	16,693	3,957	360
Electricity APMs	107,896	84,579	25,141	86,476	76,919	25,141	4,091	176	0	17,329	7,484
Electricity EV fleet	681	637	254	681	637	254	0	0	0	0	0
District heating	12,056	2,308	127	11,664	2,308	127	0	0	0	392	0
TOTAL	**213,928**	**151,025**	**97,220**	**161,145**	**122,006**	**80,527**	**31,105**	**21,175**	**16,693**	**21,678**	**7,844**
TOTAL ENERGY CONSUMPTION	**323,731**	**331,618**	**192,733**	**249,892**	**281,875**	**162,187**	**47,351**	**41,096**	**30,546**	**26,488**	**8,647**

Data sources – the same as for 305-1, 305-2
KOBIZE: net calorific values used for gasoline and diesel. Density: gasoline - 0.8 g/cm³; diesel oil - 0.84 g/cm³
DEFRA 2022: net calorific values and fuel properties used for natural gas, LNG, LPG

GRI disclosures

GRI [305-1, 305-2, 305-3]: tCO_2 e	InPost Group		InPost Poland			Mondial Relay		InPost International	
Activity type	**2022**	**2021**	**2022**	**2021**	**2020**	**2022**	**2021**	**2022**	**2021**
Stationary combustion	3,120	7,327	2,616	6,671	3056	353	616	151	40
Mobile combustion	3,524	2,715	2,561	1,921	1470	813	793	150	1
Hydroflurocarbons (HFCs)	22	182	22	182	54	–	–	–	–
Scope 1	**6,666**	**10,224**	**5,199**	**8,774**	**4,580**	**1,166**	**1,409**	**301**	**41**
Purchased electricity - location-based	30,709	25,814	28,771	24,929	16,638	768	422	1,170	463
Purchased electricity - market-based	29,590	25,656	27,654	24,771	16,638	768	422	1,168	463
Purchased heat	1,169	228	1,150	228	12	–	–	19	–
Scope 2 - location-based	**31,878**	**26,042**	**29,921**	**25,157**	**16,650**	**768**	**422**	**1,189**	**463**
Scope 2 - market-based	**30,759**	**25,884**	**28,804**	**24,999**	**16,650**	**768**	**422**	**1,187**	**463**
Cat. 1 Purchased goods and services	48,817	23,368	35,633	13,286		11,854	8,263	1,330	1,819
Cat. 2 Capital goods	114,242	223,027	70,165	162,287		23,279	7,830	20,798	52,910
Cat. 3 Energy related activities	10,396	7,244	9,967	6,988		253	196	176	60
Cat. 4 Upstream transportation and distribution	280,122	244,651	194,138	166,923		75,034	75,932	10,950	1,796
Cat. 5 Waste generated in operations	777	1,749	510	1,462		237	258	30	29
Cat. 6 Business travel	190	126	72	75		114	50	4	1
Cat. 7 Employee commuting	6,288	4,417	4,136	2,335		1,994	2,026	158	56
Cat. 12 End-of-life of sold products	27	1,585	21	1,236		1	348	5	1
Cat. 14 Franchises	1,713	–	1,697	–		–	–	16	–
Scope 3	**462,572**	**506,167**	**316,339**	**354,592**		**112,766**	**94,903**	**33,467**	**56,672**
Scope 1+2+3 - location-based	**501,116**	**542,433**	**351,459**	**388,523**		**114,700**	**96,734**	**34,957**	**57,176**
Scope 1+2+3 - market-based	**499,997**	**542,275**	**350,342**	**388,365**		**114,700**	**96,734**	**34,955**	**57,176**

InPost Group GHG emissions were calculated according to GHG Protocol Standards: GHG Protocol Corporate Accounting and Reporting Standard, GHG Protocol Scope 2 Guidance, Corporate Value Chain (Scope 3) Standard. The year 2021 was selected as a base year, taking into account the recent acquisitions and for which the carbon footprint was calculated for the first time for scopes 1, 2 and 3. 2021 is also our base year for our GHG emission reduction and NET-ZERO target approved by SBTi. Opeartional control was choosen as consolidation approach, which means that in scope 1 and 2 we report emission generated in APM's, buildings where we operate: offices, warehauses (excluding our partners warehauses – emission not material) sorting hubs, fulfilment centres, production plant and our fleet. Biogenic emissions were not recognised. Gases included in the calculation, and global warming potential values are result of emission factors used.

GRI disclosures

GRI [305-1, 305-2, 305-3] Emission sources, data sources, assupmtions, emission factors	InPost Poland	Mondial Relay		InPost International
	PL	FR, BE, NE	SP, PT	UK, IT
Scope 1	• Emission sources: fuels used in stationary and mobile combustion, refrigerants (HFCs); • Data sources: invoices, estimations for fuels used in stationary combustion based on costs, averege prices used: LNG – 7.75 PLN/kg, LPG – 3.28 PLN/l, natural gas 8.19 PLN/m3, HFC's -reports from services; • Emission factors: KOBIZE 2022, DEFRA 2022.	• Emission sources: fuels used in stationary and mobile combustion; • Data sources: invoices, estimation for gas consumption; • Emission factors: ADEME.	• Emission sources: fuels used in stationary and mobile combustion; • Data sources: invoices for SP, PT - estimation based on revenue ratio to FR; • Emission factors: KOBIZE 2022, ADEME.	• Emission sources: fuels used in stationary and mobile combustion; • Data sources: estimation based on revenue ratio to PL; • Emission factors: KOBIZE 2022, ADEME.
Scope 2	• Emission sources: electricity consumption in APM's, branches, offcies, heat consumption in offices, branches; • Data sources: invoices, estimations on costs averege prices used: electricity APM's 0,73 PLN/kWh, branches 0.84 PLN/kWh, district heat – 67 PLN/GJ; • Emission factors: KOBIZE 2022.	• Emission sources: electricity consumption in APM's, branches, offcies; • Data sources: invoices, for APM's based on average consumption/APM based on R&D calculator; • Emission factors: ADEME.	• Emission sources: electricity consumption in APM's, branches, offcies; • Data sources: invoices for Spain, PT - estimation based on revenue ratio to FR; • Emission factors: European Environment Agency.	• Emission sources: electricity consumption in APM's, branches, offcies; • Data sources: estimation based on revenue ratio to PL; • Emission factors: European Environment Agency, DEFRA 2022.
Cat. 1 Purchased goods and services	• Emission sources: packagings materials, other goods and services as OPEX; • Data sources: data from internal sources, OPEX; • Emission factors: Quantis 2016, DEFRA 2022, ADEME.	• Emission sources: packagings materials, other goods and services as OPEX; • Data sources: data from internal sources, OPEX; • Emission factors: Quantis 2016, ADEME.	• Emission sources: packagings materials, other goods and services as OPEX; • Data sources: packaging for Spain based on internal sources, rest estimated on revenue ratio to FR; • Emission factors: Quantis 2016, DEFRA 2022, ADEME.	• Emission sources: packagings materials, other goods and services as OPEX; • Data sources: estimation based on revenue ratio to PL; • Emission factors: Quantis 2016, DEFRA 2022, ADEME.
Cat. 2 Capital goods	• Emission sources: APM modules, cars, other capital goods as CAPEX; • Data sources: data from internal sources, CAPEX; • Emission factors: Quantis 2016, Ecoinvent, DEFRA 2022.	• Emission sources: APM modules, other capital goods as CAPEX; • Data sources: data from internal sources, CAPEX; • Emission factors: Quantis 2016, DEFRA 2022.	• Emission sources: APM modules, other capital goods as CAPEX; • Data sources: estimated on revenue ratio to FR; • Emission factors: Quantis 2016, DEFRA 2022.	• Emission sources: APM modules, other capital goods as CAPEX; • Data sources: estimated on revenue ratio to PL; • Emission factors: Quantis 2016, DEFRA 2022.

GRI disclosures

GRI [305-1, 305-2, 305-3] Emission sources, data sources, assupmtions, emission factors	InPost Poland	Mondial Relay		InPost International
	PL	FR, BE, NE	SP, PT	UK, IT
Cat. 3 Fuel- and energyrelated activities (not included in scope 1 or scope 2)	• Emission sources, data sources: as for scope 1 and 2, T&D losses - World Bank; • Emission factors: KOBIZE 2022, DEFRA - Methodology 2021.	• Emission sources, data sources: as for scope 1 and 2, T&D losses - World Bank; • Emission factors: KOBIZE 2022, DEFRA - Methodology 2021.	• Emission sources, data sources: as for scope 1 and 2, T&D losses - World Bank; • Emission factors: European Environment Agency, DEFRA - Methodology 2021.	• Emission sources, data sources: as for scope 1 and 2, T&D losses - World Bank; • Emission factors: European Environment Agency, DEFRA - Methodology 2021, DEFRA 2022.
Cat. 4 Upstream transportation and distribution	• Emission sources: last mile, middle mile, APM transport; • Data sources: data from internal systems; • Emission factors: DEFRA 2022 WTT factors included.	• Emission sources: last mile, middle mile, APM transport; • Data sources: middle mile, APM transport - data from internal systems. Last mile estimated on number of stops and average distance between PUDO's/APM's; • Emission factors: ADEME , DEFRA 2022 WTT factors included.	• Emission sources: last mile, middle mile; • Data sources: SP - data from internal systems. PT - estimated on revenue ratio to FR. • Emission factors: ADEME , DEFRA 2022 WTT factors included;	• Emission sources: last mile, middle mile, APM transport; • Data sources: estimated on revenue ratio to PL, APM transport - data from internal systems; • Emission factors: DEFRA 2022 WTT factors included.
Cat. 5 Waste generated in operations	• Emission sources: waste management; • Data sources: data from internal systems; • Emission factors: DEFRA 2022.	• Emission sources: waste management; • Data sources: data from internal systems; • Emission factors: DEFRA 2022.	• Emission sources: waste management; • Data sources: SP - data from internal systems, PT - estimated on revenue ratio to FR; • Emission factors: DEFRA 2022.	• Emission sources: waste management; • Data sources: estimated on revenue ratio to PL; • Emission factors: DEFRA 2022.
Cat. 6 Business travel	• Emission sources: business travels; • Data sources: for flight data from travel agency, for other vehicles estimated based on ration from 2021; • Emission factors: DEFRA 2022.	• Emission sources: business travels; • Data sources: for flight data from travel agency, internal sources; • Emission factors: ADEME.	• Emission sources: business travels Data sources: SP - data from internal systems, PT - estimated on revenue ratio to FR; • Emission factors: ADEME, DEFRA 2022.	• Emission sources: business travels Data sources: estimated on revenue ratio to PL; • Emission factors: DEFRA 2022
Cat. 7 Employee commuting	• Emission sources: employee commuting; • Data sources: number of employees, 30km daily, according to 2008 ENTD study: 74% by car 13% by public transport 10% on foot or by bicycle 3% by 2 wheels; • Emission factors: DEFRA 2022.	• Emission sources: employee commuting; • Data sources: internal sources; • Emission factors: ADEME.	• Emission sources: employee commuting; • Data sources: number of employees, 30km daily, according to 2008 ENTD study: 74% by car 13% by public transport 10% on foot or by bicycle 3% by 2 wheels; • Emission factors: ADEME, DEFRA 2022.	• Emission sources: employee commuting; • Data sources: number of employees, 30km daily, according to 2008 ENTD study: 74% by car 13% by public transport 10% on foot or by bicycle 3% by 2 wheels; • Emission factors: DEFRA 2022.

GRI disclosures

GRI [305-1, 305-2, 305-3] Emission sources, data sources, assupmtions, emission factors	InPost Poland	Mondial Relay		InPost International
	PL	FR, BE, NE	SP, PT	UK, IT
Cat. 12 End-of-life of sold products	• Emission sources: sold packagings materials; • Data sources: data from internal systems; • Emission factors: DEFRA 2022.	• Emission sources: sold packagings materials; • Data sources: data from internal systems; • Emission factors: DEFRA 2022.	• Not applicable.	• Not applicable.
Cat. 9 Downstream transport and distribution	Collecting parcels from APM's and PUDO's (our customers transport to and from APM's/PUDO's). This category was not calculated because we assume it as not material for whole InPost Group - <4%. In 2023, we will conduct surveys for all markets, and based on the results, we will calculate GHG emissions, which we will include in the carbon footprint of InPost Group.			
Cat. 14 Franchises	Emission sources: fuels used in stationary and electricity consumption by our partners in buildings that InPost rents to them Data sources: as for Scope 1, 2 Emission factors: as for scope 1, 2	Not applicable	Not applicable	Not applicable
Cat. 8 Upstream leased assets Cat. 10 Processing of sold products Cat. 11 Use of sold proviscts Cat. 13 Downstream leased assets Cat. 15 Investments	Not applicable			

GRI disclosures

GRI [305-4]: GHG emissions intensity	InPost Group	
	2022	2021
Scope 1+2+3 - market-based: tCO_2e	499,997	542,275
Revenue in millions PLN*	7,079	4,602
GHG emissions intensity in tCO_2e/millions PLN	71	118

* Total of Revenue and Other Operating Income
Gases included and methodology the same as for GRI 305-1, 305-2, 305-3

GRI [305-5]: Reduction of GHG emissions: tCO_2e Initiative	Emissions reduction		
	2022	2021	2020
InPost Poland	**1,890**	**556**	**3**
Electricity form renewable energy sources -Scope 2	1,117	196	0
Electricity form renewable energy sources -Scope 3	250	0	0
Use of electric VANs - Scope 3	523	360	3
Mondial Relay*		**748**	
Use of "Objective CO2" chartered and/or labelled transporters in collect and linehaul segments (HGV) - Scope 3		293	
Purchase of decarbonised LCV transport - Scope 3		108	
Purchase of decarbonised HGV transpor - Scope 3		199	
Bulk loading development - Scope 3		148	
InPost Group			
Total decrease in emissions	1,890	1,304	3

Gases included and methodology the same as for GRI 305-1, 305-2, 305-3
InPost Poland: electricity from renewable energy sources – reduction caused by consumption of electricity from RES vs. using standard electricity; EV cars – reduction caused by lower emisson generated by EV VANs vs. diesel VANs.
Mondial Reley: The data is updated by our external partner - for 2022 it is not yet available. Base year - 2020.

GRI disclosures

GRI [306-3]: Waste generated [tonnes]	InPost Group	InPost Poland			Mondial Relay	InPost International
	2022	2022	2021	2020	2022	2022
Hazardous						
Total weight of hazardous waste (Waste from non-regulatory shipments and coating powder from APM production)	66.4	66.4	28.0	22.0	0.0	0.0
Non-Hazardous						
Branches and Offices - muncipal waste	**2,205.9**	**2,087.7***	**1,570.4**	**859.4**	**95.8****	**22.4**
Mixed municipal waste	1,789.3	1,697.3*	1,319.0	730.2	92.0**	0.0
Plastic & Metal	46.5	43.1*	26.0	14.5	1.0**	2.4
Glass	100.5	94.6*	67.2	27.4	0.4**	5.5
Paper and carboard	239.0	223.8*	143.6	81.1	2.4**	12.8
Bio	30.6	28.9*	14.6	6.1	0.0**	1.7
Branches - waste from operations	**6,501.0**	**1,885.9**	**1,636.0**	**1,094.0**	**4,459.3**	**155.9**
Paper and carboard	4,451.0	1,438.9	1,253.0	752.0	2,919.3	92.8
Plastic	528.6	372.8	383.0	342.0	131.9	23.9
Metal	16.8	0.0	0.0	0.0	0.0	16.8
Wood	201.6	58.3	0.0	0.0	123.1	20.2
Other	1,303.0	15.9	0.0	0.0	1,285.0	2.1

GRI [306-3]: Waste generated [tonnes]	InPost Group	InPost Poland			Mondial Relay	InPost International
	2022	2022	2021	2020	2022	2022
APMs production waste	**809.4**	**809.4**				
Paper and cardboard	150.4	150.4				
Plastic	37.0	37.0				
Wood	286.7	286.7				
Metal (aluminium,magnelis, steel, iron, stainless steel)	288.1	288.1		***		
Isolation materials	0.0	0.0				
Mixed waste from concrete, rubble and similar	36.6	36.6				
Other	10.6	10.6				
Total (non-hazardous waste)	**9,516.3**	**4,783.0**	**3,206.4**	**1,953.4**	**4,555.1**	**178.3**
TOTAL	**9,582.7**	**4849.4**	**3,234.4**	**1,975.4**	**4,555.1**	**178.3**

Data regarding municipal waste in Poland in 2021 has been resettled.
* Waste data estimated on the basis of contracts, taking into account the volumes and frequencies of collection.
** Activity data estimated based on Polish InPost (for the UK and Italy) or French MR (for Spain and Portugal) activity data.
*** Data for APMs production waste were not collected in the previous years. APMs for the Group are manufactured in Poland.

GRI disclosures

GRI [401-1]: New employee hires and employee turnover by gender	2022			2021			2020		
	female	male	all	female	male	all	female	male	all
InPost Group									
new employee hires - number	888	1,329	2,217	920	1,305	2,225	715	1,122	1,837
new employee hires - rate	34.3%	37.3%	36.0%	41.9%	43.9%	43.1%	32.6%	37.8%	35.6%
employees turnover - number	568	847	1,415	484	776	1,260	323	544	867
employees turnover - rate	21.9%	23.7%	23.0%	22.0%	26.1%	24.4%	14.7%	18.3%	16.8%
InPost Poland									
new employee hires - number	624	748	1,372	812	1,053	1,865	578	823	1,401
new employee hires - rate	30.5%	33.4%	32.0%	43.5%	50.6%	47.2%	45.2%	59.0%	52.4%
employees turnover - number	463	591	1,054	422	601	1,023	227	347	574
employees turnover - rate	22.6%	26.4%	24.6%	22.7%	28.9%	25.9%	17.8%	24.9%	21.5%
Mondial Relay									
new employee hires - number	230	540	770	70	207	277	127	280	407
new employee hires - rate	48.5%	43.8%	45.1%	24.1%	24.7%	24.6%	47.2%	35.7%	38.6%
employees turnover - number	87	220	307	48	151	199	90	193	283
employees turnover - rate	18.4%	17.8%	18.0%	16.6%	18.0%	17.6%	33.5%	24.6%	26.9%
InPost International									
new employee hires - number	34	41	75	38	45	83	10	19	29
new employee hires - rate	47.2%	44.6%	45.7%	92.7%	86.5%	89.2%	58.8%	61.3%	60.4%
employees turnover - number	18	36	54	14	24	38	6	4	10
employees turnover - rate	25.0%	39.1%	32.9%	34.2%	46.2%	40.9%	35.3%	12.9%	20.8%

GRI [401-1]: New employee hires and employee turnover by age	2022			2021			2020		
	under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old
InPost Group									
new employee hires - number	1,026	1,096	95	1,92	967	66	946	815	76
new employee hires - rate	44.7%	32.6%	18.9%	56.8%	35.9%	17.6%	63.9%	41.6%	22.8%
employees turnover - number	588	741	86	615	583	62	406	416	45
employees turnover - rate	25.6%	22.1%	17.1%	29.3%	21.6%	16.6%	27.4%	21.2%	13.5%
InPost Poland									
new employee hires - number	685	647	40	1,027	791	47	758	600	43
new employee hires - rate	38.8%	28.1%	18.4%	59.8%	39.0%	23.4%	64.5%	44.7%	27.9%
employees turnover - number	459	541	54	523	466	34	262	284	28
employees turnover - rate	26.0%	23.5%	24.9%	30.5%	23.0%	16.9%	22.3%	21.2%	18.2%
Mondial Relay									
new employee hires - number	313	402	55	132	129	16	185	190	32
new employee hires - rate	64.9%	42.5%	19.6%	43.0%	19.8%	9.4%	63.4%	32.6%	17.9%
employees turnover - number	110	170	27	80	96	23	142	125	16
employees turnover - rate	22.8%	18.0%	9.6%	26.1%	14.8%	13.5%	48.6%	21.4%	8.9%
InPost International									
new employee hires - number	28	47	0	33	47	3	3	25	1
new employee hires - rate	60.9%	42.3%	0.0%	103.1%	82.5%	75.0%	42.9%	73.5%	14.3%
employees turnover - number	19	30	5	12	21	5	2	7	1
employees turnover - rate	41.3%	27.0%	71.4%	37.5%	36.8%	125.0%	28.6%	20.6%	14.3%

Methodology:
New hires rate: Data calculated using the headcount method according to the formula: number of employees (employment contract) employed in 2022/ number of all employees (employment contract), as of 31.12.2022, 31.12.2021 and 31.12.2020 respectively.
Turnover rate: Data calculated using the headcount method according to the formula: number of employees (employment contract) who left in the year 2022/ number of all employees (employment contract), as at 31.12.2022, 31.12.2021 and 31.12.2020 respectively. Data collected in HR systems and local data files collected by responsible person.

GRI disclosures

GRI [401-2]: Benefits provided to full-time employees that are not provided to temporary or part-time employees	InPost Poland 2022	Mondial Relay 2022	InPost International 2022
Provided benefits	Group life insurance	Reimbursement of travel expenses, mileage, tolls, parking fees	Vitality DenPlan
	Healthcare Benefit option for all	Company car	Volunteering Day
	Additional days off depending on the length of service at the Capital Group: over 3 years – 1 day, over 6 years – 2 days, over 10 years – 3 days	Restaurant tickets	Enhanced Maternity/Paternity Pay
	Multisport card		Rail Discount Scheme
	Staff Discounts with retailers		Expensed Travel over 1.5 hours
	Subsidy for the purchase of glasses/lenses		

GRI [403-8]: Workers covered by an occupational health and safety management system	InPost Poland		Mondial Relay (French branch)	
	number	%	number	%
Employees				
Number of all who are covered by occupational health and safety (OHS) management system	4,289*	100.0%	1,411	100%
Number of all who are covered by OHS system that has been internally audited	2,480**	57.8%	0	0%
Number of all who are covered by OHS system that has been audited or certified by an external party	541	12.6%	0	0%
Workers				
Number of all who are covered by occupational health and safety (OHS) management system	5,098	100%	1,232	100.0%
Number of all who are covered by OHS system that has been internally audited	5,098	100%	0	0%
Number of all who are covered by OHS system that has been audited or certified by an external party	888	17.4%	0	0%
All				
Number of all who are covered by occupational health and safety (OHS) management system	9,387	100.0%	2,643	100.0%
Number of all who are covered by OHS system that has been internally audited	7,578	80.7%	0	0%
Number of all who are covered by OHS system that has been audited or certified by an external party	1,429	15.2%	0	0%

Data was collected only for France and Poland. The process of collecting and unifying data on other markets is still in progress.

For the purposes of the calculation, the number of non-employee workers as of the last day of the reporting period was used.

* The number consists of employees of InPost Sp z o.o., who are covered by the OHS management system and employees of other polish companies of the Group, where employees are covered by local regulations in the area of OHS.

** Internal audits based on the branch supervision policy are also conducted at Integer Group Services (Opole Warehouse and Cholerzyn Production Facility), which are not included in the summary

GRI disclosures

GRI [403-9]: Work-related injuries Employees	2022					
	Women			Men		
	hours worked	number	rate	hours worked	number	rate
InPost Group						
Number of recordable work-related injuries	4,966,802	62	2.5	6,569,023	156	4.7
InPost Poland						
Number of fatalities as a result of work-related injury	4,315,017	0	0	4,730,481	0	0
Number of high-consequence work-related injuries (excluding fatalities		0	0		0	0
Number of recordable work-related injuries		22	1.0		28	1.2
Mondial Relay						
Number of fatalities as a result of work-related injury	570,425	0	0	1,689,264	0	0
Number of high-consequence work-related injuries (excluding fatalities		23	8.1		73	8.6
Number of recordable work-related injuries		40	14.0		128	15.2
InPost International						
Number of fatalities as a result of work-related injury	81,360	0	0	149,278	0	0
Number of high-consequence work-related injuries (excluding fatalities		0	0		0	0
Number of recordable work-related injuries		0	0		0	0

GRI [403-9]: Work-related injuries Workers	2022		
	hours worked	number	rate
InPost Group*			
Number of recordable work-related injuries	7,914,937	327	8.3
InPost Poland			
Number of fatalities as a result of work-related injury	4,593,521	0	0.0
Number of high-consequence work-related injuries (excluding fatalities		0	0.0
Number of recordable work-related injuries		66	2.9

	Women			Men		
	hours worked	number	rate	hours worked	number	rate
Mondial Relay**						
Number of recordable work-related injuries	108,218	67	123.8	3,156,761	194	12.3
InPost International						
Number of fatalities as a result of work-related injury	5,085	0	0.0	51,352	0	0.0
Number of high-consequence work-related injuries (excluding fatalities		0	0.0		0	0.0
Number of recordable work-related injuries		0	0.0		0	0.0

Methodlogy: ratio based on 200,000 hours worked. Number of recordable work-related injuries is a total number of work-related injuries.
In the case of workers it won't be possible in some countires, as there is no data about the number of workers by gender, so only the total numbers will be provided.
Due to the different classification of accidents with serious cosequences its not possible to present data in all categories for InPost Group.
* Data not broken down by gender
**Data not broken down by categories

GRI disclosures

GRI [403-9]: Work-related injuries	InPost Poland		Integer Group Services		Mondial Relay		InPost UK	
	2021	2020	2021	2020	2021	2020	2021	2020
Minor accidents	47	45	5		394	395	0	0
Serious accidents	0	0	0		0	0	0	0
Rate of recordable work-related injuries	1.3	1.4	0.5	0.2	51	32.5	-	-

Methodology: Entities included: InPost Technology S.a.r.l, Mondial Relay Société par Actions Simplifiée, Integer.pl S.A., Integer Group Services sp.z o.o., InPost sp. z o.o., InPost Paczkomaty Sp. z o.o. and temporary employment agencies.
H&S reports do not present data for Inpost S.A. and Inpost UK Limitted.
Data collected separately for Poland and France (number of incidents and worked hours). Rate of recordable work-related injuries = (Number of recordable work-related injuries/number of hours worked) x 200,000.

GRI [403-10]: Work-related ill health	InPost Poland			
	Work-related ill health: Employees		Work-related ill health: Non-employees	
	female	male	female	male
Number of fatalities as a result of work-related ill health	0	0	0	0
Number of cases of recordable work-related ill health	0	0	0	0

The process of collecting and unifying data on other markets is still in progress.

GRI [404-1]: Average hours of training per year per employee	Average training hours per employee		
	2022	2021	2020
InPost Poland			
Female	20.1	12.3	1.6
Male	23.9	14.7	2.0
Management team (n-1)*	n/a	n/a	n/a
Middle management	26.0	26.4	17.3
Other employees	20.8	10.4	0.7

As of FY2022, data was collected only on the Polish market. On other markets Human Resources structure in the area of Trainings and Development are still in progress.
* None of Management Team (n-1) was meeting definition of an 'employee' according to the definition included in indicator 2-7. However, the average number of training hours in this group accounted to 15.

GRI disclosures

GRI [404-3]: Percentage of employees receiving regular performance and career development reviews	Performance reviews				Career development reviews			
	2022		2021*		2022		2021*	
	female	male	female	male	female	male	female	male
InPost Group								
Management Team (n-1)	56.3%	55.2%			37.5%	34.5%		
Middle management	89.8%	90.1%			41.5%	47.6%		
Other employees	94.1%	89.1%			41.5%	30.9%		
All employees	92.9%	89.1%			41.5%	35.4%		
InPost Poland								
Management Team (n-1)	n/a	n/a	100%	100%	n/a	n/a	0%	0%
Middle management	100%	100%	47%	40%	52.9%	67.8%	100%	57%
Other employees	99.6%	99%	16%	17%	46.3%	43.7%	16%	20%
All employees	99.8%	99.3%	19%	20%	47.8%	50.5%	24.5%	24.5%
Mondial Relay**								
Management Team (n-1)	50.0%	53.8%	61%	97%	12.5%	7.7%	61%	97%
Middle management	60.9%	70.9%	60%	98%	4.0%	6.5%	60%	98%
Other employees	70.8%	74.1%	69.6%	79.4%	14.0%	6.5%	69.6%	79.4%
All employees	67.3%	71.3%	65.6%	83.3%	10.8%	6.5%	65.6%	83.3%
InPost International								
Management Team (n-1)	62.5%	56.3%			62.5%	56.3%		
Middle management	88.2%	91.7%			88.2%	91.7%		
Other employees	59.6%	48.4%			59.6%	48.4%		
All employees	66.7%	55.4%			66.7%	55.4%		

*Due to the lack of data for InPost International in 2021, the data for InPost Group is calculated only for 2022
** In Mondial Relay in 2021 there was no differentiation between performance reviews and career development reviews.
Percentage of career developments reviews for all employees in Poland in 2021 have been resettled.

GRI [405-1]: Table 1 – Diversity of employees – Age and sex governance bodies:	2022		
	under 30 years old	30-50 years old	over 50 years old
Management Board			
female	0.0%	0.0%	0.0%
male	0.0%	66.7%	33.3%
all	0.0%	66.7%	33.3%
Supervisory Board			
female	0.0%	14.3%	14.3%
male	0.0%	14.3%	57.1%
all	0.0%	28.6%	71.4%

GRI disclosures

GRI [405-1]: Table 1 – Diversity of employees – Age and sex employees:		2022			2021			2020		
		under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old
InPost Group										
female	Management Team (n-1)	0.0%	0.2%	0.0%	13.7%	20.1%	2.9%	11.7%	19.3%	3.3%
	Middle management	2.7%	6.5%	0.5%						
	Other employees	13.1%	17.0%	2.0%						
	all	15.8%	23.7%	2.6%						
male	Management Team (n-1)	0.0%	0.4%	0.1%	21.7%	34.6%	7.2%	22.4%	34.2%	9.2%
	Middle management	4.6%	9.7%	1.4%						
	Other employees	16.8%	20.8%	4.2%						
	all	21.5%	30.8%	5.6%						
all	Management Team (n-1)	0.0%	0.6%	0.1%	35.4%	54.6%	10.0%	34.0%	53.5%	12.5%
	Middle management	7.2%	16.2%	1.9%						
	Other employees	30.0%	37.8%	6.2%						
	all	37.2%	54.6%	8.2%						
InPost Poland										
female	Management Team (n-1)	n/a	n/a	n/a	20.1%	25.0%	2.1%	20.1%	25.5%	2.5%
	Middle management	2.9%	6.9%	0.2%						
	Other employees	16.0%	19.9%	1.8%						
	all	18.9%	26.9%	1.9%						
male	Management Team (n-1)	n/a	n/a	n/a	23.4%	26.4%	3.0%	23.9%	24.7%	3.3%
	Middle management	5.5%	8.8%	0.3%						
	Other employees	16.8%	18.1%	2.8%						
	all	22.3%	26.9%	3.1%						
all	Management Team (n-1)	n/a	n/a	n/a	43.5%	51.4%	5.1%	44.0%	50.2%	5.8%
	Middle management	8.4%	15.7%	0.5%						
	Other employees	32.8%	38.0%	4.6%						
	all	41.2%	53.7%	5.1%						

GRI disclosures

GRI [405-1]: Table 1 – Diversity of employees – Age and sex employees:		2022			2021			2020		
		under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old	under 30 years old	30-50 years old	over 50 years old
Mondial Relay										
female	Management Team (n-1)	0.0%	0.4%	0.1%	7.2%	15.0%	3.6%	6.5%	15.3%	3.8%
	Middle management	2.1%	5.3%	1.4%						
	Other employees	6.1%	9.6%	2.8%						
	all	8.2%	15.3%	4.3%						
male	Management Team (n-1)	0.1%	0.4%	0.2%	20.0%	42.7%	11.5%	21.4%	40.0%	13.0%
	Middle management	2.7%	12.2%	4.0%						
	Other employees	17.2%	27.4%	7.9%						
	all	20.0%	40.1%	12.1%						
all	Management Team (n-1)	0.1%	0.8%	0.4%	27.2%	57.7%	15.1%	27.9%	55.3%	16.8%
	Middle management	4.8%	17.6%	5.4%						
	Other employees	23.3%	37.0%	10.7%						
	all	28.2%	55.4%	16.4%						
InPost International										
female	Management Team (n-1)	0.0%	4.9%	0.0%	16.1%	24.7%	3.2%	3.4%	25.0%	0.3%
	Middle management	2.4%	6.7%	1.2%						
	Other employees	11.0%	17.1%	0.6%						
	all	13.4%	28.7%	1.8%						
male	Management Team (n-1)	0.6%	9.1%	0.0%	18.3%	36.6%	1.1%	22.0%	49.0%	0.3%
	Middle management	0.6%	6.1%	0.6%						
	Other employees	13.4%	23.8%	1.8%						
	all	14.6%	39.0%	2.5%						
all	Management Team (n-1)	0.6%	14.0%	0.0%	34.4%	61.3%	4.3%	25.4%	74.0%	0.6%
	Middle management	3.0%	12.8%	1.8%						
	Other employees	24.4%	40.9%	2.4%						
	all	28.0%	67.7%	4.3%						

Methodology: Data includes employees (employment contract) as of 31.12.2022. 31.12.2021 and 31.12.2020 respectively.
All entities included in the calculations. Data was collected in HR systems (for Poland - Optima) and local data files were collected by responsible persons. For Mondial Relay employees. we count only permanent employees (no data for temporary).

GRI disclosures

GRI [405-2]: Ratio of basic salary and remuneration of women to men	InPost Poland		
	2022*	2021	2020
Management Team (n-1)			
Ratio of the basic salary of women to men	n/a	102.8%	90%
Ratio of the remuneration of women to men	n/a	90.3%	75.7%
Middle Management			
Ratio of the basic salary of women to men	101.9%	76.4%	77.6%
Ratio of the remuneration of women to men	95.8%	65.3%	69.1%
Other employees			
Ratio of the basic salary of women to men	85.8%	83.7%	82.7%
Ratio of the remuneration of women to men	81.1%	76.5%	76.3%

The process of collecting and unifying data on other markets is still in progress.
* None of Management Team (n-1) was meeting definition of an 'employee' according to the definition included in indicator 2-7. The data for FY2021 was based on GRI 102-8, it is not possible to provide accurate restatement.

GRI [418-1]: Substantiated complaints concerning breaches of customer privacy and losses of customer data	InPost Group		InPost Poland		Mondial Relay		InPost International	
	2022	2021	2022	2021	2022	2021	2022	2021
Substantiated complaints received concerning breaches of customer privacy	**41**	**45**	**37**	**45**	**4**	**0**	**0**	**n/a**
Complaints received from outside parties and substantiated by the organisation	39	40	35	40	4	0	0	n/a
of low severity	29		29		0		0	n/a
of medium severity	9		6		3		0	n/a
of high severity	1		0		1		0	n/a
Complaints from regulatory bodies	2	5	2	5	0	0	0	n/a
of low severity	1		1		0		0	n/a
of medium severity	0		0		0		0	n/a
of high severity	1		1		0		0	n/a
TOTAL number of identified leaks, thefts, or losses of customer data	**41**	**3**	**37**	**2**	**4**	**1**	**0**	**n/a**
of low severity	33		30		3		0	n/a
of medium severity	7		6		1		0	n/a
of high severity	1		1		0		0	n/a

Methodology: All complaints for InPost UK in 2021 are included in InPost Poland.

GRI index

Standard Number	Disclosure number	GRI Standards	Independent Limited Assurance	SDGs	UN Global Compact	Page/ Comments
General Disclosures 2021						
GRI 2	2-1	Organizational details				9
	2-2	Entities included in the organization's sustainability reporting				190
	2-3	Reporting period, frequency, and contact point				190
	2-4	Restatements of information				190
	2-5	External assurance				235
	2-6	Activities, value chain and other business relationships				6, 8, 13, 14, 16, 17, 68
	2-7	Employees	✔	SDG 8, 10		6, 102, 237
	2-8	Workers who are not employees	✔	SDG 8		102, 238
	2-9	Governance structure and composition	✔	SDG 5, 16		10, 42, 44, 48
	2-10	Nomination and selection of the highest governance body		SDG 5, 16		44
	2-11	Chair of the highest governance body		SDG 16		10
	2-12	Role of the highest governance body in overseeing the management of impacts		SDG 16		5, 41, 42
	2-13	Delegation of responsibility for managing impacts				42, 48
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	2-15	Conflicts of interest	✔	SDG 16		44
	2-16	Communication of critical concerns				66
	2-17	Collective knowledge of the highest governance body				44
	2-18	Evaluation of the performance of the highest governance body				45
	2-19	Remuneration policies	✔			51, 53
	2-20	Process to determine remuneration	✔			49, 51,
	2-21	Annual total compensation ratio	✔			239
	2-22	Statement on sustainable development strategy				4, 5

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Standard Number	Disclosure number	GRI Standards	Independent Limited Assurance	SDGs	UN Global Compact	Page/ Comments
	2-23	Policy commitments		SDG 16		64
	2-24	Embeding policy commitments				64, 68
	2-25	Processes to remediate negative impacts				57, 66, 203
	2-26	Mechanisms for seeking advice and raising concerns	✔	SDG 16		66
	2-27	Compliance with laws and regulations	✔			65
	2-28	Membership of associations				202
	2-29	Approach to stakeholder engagement	✔			201
	2-30	Collective bargaining agreements		SDG 8	Principle 3	240
Material Topics 2021						
GRI 3	3-1	Process to determine material topics	✔			190
	3-2	List of material topics	✔			191
	3-3	Management of material topics				68, 193
Economic Performance						
GRI 201	201-1	Direct economic value generated and distributed	✔	SDG 8, 9		85, 240
	201-2	Financial implications and other risks and opportunities due to climate change	✔	SDG 13	Principle 7	211
	201-3	Defined benefit plan obligations and other retirement plans				240
Market Presence 2016						
GRI 202	202-1	Ratios of standard entry level wage by gender compared to local minimum wage		SDG 5, 8		240
Indirect Economic Impacts 2016						
GRI 203	203-1	Infrastructure investments and services supported		SDG 9		85, 241
Procurement Practices 2016						
GRI 204	204-1	Proportion of spending on local suppliers	✔	SDG 8		85, 243

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Standard Number	Disclosure number	GRI Standards	Independent Limited Assurance	SDGs	UN Global Compact	Page/ Comments
Anti-corruption 2016						
GRI 205	205-1	Operations assessed for risks related to corruption		SDG 16	Principle 10	65, 66
	205-2	Communication and training about anti-corruption policies and procedures	✔	SDG 16	Principle 10	66, 242
	205-3	Confirmed incidents of corruption and actions taken	✔	SDG 16	Principle 10	65, 243
Tax 2016						
Gri 207	207-1	Approach to tax	✔	SDG 1, 10, 17	Principle 10	70
	207-2	Tax governance, control, and risk management	✔	SDG 1, 10, 17		72, 80
	207-3	Stakeholder engagement and management of concerns related to tax		SDG 1, 10, 17		70
	207-4	Country-by-country reporting		SDG 10, 17		70, 71, 243, 244
Materials 2016						
GRI 301	301-1	Materials used by weight or volume	✔	SDG 8, 12	Principle 8, 9	99, 245
	301-2	Recycled input materials used	✔	SDG 8, 12		99, 245
Energy 2016						
GRI 302	302-1	Energy consumption within the organization	✔	SDG 7, 8, 12, 13	Principle 8, 9	92, 246
Emissions 2016						
GRI 305	305-1	Direct GHG emissions	✔	SDG 3, 12, 13, 14, 15	Principle 8, 9	92, 247, 248, 249, 250
	305-2	Energy indirect (Scope 2) GHG emissions	✔	SDG 3, 12, 13, 14, 15		92, 247, 248, 249, 250
	305-3	Other indirect (Scope 3) GHG emissions	✔	SDG 3, 12, 13, 14, 15		92, 247, 248, 249, 250
	305-4	GHG emissions intensity	✔	SDG 3, 13, 14, 15		97, 251
	305-5	Reduction of GHG emission	✔	SDG 13, 14, 15		92, 251

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Standard Number	Disclosure number	GRI Standards	Independent Limited Assurance	SDGs	UN Global Compact	Page/ Comments
Waste 2020						
GRI 306	306-1	Waste generation and significant waste-related impacts		SDG 3, 6, 11, 12	Principle 8, 9	InPost mainly conducts service activities, which do not involve the generation of large amounts of waste that is difficult to manage. Therefore, we have not identified any significant impacts.
	306-2	Management of significant waste-related impacts		SDG 3, 6, 11, 12		100
	306-3	Waste generated	✔	SDG 3, 6, 11, 12		99, 252
Employment 2016						
GRI 401	401-1	New employee hires and employee turnover	✔	SDG 5, 8, 10		102, 253
	401-2	Benefits provided to full-time employee that are not provided to temporary or part-time employees		SDG 3, 5, 8		102, 254
Occupational Health and Safety 2018						
GRI 403	403-1	Occupational health and safety management system	✔	SDG 3, 8, 16	Principle 1	194
	403-2	Hazard identification, risk assessment, and incident investigation	✔	SDG 8		194
	403-3	Occupational health services	✔	SDG 8		195
	403-4	Worker participation, consultation, and communication on occupational health and safety	✔	SDG 8, 16	Principle 1	195
	403-5	Worker training on occupational health and safety	✔	SDG 8		196
	403-6	Promotion of worker health		SDG 3, 8		196
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	✔	SDG 8		195
	403-8	Workers covered by an occupational health and safety	✔	SDG 8		194, 254
	403-9	Work-related injuries	✔	SDG 3, 8, 16		194, 198, 255, 256
	403-10	Work-related ill health		SDG 3, 8, 16		194, 198, 256

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Standard Number	Disclosure number	GRI Standards	Independent Limited Assurance	SDGs	UN Global Compact	Page/ Comments
Training and Education 2016						
GRI 404	404-1	Average hours of training per year per employee	✔	SDG 4, 5, 8, 10		103, 256
	404-2	Programs for upgrading employee skills and transition assistance programs		SDG 8		103, 104
	404-3	Percentage of employees receiving regular performance and career development reviews	✔	SDG 5, 8, 10	Principle 6	103, 257
Diversity and Equal Opportunity 2016						
GRI 405	405-1	Diversity of governance bodies and employees	✔	SDG 5, 8	Principle 6	108, 257, 258, 259
	405-2	Ratio of basic salary and remuneration of women to men	✔	SDG 5, 8, 10	Principle 6	108, 260
Non-discrimination 2016						
Gri 406	406-1	Incidents of discriminations and corrective actions taken	✔	SDG 5, 8, 16	Principle 6	66
Local Communitities 2016						
GRI 413	413-2	Operations with significant actual and potential negative impacts on local communities				85
Public Policy 2016						
GRI 415	415-1	Political contributions		SDG 16	Principle 10	64
Customer Privacy 2016						
GRI 418	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	✔	SDG 16	Principle 1	260

The United Nations Global Compact's 10 Principles for Businesses

Global Compact Network Poland

		page
Principle 1	Support and respect the protection of internationally proclaimed human rights.	ESG Pillar 3, taxonomy, governance
Principle 2	Ensure that business practices are not complicit in human rights abuses.	ESG Pillar 3, taxonomy, governance
Principle 3	Uphold the freedom of association and the effective recognition of the right to collective bargaining.	ESG Pillar 3, taxonomy, governance
Principle 4	Eliminate all forms of forced and compulsory labour.	ESG Pillar 3, taxonomy, governance
Principle 5	Abolish child labour.	ESG Pillar 3, taxonomy, governance
Principle 6	Eliminate discrimination in respect of employment and occupation.	ESG Pillar 3, taxonomy, governance
Principle 7	Adopt a precautionary approach to environmental challenges.	ESG Pillar 2, Management approach
Principle 8	Conduct environmentally responsible activities.	ESG Pillar 2, Management approach
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	ESG Pillar 1
Principle 10	Fight corruption in all its forms including extortion and bribery.	Governance

ESG governance – policies, management systems, certifications, due diligence (according to NFRD)

Type	INPOST S.A./INTEGER.PL / INTEGER GROUP SERVICES / INPOST POLAND / INPOST PACZKOMATY z o.o.	MONDIAL RELAY	UK	IT
Integrated management system				
Local Policies and Documents	Integrated Management System/Quality Manual (KZSZ – Księga Zintegrowanego Systemu Zarządzania) covering: ISO 9001 – Quality management ISO 14001 – 2016 – Environmental management ISO 45001 – Occupational health and safety ISO 28000 – 2021 – Security management”	n/a	n/a	ISO 9001:2015
Environmental issues				
Local Policies and Documents	Integrated Book Management System/Quality Manual (KZSZ – Księga Zintegrowanego Systemu Zarządzania) ISO 14 001 ISO 14001:2015 – Environmental management systems	Regulatory energy audit NF EN 16247 Standart 2015-2019, Waste sorting 5 streams Decree 2016- 288 2021 Regulatory GHG Assessment 2018	n/a	n/a
Employee issues				
Group Policies and Documents	Code of Conduct			

ESG governance – policies, management systems, certifications, due diligence (according to NFRD)

Type	INPOST S.A./INTEGER.PL / INTEGER GROUP SERVICES / INPOST POLAND / INPOST PACZKOMATY z o.o.	MONDIAL RELAY	UK	IT
Local Policies and Documents	MBO regulations Working Regulations Teleworking Regulations Remuneration Policy Bonus Policy	Labour Code Road transport collective agreement (IDCC 16) Quality of life at F6 professionnal equality between menand women, and disabled workers Working hours agreement Agreement on the management jobs and career path Difficult work agreement IT Charter Home office agreement	Sickness policy Redundancy policy Paternity leave policy Maternity leave policy Managing underperformance policy Jury service policy Holiday policy Grievance policy Flexible work policy Expenses policy Equal opportunities policy Employee data protection policy Disciplinary policy Dependent leave policy COVID-19 policy Bereavement leave policy “Work from anywhere” policy	Annex to national labour agreement Covid 19 policy Cyber security Employee handbook Smartworking policy Employee data protection policy IT tools regulamentation policy
Respect for human rights				
Group Policies and Documents	Diversity and Inclusion Policy Anti-harassment and Anti-discrimination Policy Code of conduct			
Local Policies and Documents		Harassment investigation process		

ESG governance – policies, management systems, certifications, due diligence (according to NFRD)

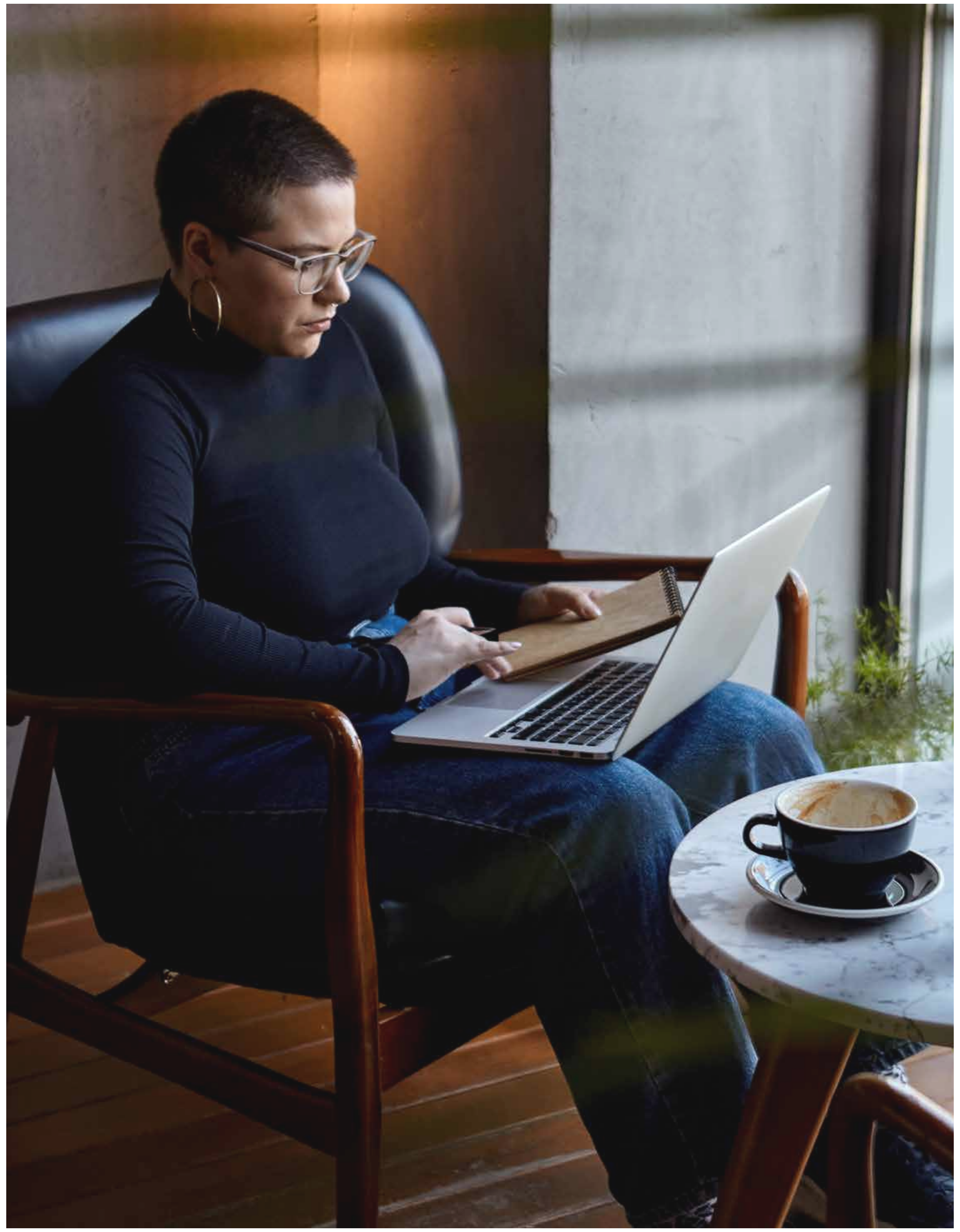
Type	INPOST S.A./INTEGER.PL / INTEGER GROUP SERVICES / INPOST POLAND / INPOST PACZKOMATY z o.o.	MONDIAL RELAY	UK	IT
Counteracting corruption, bribery (ethical issues)				
Group Policies and Documents	Code of Conduct Anti-Corruption Policy Insider Trading Policy Whistleblower Policy Stakeholder Policy			
Local Policies and Documents	**Anti-money laundering** AML/CTF Policy (Polish subsidiaries, including InPost sp. z o.o. as obliged institution under Polish Anti-Money Laundering Act)	**Anti-corrpution and conflict of interests** Carto Risques corruption MR v5 (Risk assessment) Company internal Rules; 2105 **Anti-corruption and conflict of interests** Gift polic InPost compliance rules Procédure Embargo v3 (Embargo procedure) **Gift policy** Procédure Cadeaux **Raising concerns mechanism** Otto Group Code of Ethics		
Occupational Health and Safety				
Local Policies and Documents	Integrated Book Management System / Quality Manual (KZSZ - Księga Zintegrowanego Systemu Zarządzania) ISO 45001	Committees for Health, Safety and Working Conditions (CSE); conditions commission (CSSCT)	Health and Safety policy	DVR Emergency exit plan

ESG governance – policies, management systems, certifications, due diligence (according to NFRD)

Type	INPOST S.A./INTEGER.PL / INTEGER GROUP SERVICES / INPOST POLAND / INPOST PACZKOMATY z o.o.	MONDIAL RELAY	UK	IT
Product quality				
Local Policies and Documents	Integrated Book Management System / Quality Manual (KZSZ - Księga Zintegrowanego Systemu Zarządzania) ISO 9001 Quality Policy (F_KZSZ 1 - Polityka Zintegrowanego Systemu Zarządzania)	n/a	n/a	Curiers procedures manual (not a certificate but a doc attached to the contract)
Social issues				
Local Policies and Documents	Marketing communication policy	n/a	n/a	n/a
Risk management				
Local Policies and Documents	Enterprise risk management policy	Business continuity plan (MR Plan de continuité de l'activité V 1.1 Coro- 20200312)		231 model
Cyber security issues				
Local Policies and Documents	Personal Data Security Policy	Information system security policy (PSSI Politique de sécurité du SI) GDRP IT Charter		Group policy to be implemented in 2023

Group Policies and Documents cover InPost Group

Abbreviations list



APM	Automated Parcel Machine
CFC Directive	Controlled Foreign Company Directive
CPI	Consumer Price Index
CSDDD	Corporate Sustainability Due Diligence Directive
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
CTF	Counter-Terrorism Financing Policy
C2D	Client to Door
DAC 6	Directive - Council Directive
D+1	Next Day Delivery
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
ERM	Enterprise Risk Management
EV	Electric Vehicles
FTE	Full-time equivalent
GDP	Gross Domestic Product
GHG	Greenhouse Gas Protocol
GRI	Global Reporting Initiative
IFRS	International Financial Reporting Standards
ILO	International Labour Organisation
IPO	Initial Public Offering
IVR	Interactive Voice Response
KPI	Key Performance Indicators
LTIP	Long Term Incentive Plan
MIP	Multi-Indication Pricing

NET - ZERO	An emission reduction of up to 90% of total GHG emissions and possible neutralisation by various types of treatments
NFRD	Non-Financial Reporting Directive
NGO	Non-Governmental Organisation
NPS	Net Promoter Score
OCI	Other Comprehensive Income
OECD	Organisation for Economic Co-operation and Development
OOH	Out of Home Delivery
PUDO	Pick Up Drop Off points
REC	Renewable Energy Certificates
RES	Renewable Energy Sources
rPET	Recycled Polyethylene Terephthalate
R&D	Research & Development
SBTi	Science Based Targets initiative
Scope 1, 2, 3	Categories of emissions according to GHG Protocol Methodology
SDGs	Sustainable Development Goals
SMEs	Small Medium Enterprises
STIP	Short Term Incentive Plan
TCFD	Task Force on Climate-Related Financial Disclosures
to-door	Delivery to the address
UX	User Experience
VCM	Value Creation Model
WACC	Weighted Average Cost of Capital

Icon glossary

- Financial
- Manufactured
- Intellectual
- Human
- Social and relationship
- Natural
- Customers
- Cities
- Retailers
- Shareholders
- Governments
- Banks
- Suppliers
- Employees
- NGO
- Mission
- Purpose
- VIsion
- IN_CLIENT (I ESG Pillar)
- IN_PLANET (II ESG Pillar)
- IN_PEOPLE (III ESG Pillar)
- Merchants
- Nature
- Poland
- ESG

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