

INTER CARS GROUP 2023 SUSTAINABILITY REPORT

Report presenting non-financial information
of Inter Cars S.A. and the Inter Cars Group

25 April 2024

SUSTAINABLE AUTOMOTIVE FOR PEOPLE AND CLIMATE



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01

INTRODUCTION

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1.1. LETTER OF THE PRESIDENT OF THE MANAGEMENT BOARD OF INTER CARS S.A.

[GRI 2-22]



Maciej Oleksowicz
President of the Board
of Inter Cars S.A.

Dear Madams and Sirs,

The key message regarding the year 2023 is that it opened a new chapter in our history as the Board accepted the revised Inter Cars Group Sustainability Strategy. Owing to management's contribution to its development, it has integrated our business strategy with opportunities and challenges resulting from ESG factors as identified in our entire value chain (beginning from suppliers all the way through our clients, i.e. garages). It defines five sustainability pillars and ten commitments we will strive to fulfil by the end of 2030.

In the Strategy, we have set two very ambitious carbon footprint reduction goals accepted by Science Based Targets initiative. Thus, we have joined the exclusive group of a dozen Polish companies that have taken a similar path to set their goals in line with the latest science. We are particularly proud of having developed a decarbonisation strategy implementation plan at the same time assuming the growth of our business.

At the end of 2023 we signed an annex to the term and revolving loan agree-

ment concluded with a consortium of banks. The annex includes certain sustainability provisions, the details of which you can learn reading the report.

Moreover, we have clearly demonstrated our pro-active attitude regarding ESG. We are aware, though, that sustainability cannot be limited to individual initiatives, as it needs cooperation to achieve a synergy effect and changes whose scale will be adequate to the faced challenges. Therefore, we got involved in the establishing of Forum on Automotive Aftermarket Sustainability (FAAS), an European association incorporated by CLEPA and FIGIEFA (European industry organizations) with the objective to monitor the progress of sustainable development and promote eco-friendly practices and solution on the automotive aftermarket. Our representatives actively contribute to working groups meetings carried out by the organisation.

When performing all these activities, we have been focusing on well-orchestrated development on a number of European markets, which has enabled us to maintain the leadership in

Central and Eastern Europe, being the second biggest European distributor of spare parts for passenger cars and the biggest distributor of spare parts for utility vehicles. At the same time, we keep winning new market shares. Inter Cars is the world's sixth largest distributor of spare parts for vehicles¹.

Being the aftermarket leader, though, we want to make more decisions that support our sustainable development, for example in relation to the circular economy. For this reason, in 2023 we established a new unit, Remanufacturing and Circular Economy Department, which coordinates the expansion of our offer of remanufactured and second-hand spare parts, improves garage owners' awareness of benefits resulting from the use of such spare parts and develops Lauber spare parts remanufacturing facility.

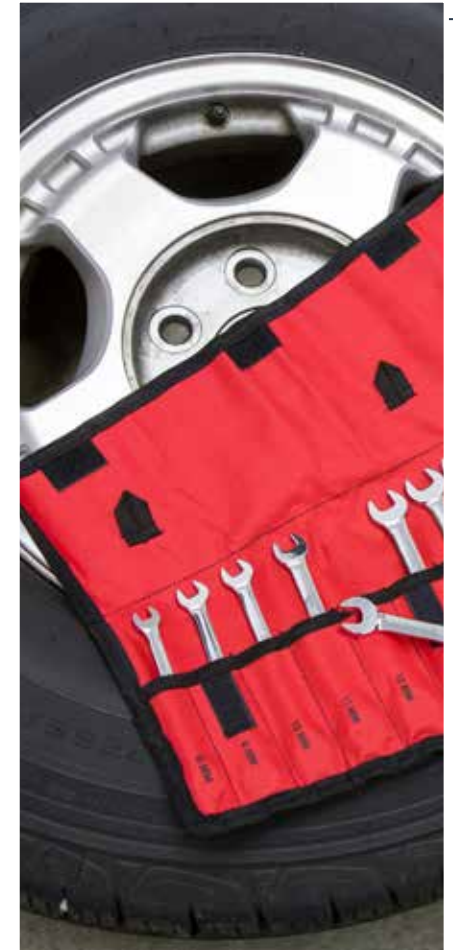
We are aware of the importance of actions reducing the scale of climate change; thus, we want to actively participate in the transformation of the automotive market. This is one of the reasons why we are launching sales of electric utility vehicles. We know, though, that the automotive sector needs evolution that would allow maintaining continuity of supply chains

and the mobility we all need to live. We believe that the evolution should be founded on neutrality and free technological competition. Therefore, we have been improving our offer to allow garages repair traditional engine cars already present on the market, at the same time offering effective maintenance of vehicles with new engine types. To this end, we not only expand our product offer but, first and foremost, support garage employees in gaining new skills, knowledge and equipment necessary to adjust to market needs and technology developments in this respect. We can benefit from the current scale of our operations, which enables us to adjust our offer and support each facet of the transformation in order to maintain mobility, at the same time respecting environmental and social needs and considering challenges faced by the automotive industry.

Each year a team of nearly 150 representatives of all Inter Cars Group companies collects data that enable us to present the outcome of our sustainability initiatives. I want to thank the team for their involvement. I believe that owing to reliable reporting, the public opinion can learn what organi-

sation, employer and business partner our firm is. For this reason, we have submitted this report for the first time to voluntary, external, independent assurance. I warmly encourage you to read it thoroughly.

**Yours sincerely,
President of the Management Board
Maciej Oleksowicz**



¹ Based on own analysis of publicly available financial reports, market reports, reports from suppliers and reports from purchasing groups.

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GENERAL INFORMATION

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**KEY FACTS
AND NUMBERS**
1st place

in Central and Eastern Europe

2nd place

in Europe

6th place

place globally in distribution
of spare parts for passenger
and utility carsh

PLN 651 mln

economic value retained
for Inter Cars Group

2.1. ABOUT THE GROUP

For years, the Inter Cars Group has been the leader in the distribution of spare parts for passenger cars and trucks on the Polish automotive market. Our offer includes over 4.7 million products, among others spare parts to passenger and utility cars, batteries, tyres, oils, as well as spare parts for motorcycles, agricultural and industrial machinery, garage equipment, accessories for drivers and products for the marine industry. Along with spare parts, we supply garages with everything they need to repair vehicles: software, training and funds. Owing to well-orchestrated development on many European markets we have won the first place in Central and Eastern Europe, the second place on the continent and the sixth place globally in world's sales rankings. Besides, we rank first in Europe in sales of spare parts for utility cars.

KEY COMPANIES IN THE INTER CARS GROUP

[GRI 2-1]

The Inter Cars Capital Group (henceforth: "Inter Cars Group" or "Group") includes the parent company, Inter Cars S.A. (henceforth: "Company") and 40 other entities: 35 subsidiaries, 2 jointly controlled companies, 3 indirect subsidiaries. Additionally, the Group holds shares in one associated entity.

The parent entity, Inter Cars S.A., is listed on Warsaw Stock Exchange in the continuous trading system.

Shareholders of Inter Cars S.A.



Key Group companies:

Inter Cars S.A.

The parent company with its registered office in Warsaw. Since 2004 listed on Warsaw Stock Exchange. The Group comprises also, inter alia, the following:

ILS Sp. z o.o.

The company is in charge of providing comprehensive logistic services including warehouse operation and handling of goods for Inter Cars Group companies and third parties.

Feber

A vehicle production facility offering among others dump trucks with aluminum and steel bodies, flatbed, specialist and export semi-trailers, trailers and two-axle bogies. Other services offered by the Company include borrowing of specialist vehicles and post-accident repairs.

Lauber Sp. z o.o.

One of the largest production facilities specialised in remanufacturing of spare parts for vehicles in Central and Eastern Europe. After the treatment, the parts fulfil the standards applicable to new products and are provided with two-year warranty.

Q-service Truck Sp. z o.o.

The company runs a garage specialising in inspections and repairs of utility cars (authorised to repair ZF gearboxes). An authorised dealer of Isuzu cars, also in charge of distribution and development of the Ford Trucks dealer network in Poland.

Armatus sp. z o.o.

A dealer of vehicles offered by BYD Trucks, a world leader in zero-emission vehicles.

Inter Cars Fleet Services Sp. z o.o.

The company repairs fleet cars.

Inter Cars Fleet Services Sp. z o.o.

The entity has been incorporated to coordinate and integrate all communication and image-building initiatives of the Inter Cars Group.

The Group includes also 26 distribution subsidiaries.

As at 31 December 2023 Inter Cars S.A. held the following shares:

- 50% of shares in DANXILS, a joint venture incorporated as a result of cooperation between ILS and DANX;
- 50% of shares in Intermeko Europe, a joint venture incorporated to monitor product quality using lab tests;
- 33% of shares in Partslife International Kft.






As at the report date, the full structure of the Inter Cars Group is available in the *Consolidated Annual Report for the period from 1 January to 31 December 2023*.

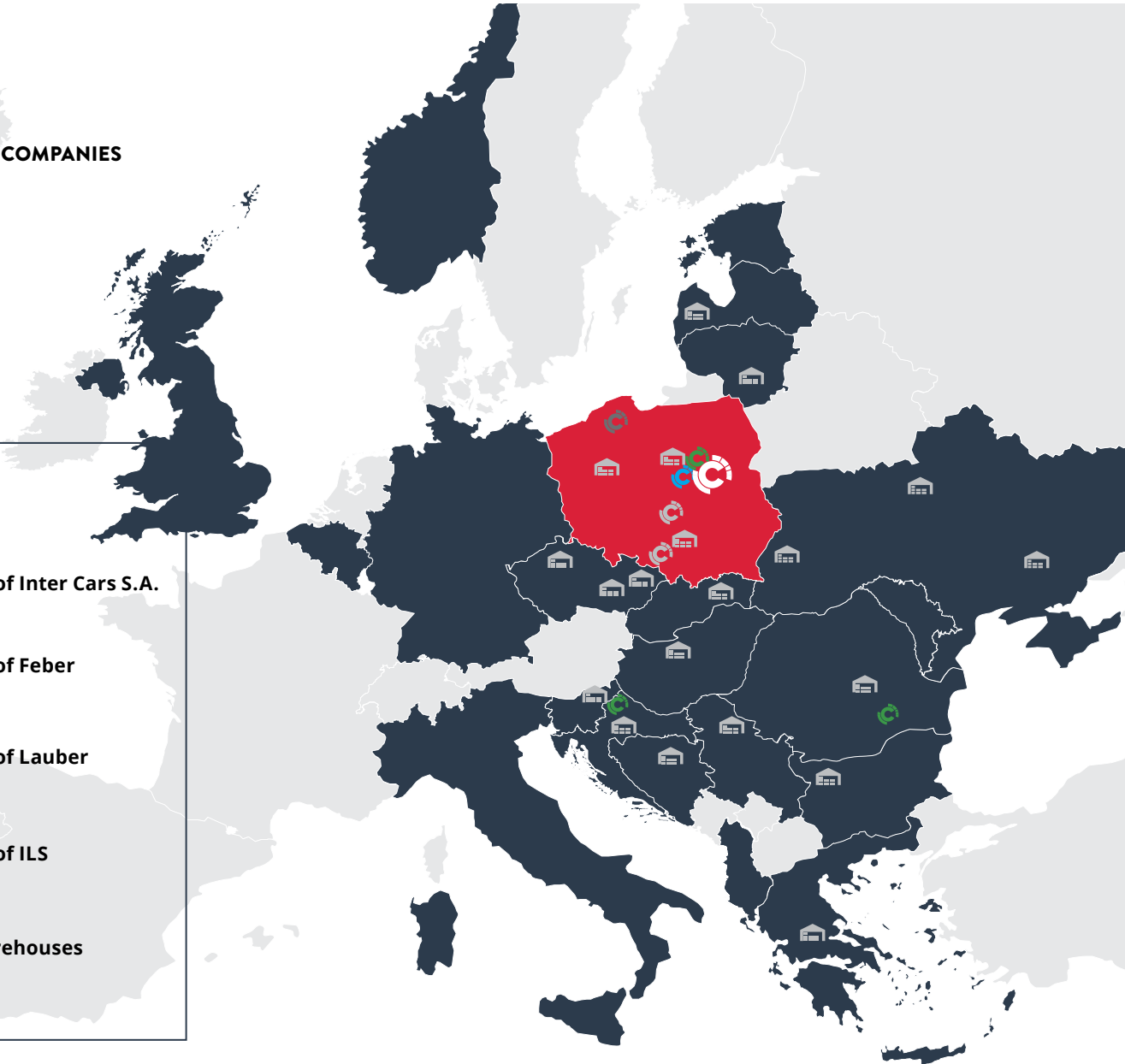
Consolidated Financial Report of the Inter Cars Group for 2023



In 2023, no material changes in the Group's structure occurred that would affect Group impact on sustainability. All changes are included in the Consolidated Report referred to above.

LOCATION OF KEY INTER CARS GROUP COMPANIES [GRI 2-1]

-  Registered office of Inter Cars S.A.
-  Registered office of Feber
-  Registered office of Lauber
-  Registered office of ILS
-  Key Inter Cars warehouses



- Key warehouse locations**
- Albania
 - Belgium
 - Bosnia and Herzegovina
 - Bulgaria
 - Croatia
 - Czechia
 - Estonia
 - Greece
 - Lithuania
 - Latvia
 - Moldova
 - Norway
 - Germany
 - Romania
 - Serbia
 - Slovakia
 - Slovenia
 - Ukraine
 - Hungary
 - UK
 - Italy

MISSION AND VISION OF THE INTER CARS GROUP

Our mission

Our customers see us as a leader in every segment in every market that is customer-friendly (pro-client) regardless of their size or specializations. We invest in development to provide innovative and comprehensive solutions for workshops and drivers. We offer safe and predictable cooperation for joint development. We are a guide leading customers through the process of dynamic changes in the IAM market, in particular when zero-emission vehicles come into force. Our internal processes are characterized by flexibility and rapid response to changes in the environment.



Vision

- We are a stable, ambitious and innovative company and we remember the importance of building customer loyalty, long-term relationships with our partners and optimizing existing processes.
- We develop core-business in the field of product offerings, logistics of distribution networks based on unique knowledge, in these areas. We care about responsible business development in accordance with the motto "Sustainable automotive, for people and climate".
- We focus on ensuring the safe and long-lasting use of cars, giving widespread and competitive access to high quality car parts, professional knowledge and modern tools.
- We invest in sustainability, supporting our suppliers, business partners and customers in green transformation and reducing the carbon footprint of our operations.
- By developing the market for remanufactured and used car parts, and cooperation with garages on responsible waste management, we are consistently moving towards a circular economy.
- We build an environment of motivated people, employees-friendly companies, business partners, where people are engaged and care about the company as their own. We want to be a company that employees recommend and want to work for.
- Our stakeholders see the company as profitable and growing faster than the competition. We are the market leader in Europe for IAM (Independent Parts Market) in Europe.

Values

Our operations are based on the value system adopted by the firm, owing to which we gain long-term competitive advantage and win the trust of both employees and clients:



Passion and involvement



Partnership



Reliability



Leading by example



Loyalty

PROFESSIONAL MEMBERSHIP

[GRI 2-28]



Inter Cars S.A. is a member of **Association of Automotive Parts Producers and Distributors (SDCM)**. Krzysztof Soszyński, Vice-President of the Board of Inter Cars S.A., is a management board member of SDCM. SDCM is a member of CLEPA (European Association of Automotive Suppliers) and FIGIEFA (Association of Automotive Aftermarket Distributors).



Besides, Inter Cars S.A. is one of a founders of **Forum on Automotive Aftermarket Sustainability (FAAS)**, a new European non-profit organisation incorporated by CLEPA and FIGIEFA in order to monitor the sustainable development progress and promote eco-friendly practices and solutions on the automotive aftermarket.

BUSINESS AWARDS AND RECOGNITION

In 2023 we received a series of awards, among others the ones presented below.

For business and innovation achievements:

- **4th place** on the list of Largest Polish Private Investors Abroad ("Forbes" ranking)
- **28th place** on the List of 500 of "Rzeczpospolita" Daily
- **17th place** in the ranking of 200 largest Polish companies by "Wprost" Weekly
- **28th place** on the List of 2000 by "Rzeczpospolita" Daily, where largest Polish firms are ranked by sales revenue

- **10th place** in the ranking of 100 largest private Polish firms by "Forbes" in cooperation with Haitong Bank
- **33rd place** in the ranking of Top 200 Polish Brands by "Forbes"

HR awards:

- **Awarded** with "Human Capital Investor" certificate
- **Awarded** with "Top Quality HR" 2023 certificate
- **Included in the ranking of Top 50 Polish Employers 2023** by "Wprost" Weekly and Best Employer in the automotive sector.



2.2. CORPORATE GOVERNANCE



High quality and diligence level of corporate governance underlie all relationships and business initiatives of Inter Cars. This priority is reflected in our Sustainability Strategy revised in

2023, where corporate governance and management principles are considered one of the five pillars involving specific commitments and continuous improvement of the Group. Corporate governance and sustainability aspects are supervised by both top management bodies of our organisation and dedicated departments.

Jacek Piotrowiak

Managing Director of Corporate and Legal, General Counsel

Since the date of its IPO, Inter Cars S.A. has followed corporate governance principles adopted by Warsaw Stock Exchange. The Management Board of Inter Cars S.A. has adopted the principles specified in "Good Practices of Companies Listed on WSE 2021" (GPCL WSE) that came into force on 1 July 2021 following Resolution no. 13/1834/2021 by the WSE Supervisory Board of 29 March 2021.

Good Practices of Companies Listed on WSE 2021 include the currently binding set of corporate governance principles and procedures that affect market relations of listed companies. In line with these standards, issues regarding the operation of key management bodies of the Inter Cars Group: the Board and Supervisory Board, have been regulated.

Articles of Association and regulations regarding corporate governance in Inter Cars S.A.]



STRUCTURE OF MANAGEMENT BODIES

General Meeting is the top authority of the Company, being in charge of, among others, electing its Supervisory Board members. Detailed competencies of the General Meeting are determined in the Articles of Association of Inter Cars S.A. Principles of participation in the General Meeting and exercising the voting rights are set in the General Meeting Rules. The document includes provisions regarding the manner of calling and cancelling the General Meeting, its opening, proceeding and election of Supervisory Board members. Matters to be discussed during General Meetings are opined by the Supervisory Board.

[GRI 2-9] [GPW G-P1] [GPW G-P2] The Management Board of Inter Cars S.A. is the managing and executive body of the Company. Two members of the Management Board or one member and a proxy are required to make statements of will and sign documents on behalf of the Company. The Management Board's office term lasts four years, and the current one began on 31 May 2022. The decision on the composition of the Management Board is made by the Supervisory Board, in accordance with the provisions of generally applicable law and the Company's Articles of Association. The company does not have a diversity policy towards the Management Board.

In 2023, the composition of the Management Board did not change and included:

- Maciej Oleksowicz, President of the Management Board of Inter Cars S.A.;
- Krzysztof Soszyński, Vice President of the Management Board;
- Wojciech Twaróg, Member of the Management Board;
- Piotr Zamora, Member of the Management Board.

In December 2023, the Supervisory Board decided to appoint Wojciech Aleksandrowicz a new member of the Management Board as of 1 January 2024, for the period of the current four-year office term commenced on 31 May 2022.



**[GRI 2-10]**

The Management Board members are appointed for a joint four-year term of office and dismissed by Supervisory Board's resolution. The Management Board consists of three to nine members, whose number is set by the Supervisory Board. Each member of the Management Board can be dismissed or suspended by the Supervisory Board or the General Meeting. A shareholder or non-shareholder may be appointed a Management Board member. The Supervisory Board appoints President of the Management Board and, possibly its Vice President from among Management Board members. When appointing Management Board members, the Supervisory Board considers first of all the interest and needs of the Company. Therefore, it focuses on competencies, specialist knowledge, professional experience and the understanding of Company's industry.

[GRI 2-9] [GPW G-P1] [GPW G-P2]

The Supervisory Board of Inter Cars S.A. supervises all aspects of the Company's operations on a continuous basis. The Chairman of the Supervisory Board is elected by the General Meeting for a five-year office term. The Supervisory Board consists of six members, two of which (33%) are independent.

Competencies of the Supervisory Board:

- Elect members of the Company Management Board;
- Evaluate financial statements of the Company;
- Audit Management Board's report;
- Analyse Management Board's proposals concerning profit distribution or loss coverage;
- Report to GM on the above audits and analyses;

- Select a statutory auditor to audit financial statements of the Company;
- Determine principles remuneration of Management Board members.

In 2023 the composition of the Supervisory Board of Inter Cars S.A. did not change. As at 31 December 2023, the composition of the Supervisory Board was as follows:

- **Andrzej Oliszewski**, Chairman;
- **Jacek Klimczak**;
- **Radosław Kudła**, independent member;
- **Piotr Płoszajski**;
- **Jacek Podgórski**, independent member;
- **Tomasz Rusak**.

[GRI 2-10]

Supervisory Board election procedures are determined by the law, Articles of Association and General Meeting Rules.

The Supervisory Board includes five to thirteen members appointed by the General Meeting. The General Meeting appoints the Supervisory Board Chairman. The Supervisory Board may

appoint its Vice Chairman from among other members. The number of the Supervisory Board members is set by the General Meeting. The office term of the Supervisory Board lasts five years and includes all members. Members of the Supervisory Board may be re-appointed for subsequent office terms. When appointing Supervisory Board members, the General Meeting considers first of all the interest and needs of the Company. Therefore, it focuses on competencies, specialist knowledge, professional experience and the understanding of Company's industry, as well as independence aspects as defined by the current law. In line with Best Practice of GPW Listed Companies at least two Supervisory Board members should meet the criteria of independence. Each candidate to the position of a Supervisory Board member is obliged to provide the Company with a statement regarding the fulfilment of the independence criteria determined by the current law.

[GRI 2-11]

The Supervisory Board Chairman is not a member of top management of the Inter Cars Group. The President of the Management Board of the Company has been granted the power of proxy by Inter Cars Group companies, i.e. Armatus and Q-Service Truck.

[GRI 2-9]

The current composition of the Management Board and Supervisory Board ensures diversity of education, specialist knowledge and professional experience. Detailed information on the competencies of each member of the Management Board and Supervisory Board, as well as their brief curricula are available on the Investor Relation webpage². Serving as a member of the Company's Management Board is the main area of professional activity of each Management Board Member.

About Inter Cars Group
– The Management Board



Since 2017, the **Supervisory Board's Audit Committee** has been operating in the Company. Its responsibilities include supervising financial reporting and internal control systems, internal audit and risk management. It also monitors financial audit processes.

The Supervisory Board's Audit Committee comprises at least three members, including its Chairman. All of them are appointed by the Supervisory Board from among its members.

As at 31 December 2023, the composition of the Committee was as follows:

- **Radosław Kudła**, Chairman;
- **Andrzej Oliszewski**;
- **Jacek Podgórski**.

[GRI 2-18]

Management Board's activities regarding ESG are evaluated by the Supervisory Board, which supervises all aspects of Company's operations on a continuous basis. Sustainability issues are discussed during Supervisory Board meetings. Additionally, the Supervisory Board prepares and presents General Meeting with annual reports including the assessment of Company's standing, its internal control systems, risk management, compliance and internal audit function; evaluation of Company's performance of its information obligations, as well as of reasonableness of its sponsoring and charity-related policy. When monitoring internal controls effectiveness, risk management, compliance and

internal audit function, those in charge of internal audit at least once a year present the Supervisory Board with a report assessing the effectiveness of these systems and functions.

RISK MANAGEMENT

The goal of the risk management function is to increase the probability of achieving goals determined in the *Business Strategy* and *Sustainability Strategy*. The Inter Cars Group has adopted *Risk Management Policy*, which describes in detail risk management goals, assumptions and model, as well as the related key roles played by:

- **Risk Management Team** consisting of a fixed group of experts whose tasks include risk mapping and risk management process performance in their respective business areas. The team includes also ad hoc experts. i.e. process participants with broad knowledge of their reporting organisational units.
- **Risk Management Coordinator**, whose responsibilities include planning and organising of the Risk Management Team's work.
- **Risk Management Committee**, to which both the Coordinator and Risk Management Team report. The Committee consists of holders of management positions in the Group.



ESG risks constitute an integral part of the risk management system in the Inter Cars Group and undergo the same analytical and management procedures as other risks identified in the course of business operations. When identifying and analysing risks, the entire value chain described in the business model of the Inter Cars Group is included. Additionally, climate risks are described in detail in section 4.4 Climate Risks.

² No representatives of external stakeholders or underrepresented social groups are members of the Management Board and Supervisory Board.

2.3. BUSINESS MODEL AND STRATEGY

[GRI 2-6] [GPW I-P1]

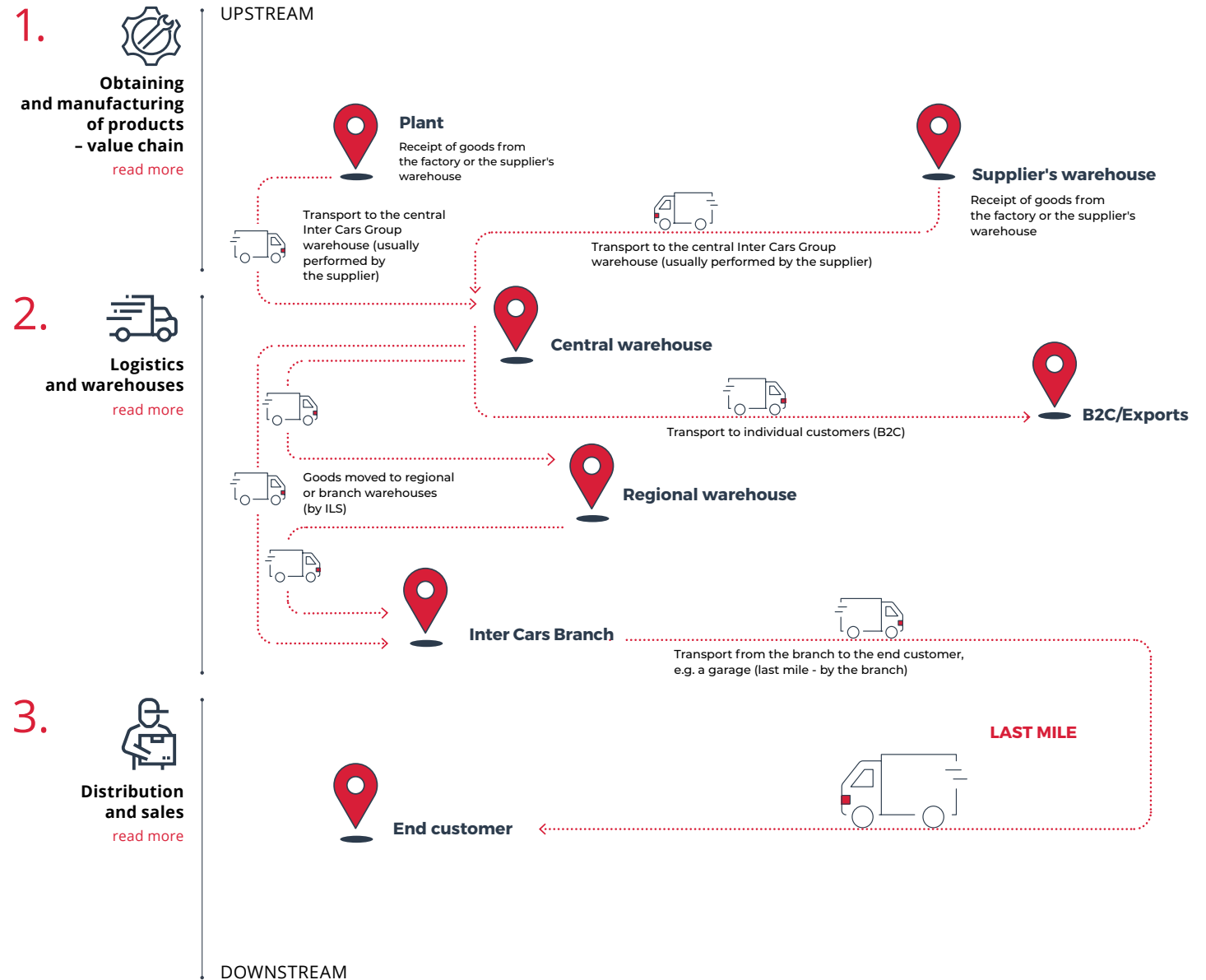
The core business of the Inter Cars Group includes distribution and sales of spare parts. In this respect, Inter Cars is the aftermarket leader both in Poland and in Europe.

The independent aftermarket includes two key segments:

1. Original equipment market for vehicle manufacturers.
2. Automotive aftermarket, which includes:
 - spare parts sold by car manufacturers under their own brands;
 - products offered by independent specialised original equipment manufacturers;
 - equivalents of quality comparable to the original equipment, offered by independent manufacturers;
 - remanufactured products of quality comparable to new parts, with similar warranty terms.

The effective operation of the independent aftermarket results from cooperation between manufacturers and distributors of spare parts.

OUR BUSINESS MODEL FOCUSES ON THREE MAIN AREAS:



KEY STAKEHOLDER GROUPS

[GRI 2-29] [GPW I-P5]

Each tier of the presented value chain of the Inter Cars Group is based on partnership relations, close collaboration and shared growth, as proven by our long-term successful cooperation with the same suppliers and entities operating distribution and sales points.

Key stakeholder groups have been defined based on an analysis of the value chain and value generating model adopted by the Inter Cars Group. The strategy and business model pursued by the Group is based on effective collaboration with these groups.

INTER CARS KEY STAKEHOLDER GROUPS³

Stakeholder group	Key goal of the dialogue	Selected stakeholder involvement methods
FINANCIAL MARKET REPRESENTATIVES <ul style="list-style-type: none"> • Shareholders • PFSA • WSE • Investors • Commercial banks 	Obtaining capital to allow rapid growth and achievement of business goals set by the Inter Cars Group.	<ul style="list-style-type: none"> • Quarterly presentations for investors • Press interviews and meetings • Individual meetings
SUPPLIERS <ul style="list-style-type: none"> • Manufacturers of spare parts: <ul style="list-style-type: none"> – Premium brands – Own brands – Remanufactured parts • Transport service suppliers • Other product and service suppliers 	Building a broad portfolio of spare parts to act as one-stop shop for all garages.	<ul style="list-style-type: none"> • Continuous direct contact • Industrial and individual meetings • Surveys and polls
OPERATORS OF DISTRIBUTION AND SALES POINTS (BRANCHES) <ul style="list-style-type: none"> • Owners • Employees 	Building reliable, fast and efficient sales and distribution network	<ul style="list-style-type: none"> • Continuous direct contact • Invitations to participate in employee involvement surveys
CLIENTS <ul style="list-style-type: none"> • Businesses: garages • Fleet operators • Individual vehicle users 	Ensuring diversified, commonly available portfolio of spare parts and services to meet their current and future needs.	<ul style="list-style-type: none"> • Continuous direct contact • Large group meetings (business clients) • Meeting at client's premises • Satisfaction polls • Opinion polls

³ Compared to the report for 2022, we have clarified the classification of material stakeholder groups.

INTER CARS KEY STAKEHOLDER GROUPS



Stakeholder group	Key goal of the dialogue	Selected stakeholder involvement methods
EMPLOYEES AND CONTRACTORS <ul style="list-style-type: none"> • Of Inter Cars S.A. • Of distribution companies (including warehouses) • Of manufacturing and auxiliary companies 	Organising an experienced, motivated and satisfied team to build the Inter Cars brand, at the same time providing professional growth opportunities based on transparent, easily accessible career paths.	<ul style="list-style-type: none"> • Training and development programmes • Involvement surveys and employee polls • Internal meetings the frequency of which matches a given career path tier • Internal and external communication tools, including intranet and social media
PUBLIC INSTITUTIONS AND REGULATORY BODIES	Ensuring compliance with requirements and regulations, supporting the development of new market principles, including good practices.	<ul style="list-style-type: none"> • Constructive dialogue • Reports compliant with regulatory requirements • Participation in industry conferences • Regular and ongoing contact
INDUSTRY ORGANISATIONS <ul style="list-style-type: none"> • SDCM • FAAS • FIGIEFA 	Ensuring fair access to independent aftermarket of spare parts and technologies. Building awareness of challenges, opportunities and market changes among cooperators.	<ul style="list-style-type: none"> • Conferences, webinars • Online and offline meetings • Topical working groups
COMMUNITIES <ul style="list-style-type: none"> • Partners and beneficiaries of the Inter Cars Foundation • Schools educating future mechanics • Local communities around key logistic centres 	Building long-lasting partnerships to improve the quality of life and protect health. Supporting local economies	<ul style="list-style-type: none"> • Individual meetings • Conferences • Surveys and polls • Grant programmes

BUSINESS STRATEGY

The Inter Cars Group benefits from the economy of scale; its activities are based on smaller, specialised business segments. Owing to such an approach, our business model allows agile and flexible operation and competing with both large and smaller firms.

The governing strategic objective of Inter Cars S.A. is to build shareholder value through optimised use of available material and intellectual resources and through implementation of development programmes in areas related to services provided by the Company.

Our priorities:

Logistics

Another element of building Inter Cars' competitive advantage is the continuous improvement of the supply chain and logistics services. As part of Inter Cars, there is a specially dedicated company ILS sp. z o.o. (ILS), which acts as a specialized logistics entity. Its task is to organize the flow of goods from producers to the subsidiaries of Inter Cars.

Assortment development

Inter Cars already offers the widest range of car parts in Europe. However, focusing on the constant development of the assortment, the company constantly introduces new and develops existing assortment lines and adapts them to the market expectations in terms of part quality, prices and technical support from part manufacturers.

Development of affiliate programs

Partner programs add value to the product offering, such as workshop equipment programs, training, technical service, development of IT systems to support sales and the continuous development of the MotoIntegrator Partner workshop network (Q-Service Castrol, Networks of parts manufacturers such as Bosch Car Service, Premio) and Q-Service Truck.

Development of the distribution network in Poland and abroad

Inter Cars already has 632 branches, including 246 branches in the country. The company provides organizational and logistic knowledge, capital, IT systems, full assortment and its availability, as well as the trademark. The strategic goal is the continuous development of the distribution network built so far and so effectively.

Development of MotoIntegrator.pl and fleet program














MotoIntegrator is a platform that helps drivers find a solution to a car problem in a professional workshop, recommended by Inter Cars. The priority is the development of the sales of parts with a service (s-commerce) pillar. The aim is to constantly increase the sales volume for both the retail customer and the customer with the car fleet of the service he needs and direct him to the workshop recommended by Inter Cars.

BUSINESS SEGMENTS OF THE INTER CARS GROUP

[GRI 2-6]

The Inter Cars Group operates in the OEM segment (and, to a little extent, the remanufactured parts segment) supplied mostly to garages. We are able to benefit from the scale of our operations, which are divided into specialised business segments in order to improve efficiency and flexibility, and thus our competitive advantage.

Our key business segments combining into one consistent system:

-  1. PKW (passenger cars)
-  2. LKW (trucks)
-  3. Body parts
-  4. Tyres
-  5. Batteries
-  6. Oils
-  7. Garage equipment
-  8. Accessories
-  9. Off highway
-  10. Moto parts
-  11. Industry
-  12. Tuning
-  13. Marine

RESULTS AND VALUE CREATED IN THE INTER CARS BUSINESS MODEL

Owing to operations based on the above business model and the implementation of assumptions underlying the presented business strategy, in 2023 we both maintained our leadership position on the CEE aftermarket and advanced to the sixth place in global rankings. In 2023, the Inter Cars Group generated sales revenue of PLN 18 031 mln and EBITDA

of PLN 1 217 522 thousands, providing workplaces to 4 363 employees. Detailed information on the financial performance of the Group is available in *Consolidated Annual Report for the period from 1 January to 31 December 2023*, while details of our social and environmental impact is described in subsequent sections hereof.

KEY FINANCIAL INDICATORS OF INTER CARS S.A. AND INTER CARS GROUP

[GRI 201-1]

	Direct economic value generated and distributed [PLN million]			
	Inter Cars S.A.		Inter Cars Group	
	2023	2022	2023	2022
Direct economic value generated (revenue)	11,984	10,502	18,128	15,379
Revenues from sales and their equivalents	11,806	10,327	18,031	15,285
Net product sales	0	0	106	86
Net goods and material sales	11,735	10,269	17,636	14,887
Net vehicles sales	0	0	242	259
Income service sales	71	58	47	53
Other operating revenues	17	52	77	66
Financial revenues	161	123	20	28
Economic value distributed (costs)	11,690	9,989	17,477	14,640

Operating costs	11,117	9,531	16,337	13,655
Amortisation and depreciation	42	39	182	155
Consumption of materials and energy	36	32	301	266
External services	1,943	1,698	3,102	2,609
Royalties	49	43	0	0
Inventory change	0	0	4	6
Cost of products sold	0	0	-183	-163
Other costs by category	34	25	162	150
Value of goods and materials sold	9,013	7,694	12,772	10,630
Other operating expenses	94	52	107	166
Financial costs (excluding interest paid to creditors)	18	22	46	45
Employee wages and benefits	186	144	626	486
Total expenditure on employee wages and benefits	154	122	509	397
Social security premiums and other benefits	32	22	117	89
Payments to providers of capital	141	114	150	119
Dividends paid to all shareholders	10	20	10	20
Interest payments to creditors	131	94	140	99
Payments to government	130	121	208	167
All of the organization's taxes (excluding deferred taxes)	130	121	208	167
Related penalties	0	0	0	0
Community investments	4	3	4	4
Voluntary donations	4	3	4	4
Economic value retained	294	513	651	739

INTER CARS GROUP VALUE CREATION MODEL

(INPUT)

(OUTPUT, OUTCOME)

FINANCIAL CAPITAL

- PLN 4,437,468 thousand of equity capital
- PLN 2,119,630 thousand of debt capital, including 91% of Sustainability Linked Loan (SSL)

NON-FINANCIAL CAPITAL

INTELLECTUAL AND HUMAN

- Know-how resulting from over **30 years of** automotive aftermarket **experience**
- Organically grown, **partner-type model of distributing** spare parts to garages
- **Competency centres** located among others in manufacturing companies (Feber, Lauber)
- **Unique knowledge of spare parts storage and flows of goods** (ILS)
- **4,372 employees and 701 contractors**

PRODUCTION

- **Over 400,000 sq. m of warehouse space**, including three logistic centres in Poland and 18 warehouses in Europe (apart from Poland)
- **Distribution and sales infrastructure** including 246 branches in Poland and 376 in Europe
- **IT systems and tools** used to support the flow of goods, integrated with functionalities dedicated to garages
- **Machines and equipment in manufacturing companies** used to produce semi-trailers and remanufacture spare parts (Feber, Lauber)



CONSOLIDATED SALES REVENUE:

- Consolidated sales revenues: PLN 18,030,309 thousand
- Net profit PLN 700,297 thousand, EBITDA: PLN 1,217,522 thousand
- CAPEX classified in the Taxonomy: PLN 153,755 thousand, total CAPEX: PLN 481,576 thousand

NON-FINANCIAL PERFORMANCE AND VALUE

VALUE FOR CLIENTS

Common access to spare parts in the form of one stop shop including:

- Offer addressed to **all garages on 19 markets**
- **4.7 million of products** offered
- **0.6 million spare parts available at once**
- **Premium brands, midrange products and remanufactured parts**
- Spare parts for **all vehicle types**, from passenger cars, agro machinery, all the way through buses, trucks and industrial vehicles
- **Accessories and equipment** necessary for garages to operate
- **Option to deliver goods directly to garages even several times a day** (according to needs arising from the repair process)

Additional support in garage management and daily routine:

- **IT tools and software:** eCat, eSOWA, Haynes Pro
- **Training for garage owners and mechanics; training programmes for young employees**
- **Support in car diagnostics and repairs in the form of an expert hotline** used in 2023 by 2,851 clients
- **Assistance in garage waste management and in the fulfilling of obligations imposed by environmental and OHS regulations; 2,801 garages** in the Bio Service programme
- **Funding** the development and equipment of garages
- **Support in marketing initiatives**, among others through Motointegrator.com



SOURCING AND MANUFACTURING

[read more](#)


LOGISTICS AND STORAGE

[read more](#)


DISTRIBUTION AND SALES

[read more](#)

NATURAL CAPITAL

- 81,087 GJ of consumed electricity
- 125,984 GJ of consumed fuels
- 65,653.60 cubic meters of consumed water



ENVIRONMENTAL IMPACT

- **15 128 tCO₂e** – Scope 1 and 2 **carbon footprint**; 1 681 615 tCO₂e in Scope 3 (26% less than in 2022)
- **Supporting the growth of remanufactured parts market**
 - Remanufacturing of parts (Lauber) and sales of remanufactured items provided by external suppliers (over 500,000 remanufactured parts sold in 2023)
 - Collecting cores for remanufacturing from the market and returning them to suppliers (over 250,000 cores returned to suppliers of remanufactured parts in 2023)

SOCIAL AND RELATIONAL CAPITAL

- Cooperation with nearly 1,600 key suppliers of spare parts and automotive products for passenger and utility vehicles, industry, garages, accessories, hardware and software from all over the world
- Long-term business relations with operators of distribution and sales points (branches)
- Professional membership including SDCM, FIGIEFA, FAAS
- PLN 3.64 million transfer by Inter Cars (the founder) for the statutory activities of Inter Cars Foundation in 2023



ECONOMIC AND SOCIAL VALUE ADDED

- **Increasing and supporting competitiveness of the automotive market**
- Supporting the automotive transformation through training for mechanics and launching of new products (among others electromobility related ones)
- **Increase in the number of entities operating** under the partnership distribution model of the Inter Cars Group; taxes paid locally by branches
- **Allowing long-term use of cars** already existing on the market
- Allowing **the selection of spare parts appropriate for a given vehicle class, its use and extending its useful life**
- Supporting the development of competencies of the future, health care, traffic security and implementing pro-environmental projects in the Foundation

2.4. SUSTAINABILITY



In 2023 our Group performed a review of its Sustainability Strategy on the entire organisation level. We set five topic pillars, in which we made specific and measurable commitments. Further,

we set ambitious decarbonisation goals, which were accepted by SBTi. We are certain, therefore, that pro-environmental, pro-climate, social and corporate governance initiatives we undertake are closely integrated with our business strategy and set additional criteria for us to consider when making everyday business decisions.

Katarzyna Podrucka
Sustainability Manager

“Sustainable automotive for people and climate” is our motto we refer to when making everyday decisions that affect the business growth. The sector we operate in and the scale of our business involve responsibility for our impact on the environment and society, including our employees, contractors and business partners. When implementing our *Sustainability Strategy* we consistently strive to remain innovative, build

long-lasting relations and limit our adverse environmental impact.

MATERIALITY ASSESSMENT OF SUSTAINABILITY ASPECTS

[GRI 3-1] [GRI 3-2] [GPW I-P2] [GPW I-P4]

In 2023 we carried out a comprehensive analysis of materiality of sustainability aspects. As a result, we identified the following:

- Key social, environmental and corporate governance issues the organisation has the most impact on;
- Areas that may exert the strongest impact on our business operations generating new challenges, risks or opportunities (including financial ones).

The process complied with the guidelines of GRI Universal Standards 2021 and included several stages:

1. Understanding the context of the organization:

- a. A review of market standing and sectoral challenges;
- b. An analysis of current and upcoming regulations;
- c. A benchmark analysis of measures undertaken by automotive industry and aftermarket

companies, as well as by selected sales, distribution and logistics entities;

2. Identifying actual impact of the Group through:

- a. An independently moderated dialogue session compliant with AA1000, participated by representatives of employees, clients, counterparties, suppliers, shareholders, banks, local communities, as well as industrial and non-governmental organisations;
- b. Surveys carried out among employees;
- c. Interviews with key management representatives;

3. Impact severity assessment performed by independent experts and classified by:

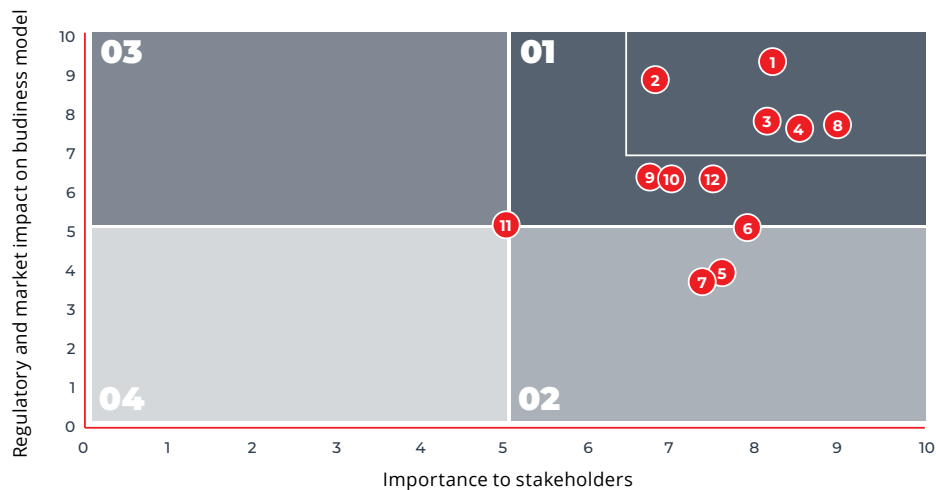
- a. Nature (positive and negative);
- b. Timing (current and potential);
- c. Scale and scope of impact (all categories), remediation ability (negative impact) and probability of occurrence (potential impact);

4. Prioritizing sustainability impacts by:

- a. Discussing the key issues with the Management Board and getting an acceptance;
- b. Including the key sustainability topics in the new *Sustainability Strategy* and in sustainability reports for 2022 and 2023.



INTER CARS GROUP MATERIALITY MATRIX



Top 5 topics of importance for the Inter Cars Group:

- 1. Quality of products
- 2. Circular economy
- 3. Supply chain
- 4. CO₂ emissions
- 8. Working conditions

- 5. Water
- 6. Air pollution
- 7. Biodiversity
- 9. Human rights
- 10. Ethics
- 11. Equal treatment
- 12. Social activities

All the above issues have not changed compared to data published in our Sustainability Report for 2022 and have been included in the review of our *Sustainability Strategy*, which is complementary to our *Business Strategy*.

INTER CARS GROUP SUSTAINABILITY STRATEGY 2023-2030

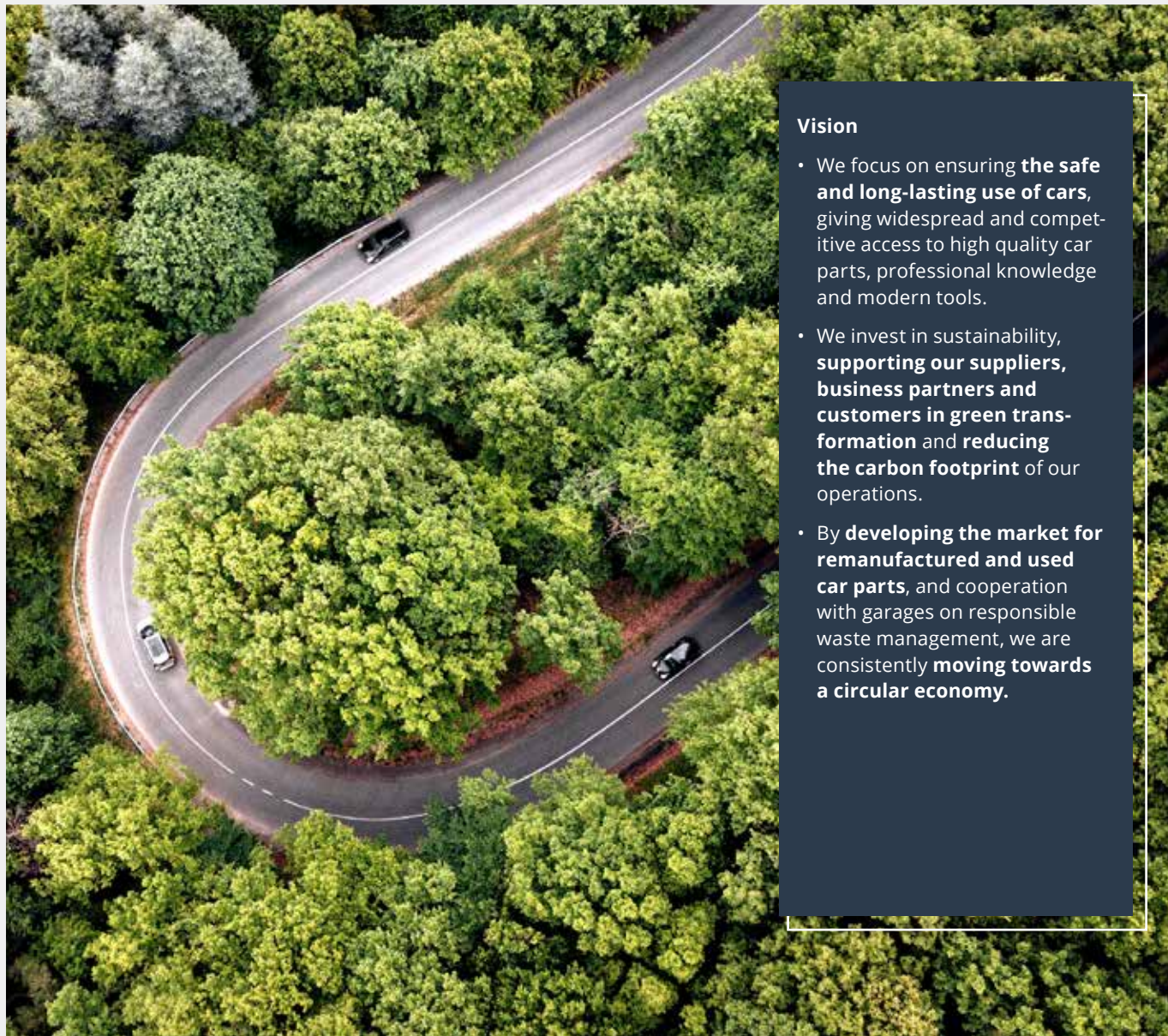
[GRI 3-1] [GRI 2-24] [GRI 2-29]
[GPW I-P3] [GPW I-P4]

In September 2023 the Management Board approved the revised *Sustainability Strategy*. In line with the document, by 2030 the Inter Cars Group will continue to ensure accessibility of “*Sustainable automotive for people and climate*” focusing on measures related to key governance, environmental and social topics identified in the course of materiality check including current trends and challenges that dominate in our business environment.



FIVE PILLARS OF SUSTAINABILITY STRATEGY OF INTER CARS GROUP

Our new strategy has been designed to include the entire value chain, from spare part manufacturers, i.e. our suppliers, all the way through our clients, i.e. garages. We have identified five sustainability pillars and defined our ambitions for each of them; we have made two specific commitments and KPI that will be used to monitor their implementation.



Vision

- We focus on ensuring **the safe and long-lasting use of cars**, giving widespread and competitive access to high quality car parts, professional knowledge and modern tools.
- We invest in sustainability, **supporting our suppliers, business partners and customers in green transformation** and **reducing the carbon footprint** of our operations.
- By **developing the market for remanufactured and used car parts**, and cooperation with garages on responsible waste management, we are consistently **moving towards a circular economy**.

INTER CARS GROUP SUSTAINABILITY STRATEGY 2030

PILLAR	<p>SUSTAINABLE SPARE PARTS</p>	<p>GREEN LOGISTICS AND OPERATIONS</p>	<p>GARAGES OF TOMORROW</p>	<p>ENGAGED PEOPLE</p>	<p>ORGANISATION OF THE FUTURE</p>
AMBITIONS	<p>1 OUR PRODUCTS</p> <p><i>We deliver car parts while shaping SUSTAINABLE VALUE CHAINS</i></p>	<p>2 OUR LOCATIONS</p> <p><i>We aim to DECARBONIZE our operations in line with the Paris Agreement's scenario with focus on clean energy, efficient business operations and good environmental practices</i></p>	<p>3 OUR CUSTOMERS</p> <p><i>We are a first-choice partner for AUTOMOTIVE SERVICES of tomorrow</i></p>	<p>4 OUR PEOPLE</p> <p><i>WE GROW our organization by engaging in true PARTNERSHIP with our employees and communities</i></p>	<p>5 OUR ORGANIZATION</p> <p><i>We build our GOVERNANCE SYSTEM according to the best class practices supporting effective implementation of sustainability strategy</i></p>
COMMITMENTS	<p>1A We will work with our suppliers to develop industry best practice, incorporating product carbon footprint (Scope 3), environmental risk and human rights aspects into our standard purchasing processes, for both premium brands and private label products.</p> <p>1B As a market leader, we will actively drive development of car parts re-manufacturing segment and the sale of used car parts while shaping customer preferences around circularity and minimizing the influence of our packagings on the environment.</p>	<p>2A We will reduce our carbon footprint (Scope 1 & 2) and reduce the environmental impact of our logistics centres and offices.</p> <p>2B We will support our branches in efforts to minimize negative environmental impact and strengthen positive experience for our clients.</p>	<p>3A We will train and support the development of garages of the future, with a particular focus on green energy, circularity and expertise in the era of electromobility and new technologies.</p> <p>3B We will manage waste responsibly and reduce its mass through circularity and innovation.</p>	<p>4A At Inter Cars Group, acting in line with our values, we care about the engagement, diversity and skills of our employees at every level of the organisation.</p> <p>4B We will continue to support the development of accessible, safe, and responsible mobility for people and the climate.</p>	<p>5A We will continue to develop the area of compliance, integrity and fair practices within our organisation.</p> <p>5B Sustainability activities at Inter Cars in all pillars will be supported using effective digital tools.</p>
	<p>FIVE PILLARS OF SUSTAINABILITY STRATEGY OF INTER CARS GROUP</p>				

INTER CARS GROUP SUSTAINABILITY STRATEGY 2030

PILLAR

SUSTAINABLE SPARE PARTS

GREEN LOGISTICS AND OPERATIONS

GARAGES OF TOMORROW

ENGAGED PEOPLE

ORGANISATION OF THE FUTURE

1 OUR PRODUCTS

2 OUR LOCATIONS

3 OUR CUSTOMERS

4 OUR PEOPLE

5 OUR ORGANIZATION

COMMITMENT AND KPIS

1A We will work with our suppliers to develop industry best practice, incorporating **product carbon footprint** (Scope 3), **environmental risk and human rights** aspects into our standard purchasing processes, for both **premium brands** and **private label** products.

KPI:

- By the end of 2024, Inter Cars will have developed and implemented a Sustainable Purchasing Policy, with a particular focus on ensuring effective risk management and respect for human rights throughout the supply chain.
- Inter Cars also commits that 73% of its suppliers by emissions covering purchased goods and services, upstream transportation and distribution and downstream transportation and distribution, will set their science-based targets by 2028.

2A We will reduce our **carbon footprint** (Scope 1 & 2) and reduce the environmental impact of our logistics centres and offices.

KPI:

- By the end of 2030, we commit to reduce our absolute Scope 1 & 2 GHG emissions by 42% compared to the baseline year of 2021.
- From the start of 2030, all our new buildings will be carbon neutral.
- By the end of 2030, we will power our facilities with 100% renewable electricity.
- From the beginning of 2026, all new warehouse buildings will be BREEAM (excellent) or LEED (>=platinum) certified.

3A We will train and support the development of garages of the future, with a particular focus on **green energy, circularity and expertise in the era of electromobility and new technologies**.

KPI:

- By the end of 2025 in Poland and by the end of 2026 throughout the Inter Cars Group, we will develop and support the implementation of the "Garages of tomorrow" programme.
- By the end of 2025, we will expand the existing training programme for garage employees on new automotive skills.
- By the end of 2025, we will expand the scope of the existing training system for garages to include ESG elements.

4A At Inter Cars Group, acting in line with our values, we care about **the safety, diversity and skills** of our employees at every level of the organisation.

KPI:

- In our annual employee engagement survey, we will maintain the global eNPS result at a level of no less than 15%.
- From the beginning of 2023 in Poland and from 2024 in the Inter Cars Group, we will enable selected partner enterprises, e.g. companies managing the distribution network, to participate in employee engagement surveys.
- We will implement HR and eHR tools for the our employees and associates in order to release their potential and support a flexible and effective work model.
- We will implement the programme supporting managerial competencies in the Inter Cars Group.
- By the end of 2026 we will reduce the gender pay gap to max. 5%.
- By the end of 2026 we will develop a diversity and inclusion programme in the Inter Cars Group.

5A We will continue to develop the **area of compliance, integrity and fair practices** within our organisation.

KPI:

- We will implement a new ESG management structure covering all reporting processes and supervision of ESG strategy implementation across the Inter Cars Group.

INTER CARS GROUP SUSTAINABILITY STRATEGY 2030

PILLAR

SUSTAINABLE SPARE PARTS

GREEN LOGISTICS AND OPERATIONS

GARAGES OF TOMORROW

ENGAGED PEOPLE

ORGANISATION OF THE FUTURE

1 OUR PRODUCTS

2 OUR LOCATIONS

3 OUR CUSTOMERS

4 OUR PEOPLE

5 OUR ORGANIZATION

COMMITMENT AND KPIS

1B As a market leader, we will actively **drive development of car parts re-manufacturing segment** and the sale of used car parts while **shaping customer preferences around circularity** and minimizing the influence of our packagings on the environment.

KPI:

- By the end of 2026, we will increase the sales of remanufactured and used parts by 100% (compared to the sales level in 2022).
- By the end of 2030, we will achieve an 80% annualised level of core returns (in the B2B market).
- We will increase to min. 80% share of recycle in the composition of unit packs of remanufactured and used products.

2B We will **support our branches** in efforts to minimize negative environmental impact and strengthen positive experience for our clients.

KPI:

- By the end of 2025, we will develop a set of ESG recommendations for branches supporting them in their sustainability.

3B We will manage **waste responsibly and reduce its mass** through circularity and innovation.

KPI:

- Each year we will increase the ratio of garages handing over waste (at least once every two years) according to the contract with Bio Service by 5% (compared to 2023 ratio).

4B We will continue to support the development of **accessible, safe, and responsible mobility** for people and the climate.

KPI:

- By the end of 2030, we will have gathered a group of volunteers around the Foundation, who will have contributed a total of 6,000 hours of work for the implementation of social and environmental projects.
- By the end of 2030, we will provide mentoring and scholarship support to 180 of the Foundation's charges.
- We will enable Inter Cars business partners (branches, suppliers) in Poland to become involved in the projects and programmes implemented by the Inter Cars Foundation.

5B Sustainability activities at Inter Cars in all pillars will be supported **using effective digital tools**.

KPI:

- We will disclose sustainability data on a regular basis (once a year) in line with current regulations and best standards.
- We will ensure independent verification of ESG data disclosed in Sustainability Reports.

The Decarbonisation Strategy described in section 4.5 Carbon footprint and decarbonization targets constitutes an integral part of the *Sustainability Strategy 2023-2030*.

[GRI 2-13] [GRI 3-3]**Responsibility for sustainability**

The Management Board of Inter Cars S.A. is the sponsor of the *Inter Cars Group Sustainability Strategy*.

Each commitment defined in the strategy has been assigned with the following:

- supervision of a Management Board member (or several members);
- business owners, i.e. top management representatives;
- KPI used to monitor the work progress;
- list of projects to ensure its implementation;
- project timelines;
- project coordinators and topical teams.

Supervision of the implementation of sustainability-related projects and coordination of work on the strategy is the responsibility of Managing Director of Corporate and Legal, General Counsel, reporting to the President of the Management Board. In order to ensure effective sustainability management of the Group, an ESG Team has been established. It coordinates the



implementation of the *Sustainability Strategy*, communication and reporting. Dedicated teams report ESG-related and financial issues to the Management Board.

The Group's structure in 2023 included Climate and Environmental Protection Team, whose role was to coordinate development and implementation of environmental and climate protection targets with cooperation with the whole organization. Members of above mentioned team reported to the Managing Director of Corporate and Legal, General Counsel.

[GRI 2-12] [GRI 2-13]**Role of key management bodies in sustainability initiatives**

The Company's Management Board is responsible for verification and acceptance of published reports, and for sustainability-related strategic decision-making (including the evaluation of impact, opportunities and risks in ESG context). The Management Board accepts the *Sustainability Strategy* and reviews it on a regular basis; individual board members supervise the implementation of commitments made thereunder. President of the Management Board is kept informed on the current status of projects carried out under the strategy on a regular basis. In 2023 Management Board members were involved in the revision of the strategy in the form of individual interviews and meetings. Two meetings



with the Management Board were held in this context. All information provided to the Management Board is analysed and discussed on an ongoing basis.

Information on priorities, goals and measures is provided on a regular basis to the entire middle and top management. In 2023, following the acceptance of the revised strategy, four meetings with Group's management representatives were held to discuss the Group's goals for the coming years.

The defined structure is capable of integrating ESG topics with business

decisions made and goals set on a daily basis to ensure sustainable development of the Inter Cars Group.

[GRI 2-12] [GRI 2-13] [GRI 2-17]

Top management's knowledge of sustainability

Board members and directors have access to up-to-date information on ESG provided during meetings organised by the ESG Team. In 2023, these meetings focused among others on carbon footprint, decarbonisation,

climate risks, sustainable reporting and the related regulations. Moreover, top management and Management Board representatives participate in industry events devoted to sustainability, where they speak up presenting the Group's position, contribute to discussions and working groups exchanging knowledge and experiences (among others, as part of Forum on Automotive Aftermarket Sustainability, FAAS).

Sustainable financing

On 7 December 2023 Inter Cars S.A. as a borrower and its selected subsidiaries as borrowers and guarantors concluded with the following financial institutions: BNP Paribas Bank Polska S.A., Bank Handlowy w Warszawie S.A., Bank Polska Kasa Opieki S.A., Caixa-Bank, S.A. (Spółka Akcyjna) Oddział w Polsce, ING Bank Śląski S.A., mBank S.A. and Santander Bank Polska S.A. an annex ("Annex") to the term and revolving loan agreement of 14 November 2016 ("Loan Agreement"). Loans granted thereunder are intended mostly to fund current business operations of the Company and the Inter Cars Group.

Among others, the Annex includes sustainability-linked loan provisions, also related to the achievement of sustainability goals (KPI) determined therein and regarding:

- **[WW - SLL - KPI 1]** Scope 1 and 2 carbon footprint reduction [\(details provided on page 109\)](#);

- **[WW - SLL - KPI 2]** Increased ratio of core parts returned to remanufactured product suppliers. [\(details provided on page 109\)](#);
- **[WW - SLL - KPI 3]** Increased number of scholarships granted to women under the "Accelerator" program of the Inter Cars Foundation. [\(details provided on page 109\)](#).

The achievement of these KPIs may affect the level of margins indicated in the Loan Agreement in line with detailed provisions of the Annex in this respect.

The Management Board of Inter Cars S.A. provided detailed information on the conclusion of the Annex to the Loan Agreement in the current report no. 30/2023 of 7 December 2023.

03

PRODUCTS, SERVICES AND CLIENTS

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KEY FACTS AND NUMBERS

Over
400,000 sq. m
of warehouse space

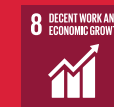
4.7 million
car parts available on offer

Over **2,100**
suppliers all over the world

632 branches
246 in Poland and 386 in Europe

30 million
orders per month fulfilled in Poland

SUSTAINABLE DEVELOPMENT GOALS



3.1. OBTAINING AND MANUFACTURING PRODUCTS

SUPPLY CHAIN

[GRI 3-3] [GRI 2-6]

Successful, trustful cooperation with spare parts suppliers and a stable supply chain underlie our competitive advantage, which enables us to provide clients with fast access to any replacement component they need.

Our Group cooperates with over 2,100 suppliers all over the world, out of which 1,600 are considered key ones. They account for 99.99% of turnover generated by the Inter Cars Group in the supply chain.

As far as offered products are concerned, there are three supplier classes:

- premium brand suppliers;
- own brand suppliers;
- remanufactured part suppliers.

The classes are not disjunctive; one supplier may provide both premium brands and remanufactured parts. The turnover generated by premium brand suppliers accounts for over 92% of our total turnover. wi ponad 92% całkowitego obrotu.

Principles of cooperation with suppliers

We cooperate with suppliers who:

- Comply with the **Goods Purchase Policy of the Inter Cars Group**, which defines principles of purchasing, managing, standardising and coordinating procurement processes, streamlines trade negotiations and supplier management on the Group level;
- Meet formal criteria developed by the Legal Department of Inter Cars Group;
- Comply with **Code of Conduct and Good Market Practices of the Inter Cars Group**, according to which:
 - We do not cooperate with partners whose operations breach ethical principles, other people's rights, good practices or market practices;
 - We evaluate business partners based on professional, business and ethical indications; complying with the equal treatment rule, we do not offer discriminating criteria or cooperation terms;
 - We expect our business partners to comply with the law and good market practices; we prefer partners who set ambitious goals related to responsibility for the environment in which we all operate.

The last aspect is controlled when selecting new suppliers in our **Business Partner Assessment Questionnaire**, which touches upon ethics and CSR issues, among others checking whether:

- Holders of managerial positions have ever been public officers;
- Holders of managerial positions are anyhow related to the Inter Cars Group;
- The organisation in question has implemented a code of ethics;
- The analysed supplier has implemented a quality management system;
- Any procedures are in place to prevent corruption, conflict of interest, money laundering; to ensure the protection of environment and employee rights;
- Any initiatives are pursued as part of a corporate social responsibility programme.

Each new supplier is provided with the questionnaire to fill out as a self-assessment.



MANUFACTURING OF TRAILERS AND SEMI-TRAILERS



Feber Vehicle Manufacturing Plant offers semi-trailers, dump trailers of 24 to 77 cubic meter capacity and semi-trailers for transportation of metal waste and with Heitling exhaust. The vehicles follow state-of-the-art technologies based on components provided by renowned global manufacturers. High quality of products offered is confirmed by e9 homologation and 24-month warranty. An extended network of authorised Q-Service Truck garages ensures easy access to spare parts, warranty and post-warranty services. Apart from this, the firm offers a fleet of vehicles for hire and specialises in post-accident repairs. In 2023 the Feber plant produced 501 vehicles with the total weight of 3,006 tons.

QUALITY MANAGEMENT SYSTEM

[GRI 3-3]

In 2003 Inter Cars S.A. implemented a **quality management system** compliant with ISO 9001:2015. Its certification was carried out by DEKRA, one of renowned entities, recognised both in Poland and around the world.

The certification results in three-year validity period for ISO 9001:2015 certificates, followed by re-certification of the system. During the three-year certification period DEKRA carries out annual supervision audits controlling processes compliance with ISO 9001:2015.

In 2013, the certificate granted to Inter Cars S.A. was extended to include ILS Sp. z o.o., and two years later, Intermeko Europe Sp. z o.o. The certificate DEKRA issued to the above companies expire on 1 August 2024. The recertification of the quality management system is planned for June 2024 to renew the certificates granted to the above companies for the three following years.

The ISO 9001 certificates held by these companies are displayed on their websites.

In relation to processes included in the quality management system, manners of performing certain activities, responsibility (process owners and leaders), as well as process goals, scope, business roles and identification numbers have been determined. Owing to this, requirements are easier to understand and meet, added value of processes is easier to analyse, in order to improve their efficiency and further develop them based on data analysis and evaluation.

Activities aimed at system compliance and efficiency are supervised by the Quality Management Attorney, who performs direct control of the system's documentation, collaborates with process owners and leaders in relation to the requirements of ISO 9001:2015 and initiates any activities aimed at ensuring system integrity.

Furthermore, the Attorney coordinates internal audit processes as per ISO 9001:2015, evaluates the work of auditors and determines training needs regarding the system.

Other duties of the Attorney include providing advisory support for internal units and representing the organisation outside in relation to the quality management system.

As part of the quality management system:

- We test the offered products in an internal lab operated by Intermeko Europe;
- We operate an internal quality control system based on ISO 9001:2015 guidelines and involving random quality inspections of currently delivered products;
- Distributed parts undergo multi-stage tests aimed at the safety of end products and their compliance with all technical standards;
- For testing purposes, we use advanced measurement technologies, such as durability testers, damping force testers, tightness testers, or advanced material testing stations. For example, we use an X-ray machine to quickly check the chemical composition of materials used to produce spare parts.

Quality reviews

Quality of our products is verified by Intermeko Europe, a company specialised in geometric measurement, durability checks, material and functional tests. Functional tests include damping force testing, spring resilience testing in the suspension system or tightness tests.

Quality inspections are carried out in line with the document entitled „BIKT.R.011.P.01 B – Proces kontroli jakości towaru wprowadzonego do sieci dystrybucji” based on ISO 9001:2015 guidelines. As part of the process, following quality analysis, individual products are selected for random inspection, including own brands, since in this segment, component quality risks are the highest. Further, prior to releasing for sale, new products undergo a detailed quality inspection involving tests of geometric, functional and material parameters. Apart from this, the lab carries out expert studies related to complaints lodged by individual clients.

NUMBER OF PRODUCTS TESTED IN THE COURSE OF QUALITY CONTROL

Control of geometric and identification parameters	32,081
Functional control	4,054
Total	36,135

In 2023, 36,135 components were inspected. During the process, the total of 32,081 inspections of geometrical parameters and identification procedures were held. Functional inspections, such as damping force testing, spring resilience testing in the suspension system or tightness tests, totalled to 4,054. Further, 852 random quality inspections were held in entities already qualified for sales of parts in the Group. The purpose of the procedure is to ensure continuous supply of top quality products and their review compliant with both guidance and user expectations.



3.2. WAREHOUSES, LOGISTICS, DISTRIBUTION AND SALES

ILS Sp. z o.o. successfully delivers hundreds of millions of spare parts to 24 countries, acting timely, efficiently and fast. Its main tasks include dispatching products to branch warehouses, and in certain cases, delivering necessary parts directly to clients. Further, ILS collects goods from manufacturing plants or supplier warehouses delivering them to central warehouses of the Inter Cars Group.

Logistic centres located in Europe



OUR WAREHOUSES

All logistic facilities of ILS are modern, fully automated a class warehouses, including most modern ones in Europe, as far as our industry is concerned.

The largest facilities include three key Logistic Centres:

- European Logistics and Development Centre (Zakroczym, Czosnów);
- Southern Logistics Centre in Sosnowiec;
- Western Logistics Centre in Komorniki.

Further, ILS supervises operations of so-called midi-hubs, i.e. medium-sized warehouses located near large Polish cities (Białystok, Lublin, Szczecin, Łódź, Wrocław, Rzeszów, Gdańsk, Kalisz and Siedlce). It manages large warehouses in Latvia and Croatia, cooperating among others with warehouses located in Romania, Lithuania, Czechia, Hungary, Bulgaria and Greece as part of our supply chain.

The distribution system is based on a network of warehouses exceeding 400,000 sq. m and comprising:

- Three logistic centres in Poland, including the European Logistics and Development Centre in Zakroczym occupying 25 hectares of land with 100,00 sq. m of warehouse space equipped with automated sorting and transporting systems;
- Eighteen warehouses in Europe (apart from Poland).

The central warehouses include all product groups, approximately 500,000 SKU in middle-size warehouses (midi-hubs), solely fast-moving and mass products (tyres, fluids, oils and batteries); approximately 100,000 SKU allowing us to maintain a product buffer of size, quality and accessibility adjusted to local needs. ILS operates a number of specialist warehouses, such as the one in Czosnów, which distributes mainly vehicle body components.

Owing to the extended distribution network and efficient logistics, our clients, i.e. garages can order parts even several times a day, which is a considerable convenience in light of the rapid speed of the car repair process. It is hard to predict which parts will be needed during a garage repair; owing to our solution, garage workers do not have to suspend the process waiting for deliveries of missing parts.

ILS provides services to Inter Cars Group companies and to third parties from other industries, including chemical, oil and gas, and FCMG sector. ILS service offer includes warehouse operation, domestic and international freight using marine and intermodal transport.

3.3. DISTRIBUTION AND SALE

Sales and distribution in the Inter Cars Group are carried out by branches operated by independent business entities. The branches are supplied by local warehouses provided by goods by ILS and act as points of sales for business clients (garages) and individual ones. They are in charge of the last mile transportation, i.e. delivery of products we distribute, including spare parts and accessories, to garages. Clients are also provided an opportunity to personally collect their orders from these outlets.

Branches are the key group of our business partners. Among other performances, we provide them with organisational and logistic knowledge, capital, IT systems, access to the full offer of products and trademark.

At the end of 2023 our distribution network comprised 632 branches, including 246 in Poland and 386 abroad.

3.4. CLIENTS

Client satisfaction is the goal of all our activities. The history of our business and its market success have proven that a firm may win the loyalty and appreciation of its clients owing to the use of modern solutions that meet the needs of a broad range of users.

Our Group serves three key client groups:

- Businesses;
- Fleet operators;
- Individual clients.



CLIENTS OF THE INTER CARS GROUP AND OUR OFFER

BUSINESSES Garages	FLEET OPERATORS Business fleets	INDIVIDUAL CLIENTS Individual car users
Networks of independent garages	Repairs and inspections	On-line shop with automotive spare parts and accessories
Distribution of parts to passenger and utility cars	Document flow	Motointegrator
Comprehensive garage equipment offer	Purchase and sales of fleet vehicles	
Training courses for mechanics	Loss amendment	
Software	Truck service	
Investment funding in cooperation with financial institutions	Modern tools for fleet managers: insight in the history of each vehicle, a broad range of reports, as well as fast and easy repair cost acceptance process.	



SUPPORT FOR GARAGES

One stop shop

Our competitive advantage is founded on innovation, a good example of which is our one-stop shop model. We offer garages with fast and easy access to 4.7 million spare parts, expert knowledge and training. Garage owners may also use customized software that assists in their business operations.

Key forms of support we offer to garages include:

Digitalisation

Digitalisation of business processes is a beneficial solution for garage owners, mechanics and their clients. We offer a broad range of tools owing to which any garage can meet the requirements of 21st century market. Examples include:

- **Inter Cars e-Catalog**, our Group's main sales platform. This is the most effective tool on the market, which helps professional users find a car, select and order necessary products. The platform is integrated with a number of data suppliers, including VIN-based information about a vehicle, or useful technical data regarding repairs, which extends the scope of services available for users. Using Inter Cars e-Catalog, they may browse the entire portfolio of our Group, including millions of products. The platform offers two working modes: for clients and for Inter Cars

employees. Additionally, professional users are offered direct access to other useful system from our ecosystem, such as Garage Zone integrated with Motointegrator, through Inter Cars e-Catalog.

Inter Cars e-Catalog in numbers, 2023:

- Available on 19 European markets;
- Over 180,000 users per month;
- Access to 4.7 million of products from Inter Cars offer;
- Share in over 50% of turnover generated by Inter Cars;
- Highly appreciated by clients as confirmed by the 92% score achieved in the monthly order placement satisfaction survey.

• Inter Cars API

This application interface (API) has been made available by Inter Cars to allow integration of clients' IT systems with our database and services. This is a dedicated tool for business partners, garages and other automotive sector entities that want to automate their purchase processes, warehouse management or product availability tracking.

• eSOWA

A modern IT system improved on an ongoing basis, intended to increase the efficiency of garage and automotive shop operation. It includes many functionalities and allows smooth client service, at the same time making it easier to manage routine operations of a garage.

Training

For independent garages that cooperate with Inter Cars S.A. we have prepared a training offer aimed at supporting management activities performed by their owners and improving competencies of their employees.

The courses are delivered by experienced specialists, who present participants with practical solutions and ways to improve efficiency or extend the scope of services offered. The courses include three areas:

- Technical training that provides opportunities to extend mechanics' competencies by new skills, to improve their technical knowledge of car diagnostics and repair procedures. Our offer is the most extensive on the market and includes the broadest range of topics.



- Product training allows participants to learn about the newest solutions offered by leading manufacturers that cooperate with our Group.
- Business training is a comprehensive offer that helps each garage owner manage their business in a smooth and effective manner. During meetings we demonstrate what to do and what business tools to use in order to improve the quality and efficiency of garage operations.

In 2023, we organised:

- 192 courses for 4,190 participants;
- Training in Bulgaria, Romania, Greece, Germany and Italy.

TECHNICAL TRAINING FOR GARAGES IN POLAND

	2022	2023
On-line courses		
Number of courses	94	105
Number of participants	2,432	2,836
On-site courses		
Number of courses	152	342
Number of participants	1,468	4,587

Inter Cars Show Car

We own two trucks whose trailers can be turned into spacious classrooms. These mobile training centres called Inter Cars Show Cars are able to reach nearly any location in Europe and people interested in gaining new technical knowledge or improving their professional competencies.

Expert hotline

Our expert hotline helps mechanics and makes them more efficient as they can consult each problem faced in the course of repair with a team of qualified experts. These experts answer questions regarding diagnostics and repairs of passenger cars and if necessary, provide step-by-step guidance through the entire process to allow checking a system or device. In 2023 the hotline was used by 2,851 clients.

GARAGE CHAINS



Automotive evolution requires adjusting garages to both current and expected changes. Training staff when working with modern equipment is the key challenge for the industry. Besides,

garage owners are looking for employees certified to drive electric vehicles. Modern technology and marketing resources combined with effective fulfilment of driver's needs are the key factor increasing client loyalty.

Marta Ciesielska
Garage Chains Department
Deputy Director

Independent garages account for 93% of garage businesses in Poland. We know that clients prefer them due to high service standards, competencies of mechanics and the benefits of price/quality proportion. Therefore, we have been developing the system of cooperation with independent garages and inviting their owners to join it as part of Q Service. Q Service is an association of independent garage owners who maintain their identity, with firm and owner's name occupying the first place. The membership provides an easy access to specialist technical knowledge, promotes shared high standards and marketing support in the process of gaining and improving client loyalty.



Q Service Castrol is a network dedicated to the passenger car

market. The brand has originated from the combined knowledge and experience of Inter Cars and Castrol. In 2023, the network celebrated five years of operation during two conferences for clients and partners organised in Žnin and Jachranka. They provided an opportunity to recapitulate the activities performed to date, analyse the offer and have a number of interesting informal meetings.

During the five years after its origination, Q Service Castrol has become a leading garage chain in Poland providing top standard services. Garage owners admit that key features that attract drivers to their business are experience and quality of services offered.

In 2023 Q Service Castrol included 590 garages in Poland and 682 abroad.



Q-ServiceTruck is an international garage chain specialised in inspections and repairs of utility vehicles:

trucks, trailers, semi-trailers and buses. It includes Q-Service Truck garages operating in Poland, Romania, Hungary, Czechia, Lithuania, Latvia, Slovakia, Ukraine, Bulgaria, Moldova, Bosnia and Herzegovina and Slovenia.

At the end of 2023 it included 254 garages of Q-service Truck Sp. z o.o., out of which 89 located in Poland and 165 abroad.

FLEET OPERATORS

We provide services to fleet operators, too. One of our subsidiaries, Inter Cars Fleet Services Sp. z o.o., offers a fleet management programme including full range of repairs (also post-accidental ones with loss adjustment), document flow, all the way through purchase and sales of fleet vehicles. Additionally, the programme provides access to a fleet manager tool allowing vehicle history review, generation of reports and fast acceptance of repair costs. All services are provided in a client-friendly cashless system.

Services provided to fleet operators in 2023 included:

- Over 350,000 service requests responded to;
- 500,000 spare parts sold.

INDIVIDUAL CLIENTS

Individual clients, i.e. car owners and users, are the third group we serve. They receive support via two channels: on-line and off-line.

In the on-line channels they can access our offer using a dedicated platform intercars.pl. It allows ordering parts, accessories, or garage equipment with delivery directly to the residence address or to a selected branch of Inter Cars S.A. in Poland.

The off-line channel means clients visiting our branches, where services are offered on the same terms as on-line.

InterCars.pl in 2023:

- 40 million shop views;
- 3 million blog views;
- 44,000 clients in the Newsletter;
- 22,000 Facebook followers.

Motointegrator



Motointegrator is a platform developed by the Inter Cars Group that supports drivers who want to solve problems with their cars using the assistance of a professional garage. It also makes it easier for garages to reach their clients, as among others it allows the posting of offers and price lists. Drivers may easily and quickly find a garage and check clients' opinions on its service standard. Besides, Motointegrator offers specialist automotive information.



Motointegrator in 2023:

- Over 35,000 garages on the Motointegrator website;
- Available in 13 European countries;
- 6.9 million users;
- 11.3 million platform views.

motointegrator.com

Returns

From clients' perspective, returns constitute a key process, which exerts a pervasive impact on our operations. The continuous technology progress and changes in legal requirements applicable to car manufacturers, aimed mostly at user security, make the spare parts selection process increasingly complicated. Therefore, being client-friendly and having smooth processes is crucial for client satisfaction.

For years we have been analysing and improving our return processes based on feedback collected from all markets on which we operate. At present, we are focusing on the automation and digitalisation of these processes.

Currently the number of orders processed on a daily basis only in Poland exceeds 30 million. According to our strategy, the return rate should not be higher than ten percent of the figure.

Complaints

We have developed internal complaint handling procedures to ensure high, iterative and efficient service standard. We believe that an efficient procedure may turn into an opportunity to enhance our relations with clients. For complaint lodging and handling we use "IC Reklamacje" application. It allows fast analysis of a complaint history, attachments added by clients, required data, logistic statuses or changes in the status of a complaint. Further, reach-

ing a client becomes easier as it allows automatic sending of e-mail messages or SMS regarding the current status. Approximately 80% of complaints are handled by IC Complaints Department in Zakroczym. In relation to specific product groups, complaints are handled by the Intermeko Europe lab.

In 2023 in Poland:

- Nearly 123,000 complaints received and handled by the Complaint Department; 65% accepted;
- Approximately 90% of complaints received and transferred to HQ were handled or transferred for further analysis within 3-4 days of lodging in the system.

04

ENVIRONMENT (E)

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KEY FACTS
AND NUMBERS

8,102 t CO₂e
Scope 1

6,831 t CO₂e
Scope 2

1,681,615 t CO₂e
Scope 3

Decarbonization targets
verified by **SBTi**

80,098 GJ
of consumed energy

Over **15,000 tons**
of generated waste

SUSTAINABLE DEVELOPMENT GOALS



4.1. MANAGERIAL APPROACH



When planning business growth, we put special focus on our impact on climate, which results in the decarbonisation strategy we have developed and accepted. Environmental aspects of

cooperation with all business partners in our value chain are also important.

Anna Mazurek
Environmental Protection
Senior Expert

[GRI 3-3]

We strive to mitigate our adverse environmental impact in each stage of our value chain, aiming at raising of environmental awareness of our employees, clients and business partners. To this end, we have developed the following documents:

— Occupational Health and Safety and Environmental Protection Policy in Inter Cars Capital Group

In line with its provisions, in 2023 Environmental Protection Coordinator is in charge of enforcing compliance with environmental requirements. The person is also responsible for

controlling the compliance of our activities with current regulations concerning among others:

- packaging,
- waste,
- recycling of decommissioned vehicles,
- decommissioned electric and electronic devices,
- batteries.

Occupational Health and Safety and Environmental Protection Policy obliges all employees to minimize the negative environmental impact of our company. This means that we are required, in particular, to reduce paper consumption, use water reasonably, segregate waste and save electricity while working.

— Energy audits

Once every four years, we carry out an energy audit in line with PL-EN 16247 standard. Its purpose is to ensure regular control and analysis of energy consumption in our firm. This allows us to improve energy efficiency.

ENVIRONMENTAL MANAGEMENT IN LOGISTICS AND TRANSPORT OPERATIONS

[GRI 3-3]

Due to its business specifics, ILS holds special documents that regulate environmental protection aspects:

— ILS Environmental Policy

The document determines strategic goals of ILS: reducing pollution and noise emissions and pursuing the principles of efficient water, material, waste and energy management. The document obliges the company among others to improve eco-awareness of its employees, promote eco-friendly practices among its suppliers and use technologies that minimise emissions.

— ILS Environmental Certification

Since 2021 ILS has had an *environmental management system* compliant with ISO 14001:2015. Its implementation had been preceded with analyses of direct and indirect environmental impact and review of the compliance of its operations with environmental protection regulations. Further, ILS has been checking whether waste collection firms have obtained appropriate decisions and permits to manage the waste in compliance with the law. In 2023, ILS successfully passed a supervision audit of the ISO 14001:2015 environmental management system. The

scope of certification included logistic services: warehouse operation, packaging and managing the part of the supply chain including deliveries of goods to clients. The audit was carried out by DEKRA, a renowned certification firm.

— Requirements applicable to freight transport

ILS cooperates mostly with carriers whose vehicles meet the newest and most rigorous emission standards. Vast majority of vehicles used by the company meet the strictest norms: EURO5 and EURO6. ILS has been testing LNG/CNG solutions.

The company has consistently implemented measures that reduce the mileage necessary to fulfil logistic tasks. It has introduced "doppelstock" and "dopplerdecker" semi-trailers with increased capacity and eliminated empty mileage.

All carriers cooperating with ILS are obliged to train their personnel in eco-driving and to comply with the ban on parking with engine on while on ILS premises.

In 2023 ILS analysed the option to replace the fleet of trucks with electric cars. In the course of the analysis, it considered both economic and environmental aspects. ILS has been continuously looking for new solutions and monitoring market opportunities regarding the electric fleet of trucks.

4.2. CIRCULAR ECONOMY



As the aftermarket leader understanding very well interdependencies among all participants of spare parts supply chain, we have designed a proprietary system based on synergies in relations among clients, distributors and manufacturers. We want to meet expectations of our clients increasing the share of remanufactured parts in the sales volume, at the same time ensuring appropriate manufacturing capacity through the collection of worn-out parts from the market.

Przemysław Wołosewicz
Remanufacturing
and Circular Economy Director

[GRI 3-3]

The circular economy is part of our Group's vision; for years we have been focusing on safe and long-term use of cars. Being the aftermarket leader we want to boldly face challenges resulting on the one hand from the automotive market transformation, and on the other, from the environmental impact exerted by the production and use of vehicles. In 2023 Inter Cars S.A. estab-

lished a new unit, Remanufacturing and Circular Economy Department. Its tasks include in particular developing and coordinating the Inter Cars offer of remanufactured and second-hand products, as well as:

- developing and implementing a promotion, PR and sales support strategy for remanufactured and second-hand products;
- coordinating the trade in the remanufactured and second-hand products with entities outside the Inter Cars Group;
- supervising the quality of products offered;
- positioning Inter Cars as the first-choice supplier of remanufactured and second-hand products in the form of maximising trust in the quality of such products sold by Inter Cars.

Our *Sustainability Strategy* considers circular economy as a top priority, in relation to which we have made specific commitments and set measurable goals for the coming years, as described in detail in section 2.4 Sustainability.

[WW – SLL – KPI 2]

We keep monitoring the return rate of core parts⁴ sold by Inter Cars on the B2B market in the European Union. We calculate it as the volume of returned Core Parts to suppliers of remanufactured products referred to the volume of purchased remanufactured products from suppliers sold to the final customers annually. In 2023, we sold 588,431 remanufactured parts to customers in the European Union. At the same time, we returned 254,941 cores to suppliers of remanufactured parts. This means that in 2023 we achieved a 43% rate of return of cores to suppliers of remanufactured parts.

PRODUCTION OF OWN REMANUFACTURED PARTS

[GRI 3-3]

Lauber is one of the first firms in Poland to deal with remanufacturing of spare parts for vehicles. Owing to a continuous production growth it has joined the group of largest remanufacturers of spare parts for cars in Central and Eastern Europe. Its operations are carried out in line with restrictive quality standards. The range of products offered includes over 10,000 new and remanufactured components in the following product lines: alternator, starter, power-assisted transmission, brake calliper, power steering pump and diesel injector.

For many years, Lauber has been a member of APRA (Automotive Parts Rebuilders Association), an organisation of firms specialised in remanufacturing of automotive parts.

Remanufacturing of parts

Remanufacturing involves the reconstruction of a worn-out automotive part aimed at bringing it to a condition equivalent to that of a new product. Remanufacturing allows reducing adverse environmental impact of the automotive market through re-use of parts and raw materials they have been made of. Further, remanufacturing allows reduction of GHG emissions compared to the production of new parts⁵. Thus, the process fits principles of circular economy.

In 2023 Lauber generated sales of nearly PLN 126.5 million, carried out mostly through Inter Cars Group's distribution channels.

⁴ Core is defined as a part taken out of a car, and having a specific value determined by a supplier of remanufactured parts.

⁵ Information on GHG emission reduction complies with the report published by CLEPA: <https://clepa.eu/wp-content/uploads/2023/09/Automotive-suppliers-in-the-EU-RI-vision-on-circularity.pdf>.

WASTE MANAGEMENT

[GPW E-D4] [GRI 3-3] [GRI 306-3]

To us, adherence to circular economy principles includes responsible waste management, both in our firm and in relation to our clients, i.e. garages.

We carry out rational waste management in order to maximise the volume of recycled or reused waste. To this end, we transfer our waste to specialised, certified third parties, who perform appropriate treatment procedures.

We have implemented precise manuals that determine procedures of dealing with various waste types. These manuals are fully compliant with the current regulations and with *Occupational Health and Safety and Environmental Protection Policy* adopted by us.

Distribution-related waste generated by the Inter Cars Group includes potential pollutants, mostly acids (electrolytes from car batteries). Therefore, in order to minimise the adverse environmental impact, this type of waste is stored in special tight tanks located in a designated place. We also make sure to remanufacture worn out batteries repurchasing them from clients in our branches. This is how we perceive our extended responsibility; we ensure effective waste management throughout the logistic process.

Waste generated both in production (Feber, Lauber) and in logistics, transportation or offices (the other subsidiaries) are classified by:

- Type: hazardous and non-hazardous waste;
- Composition: cardboard, plastic, metal, electric appliances, etc.

Besides, we analyse the generated waste by the way it is managed, i.e. waste for reuse, which includes both its use and recycling, and the other waste.

Additionally, ILS has implemented a procedure regarding chemical waste stored in the Zakroczym Logistic Centre. The procedure describes what equipment is necessary in hazardous waste storage stations, determines storage zones and signage to be put on such waste, as well as manners of proceeding with other waste types, such as plastic, wood, metal or cardboard.



Waste generated in 2023

[GPW E-D4] [GRI 306-4] [GRI 306-5]

The presented table include information on waste generated in our Group in 2023 and 2022. The following fifteen subsidiaries whose combined revenue accounts for less than 2% of Group's revenue are excluded from the calculation, since the waste they generated has been considered immaterial: Q-Service Sp. z o.o., IC Development & Finance Sp. z o.o., OOO Inter Cars Automobilna Technika (spółka zlikwidowana w styczniu 2024 roku), Aurelia Auto d o o, Inter Cars Malta Limited, Inter Cars Malta Holding Limited, Armatus Sp. z o.o., Inter Cars Belgium NV, Inter Cars Cyprus Limited, Inter Cars Fleet Services sp. z o.o, Inter Cars Norge AS, ILS Adriatic Logistika d. o.o., Inter Cars Albania SHA, Inter Cars Deutschland GmbH, ILS Balcan srl.

In case of certain packaging waste, such as steel, cardboard or plastic, a growth in the total volume has been observed compared to the prior year. The growth results from the development of Inter Cars Group operations, followed by an increase in the number of products sold. We have improved the waste data collection system, which now allows a precise review of generated waste types.

Changes in the volume of waste transferred for reuse or treatment result from changes in waste management. In 2023, 89% of the generated waste was transferred for reuse (compared to 57% in 2022). Detailed tables with GRI 306-3, 306-4, 306-5 indicators are presented in appendices on page 110.

BIO SERVICE

[GRI 3-3]



Since 2017 we have offered Bio Service to our partner garages operating in Poland. It allows convenient, comprehensive and lawful management of waste originating from garages.

Bio Service includes:

- collection of liquid waste directly from a garage using a specialist oil tanks and open trucks with a lift to collect the other waste;
- correct treatment of the collected waste;
- an option to consult environmental specialists, including assistance in preparing necessary waste management documentation (among others, waste transfer forms);
- advisory services for garage owners regarding the planning of waste management expenses;
- an option to provide appropriate waste collection tanks.

Furthermore, we offer garages an energy audit service, which can help them reduce power consumption costs.

Bio Service includes all types of waste generated in the course of garage operation, among others:

- worn out batteries;

- tyres, belts, bellows;
- oils and oil-polluted waste (such as filters or wrapping);
- brake parts (pads and drums);
- aluminium and lead waste;
- spent liquids (from braking systems and radiators);
- light bulbs;
- window glass;
- plastic (bumpers and other elements);
- filtration materials (from air filters and cockpit filters);
- pressurized tanks;
- plastic packaging.

In 2023 as part of Bio Service 2,081 agreements were concluded with garages in Poland. In the course of cooperation, we collected:

- over 932,795 tyres, 75% of which were reused (including 699,600 intended for further use and 104,940 for recycling);
- over 509,766 kilograms of batteries transferred for recycling;
- over 882,017 kilograms of other waste;
- 542,271 kilograms of spent oil.

Bio Service



Partslife

The Inter Cars Group holds 33% of shares in Partslife International Kft., a company operating in Poland under the name of Partslife International Polska Sp. z o. o. and Partslife Polska Organizacja Odzysku Opakowań S.A.

Among others, it provides services to enterprises that launch packaging and packaged products, automotive oils and tyres on the market, offering to take over their obligations under Extended Producer Responsibility (EPR) and to achieve the reuse and recycling levels as required by the current regulations. Additionally, it helps them in record-keeping and files obligatory reports on their behalf.

Partslife International Polska Sp. z o. o. coordinates the process of waste collection and treatment and advisory support provided as part of Bio Service. Partslife International Kft operates in Hungary and Romania, where we want it to provide services in our distribution companies in the future.



4.3. TAXONOMY-RELATED DISCLOSURES



The preparation of Taxonomy disclosures and the data consolidation process have been analysed and controlled by business and financial departments in charge of data reporting by

type of activities or facilities, projects, services or products; by the Controlling and Reporting Department in charge of consolidation (reporting of consolidated ratios) by ESG Team (in charge of coordination and preparation of Taxonomy disclosures) and by the Legal Department (analysis of minimum safeguards) in order to ensure the consistency of criteria underlying ratio reporting, treatment of intercompany transactions and assigning the ratios to respective business activities.

Agnieszka Biedrzycka
Inter Cars Group
Controlling Deputy Director

The year 2024 (data for 2023) is the first one in which listed companies are obliged to report on sustainable activities with regard to all six environmental objectives in line with Article 8 of the EU Regulation 2020/852. Full reporting, though, includes just two first environmental objectives, while the remaining ones for 2023 are subject

to partial Taxonomy-related reporting. Full Taxonomy-related reporting requires identification of Taxonomy-eligible business activities and indication to what extent they are sustainable, i.e. meet technical eligibility criteria included in the Taxonomy. The Inter Cars Group has carried out the processes of determining the Taxonomy-eligibility and alignment of its business activities with regard to the first two environmental objectives (i.e. climate change mitigation and adaptation), as well as eligibility of the remaining four (the sustainable use and protection of water and marine resources; the transition to a circular economy; pollution prevention and control; the protection and restoration of biodiversity and ecosystems).

In line with EU Regulation 2020/852, carrying out sustainable business activities requires compliance with technical eligibility criteria, i.e.:

- contributing substantially to at least one of the six environmental objectives;
- doing no significant harm to any other environmental objective;
- complying with minimum safeguards that include the alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding

Principles on Business and Human Rights.

ASSESSMENT OF COMPLIANCE WITH REGULATION (EU) 2020/852

In relation to data for the period from 1 January 2023 to 31 December 2023 we are obliged to disclose key performance indicators (KPI) required based on the Taxonomy and regarding turnover, CapEx, OpEx, as well as to present quality disclosures. In order to calculate the above KPI, we have performed a two-stage analysis of our activities:

- Stage 1: Review of Taxonomy-eligible activities and determining their alignment with the Taxonomy in relation to two environmental objectives: climate change mitigation and adaptation.
- Stage 2: Identification of new Taxonomy-eligible activities in relation to the remaining four environmental objectives.

As in the prior year, in the first stage we reviewed all our activities and their eligibility based on descriptions provided in the EU Taxonomy, using NACE codes for assistance. Additionally, for activities related to the first two environmental objectives, we checked their alignment with the Taxonomy. The process included assessing the eligible activities using the substantial contribution criterion, DNSH principle and compliance with the minimum safeguards.

In the second stage, based on descriptions of business operations and using NACE codes for assistance, we have identified Taxonomy-eligible activities related to the remaining environmental objectives.

Having analysed all activities as described in the Taxonomy, we have established that in our case key performance indicators regarding turnover, CapEx and OpEx are derived from **Taxonomy-eligible** activities as indicated below. The Group has determined that **five** activities are eligible for the first two environmental objectives, i.e. climate change mitigation and adaptation. Further, **two** activities have been considered eligible for the transition to circular economy objective.

List of Taxonomy-eligible activities:

For the first two environmental objectives, i.e. climate change mitigation and adaptation:

- 3.6 Manufacture of other low carbon technologies;
- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles;
- 6.6 Freight transport services by road;
- 7.3 Installation, maintenance and repair of energy efficiency equipment;
- 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings);
- 7.7 Acquisition and ownership of buildings.

For the circular economy related objective:

- 2.3 Collection and transport of non-hazardous and hazardous waste,

The activities referred to under 7.7 have been considered aligned with EU Taxonomy criteria. Below please find a description of the process of determining compliance with technical screening criteria determined in the *Regulation (EU) 2021/2139 regarding substantial contribution to climate change mitigation and adaptation, DNSH principles and the minimum safeguards as determined in EU Regulation 2020/852*.

Substantial contribution to mitigation

Regulation (EU) 2021/2139 has set criteria of substantial contribution to climate objectives. For the activities described under 7.7 Purchase of and ownership title to buildings an individual analysis of compliance with the substantial contribution criteria was performed. Activities carried out in Poland and Slovenia were found to meet all the required criteria.

Do No Significant Harm (DNSH)

Regulation (EU) 2021/2139 has set criteria of "doing no significant harm" to the environment related to other environmental objectives. The main purpose of the DNSH principle is to ensure consistency of all objectives set in the Taxonomy and to eliminate cases when a specified environmental objective is achieved at the expense of the other ones.

In Inter Cars, DNSH criteria have been analysed for each activity that meets the substantial contribution criteria. Based on this, we have established that no activity that meets the substantial contribution criteria does significant harm to the remaining environmental objectives.

Compliance with the minimum safeguards

In accordance with Article 18 of Regulation 2020/852, we have determined

that in 2023 our activities were compliant with the minimum safeguards. The minimum safeguards include all procedures performed in the Company, among other in order to ensure compliance with OECD Guidelines for Multinational Enterprises and United Nations Guiding Principles for Business and Human Rights. Additionally, the compliance has been determined based on the Final Report on Minimum Safeguards, which has indicated that an enterprise's activities are non-compliant with the minimum safeguards if no due care process regarding human rights has been implemented, or if breaches have occurred as confirmed by administrative decisions or sentences regarding the minimum safeguards. The minimum safeguards include four key areas: human rights, corruption/bribery, taxes and fair competition. With regard to the first one, we have checked whether due care procedures regarding human rights are in place in the Inter Cars Group. With regard to the remaining ones, we have checked whether the Group has implemented appropriate procedures and whether courts have detected any breach committed by the Inter Cars Group or its management.

Following the responsible conduct standards is an integral part of our organisational culture. Besides, these standards are reflected in internal processes and procedures. Key Group's policies in this respect include IC S.A. Goods Purchase Policy and Code of Conduct and Good Market Practices

of Inter Cars S.A. Capital Group. The related activities undergo continuous monitoring, development and integration in the Group's structure. Based on the performed analysis, we have determined that the minimum safeguards criteria have been met. a detailed description of due care processes regarding human rights are presented in sub-section devoted to corporate governance on page 96.

CALCULATING KEY PERFORMANCE INDICATORS

In order to determine the proportion of Taxonomy-eligible activities to all business activities performed by the Group, revenue, CapEx (regarding assets or processes) and OpEx incurred as part of the Taxonomy-eligible activities were analysed. We have not identified any activity that would qualify for more than one environmental objective. No financial item was considered more than once, which eliminated the double-counting risk. Please note that Group's activities are Taxonomy-eligible to a little extent; therefore, the KPI values are low.

Turnover

Turnover generated from Taxonomy-eligible and aligned activities has been calculated using financial data presented in the consolidated financial statements (item X). Following an analysis of all activities we determined that revenue from those classified under 2.3 Collection and transport of non-hazardous and hazardous waste in ILS Logistics, which is eligible, amounts to PLN 1.387 million and account for 0.01% of the total Group's revenue. The denominator of the turnover related KPI is PLN 18,030.309 million (item X in the consolidated financial statements).

Capital expenditure (CapEx)

An analysis of all CapEx items included in the consolidated financial statements (item X) indicates that Taxonomy-eligible expenditure amounts to PLN 153.755 million, which accounts for 31.9% of the total CapEx incurred by the Group. Expenditure aligned with the technical screening criteria accounts for 26% (PLN 125.124 million) of the total CapEx amount of the Group for 2023. The additions comprise property, plant and equipment, intangible assets generated internally, including as a result of business combination or acquisition, additions of investment property acquired or recognised in carrying amounts, and, in appropriate cases, capitalised right-of-use assets (value increases related to acquisition resulting from business combination did not occur). The denominator of CapEx-related KPI exceeds PLN 481.6

million (item X in the consolidated financial statements).

Taxonomy-eligible and aligned CapEx is related to the following business activities:

Taxonomy-eligible and aligned activities:

- 7.7. Purchase of and ownership title to buildings (including capital expenditure related to the lease of buildings granted class a energy certificate or qualifying to 15% of the most effective facilities in the country as part of business activities of Inter Car Group subsidiaries in Poland and Slovenia).

Operating expenditure (OpEx)

According to the Taxonomy, not all operating expenditure items meet the eligibility requirements. Items we have identified as OpEx include mostly repairs and maintenance. The Company has decided to use the exemption regarding the presentation of each OpEx KPI for each activity, as given its business model, OpEx is immaterial. The Group carries out trade activities and does not own material machinery and equipment. No activity assigned with OpEx items was Taxonomy-eligible in the financial year 2023. The denominator in the KPI related to OpEx is PLN 15.539 million and includes only costs defined in the Taxonomy as OpEx.

The calculation method has changed compared to 2022. In 2023, costs of monitoring and security guard have

been considered immaterial and therefore not included in the denominator. Since the change materially affects the performance for 2022, the data for that year have been amended. Costs of the entire fleet service were included in the calculation for 2022, while in 2023 we have adopted an approach compliant with the one used when calculating CapEx and included only operating expenditure related to hybrid and electric cars. The related costs incurred in 2023 were immaterial.

ACCOUNTING PRINCIPLES

The description of the three KPI is presented below.

Capital expenditure considered Taxonomy-aligned include mostly additions recognised in line with IAS 16 Property, Plant and Equipment (e.g. vehicle charging stations, photovoltaic cells), and also in line with IFRS 16 Leases (we act as a lessee in relation to the lease of facilities related to business activities classified under the code 7.7).

When calculating Group's KPI, appropriate consolidation eliminations applied in the course of preparing consolidated financial statements were included.

Turnover

Turnover includes revenue recognised in line with IAS 1.82.a. The denominator includes revenue as presented in the consolidated financial statements as at

31 December 2023, recognised mostly in line with IFRS 15 Revenue from Contracts with Customers. Only a fraction of sales activities is recognised in line with IFRS 16 Leases. The numerator is equal to a portion of net revenue from sales of products or services, including intangible assets related to Taxonomy-aligned business activities. The KPI has been calculated based on the consolidated revenue of the Group for 2023 as disclosed in the consolidated financial statements under Sales Revenue, as described in Notes XXX.

The calculation method has changed compared to 2022. In light of positions expressed by the European Commission, we have assumed that the revenue from activities described in item 6.5 Transport by motorcycles, passenger cars and light-weight utility vehicles is not Taxonomy-eligible.

Capital expenditure (CapEx)

The denominator includes additions to property, plant and equipment and intangible assets that occurred in a given financial year prior to depreciation, amortisation, as well as value changes including revaluation and impairment for a given financial year, except for fair value changes. Further, the denominator includes additions to property, plant and equipment as well as to intangible assets arising from business combinations. No business combinations occurred in 2023. Apart from the above, the denominator includes

additions to right-of-use assets and to investment property. Each figure has been presented in the consolidated financial statements as at 31 December 2023 (precisely in Notes to the annual consolidated financial statements):

- Property, plant and equipment in Note 6 (recognised in line with IAS 16 Property, Plant and Equipment as Acquisitions);
- Right-of-use assets in Notes 6 and 7 (recognised in line with IFRS 16 Leases as Leases in Note 6 and as Additions in Note 7);
- Intangible assets in Note 8 (recognised in line with IAS 38 Intangible Assets as Acquisitions);
- Investment property in Note 9 (recognised in line with IAS 40 Investment Property; in 2023 no additions occurred).

For Taxonomy-eligible and aligned activities, the numerator is equal to the portion of capital expenditure recognised in the denominator which has been incurred in relation to a given activity. The KPI related to CapEx includes expenditure incurred in relation to Taxonomy-eligible activities as part of a CapEx plan and the purchase of products as part of Taxonomy-eligible business activities, as well as individual funds that allow turning the target activities into low-emission ones or reducing their GHG emissions.

Operating expenditure (OpEx)

The denominator includes direct not capitalised costs related to R&D, refurbishment of buildings, short-term leases, repairs and maintenance, as well as any other direct expenses related to the ongoing service of property, plant and equipment by an enterprise, or a third party entrusted with ensuring the continuity and efficiency of their use as part of an outsourcing contract. The OpEx items included in the denominator comprise the following:

- repairs and maintenance of company-owned passenger cars and delivery vans;
- repairs and maintenance performed in office and warehouse space;
- repairs and maintenance of machines and equipment including both the service and necessary consumables.

Costs of this type are recorded or occur mostly in our central warehouse located in Zakroczym (ILS), in the semi-trailer production plant (Feber) and in the company remanufacturing spare parts (Lauber).

DISCLOSURES RELATED TO ECONOMIC ACTIVITIES IN THE FOSSIL GAS AND NUCLEAR ENERGY SECTOR

In line with Article 8.6, 8.7 and 8.8 of the Delegated Regulation 2022/1214, we disclose appropriate information regarding our activities in the nuclear energy and fossil gas sector. Please note we are not exposed to activities in the fossil gas and nuclear energy sector. Appropriate disclosure tables with zero KPI values (Turnover, CapEx and OpEx) for such activities are provided in Appendix I.

PROPORTION OF TURNOVER OF PRODUCTS OR SERVICES RELATED TO TAXONOMY-ALIGNED BUSINESS ACTIVITIES IN 2023

Economic activities (1)	Code(s) (2)	Absolute turnover (3) PLN	Proportion of turnover, 2023 (4)%	Substantial contribution criteria							DNSH criteria (Do No Significant Harm)					Minimum safeguards (17) T/N	Taxonomy-aligned (A.1.) or eligible (A.2.) proportion of turnover Turnover, 2022 (18)	Category (enabling activities) (19) E	Category (transitional activities) (20) T
				Climate change mitigation (5) T; N; N/EL	Climate change adaptation (6) T; N; N/EL	Water and marine resources (7) T; N; N/EL	Pollution (8) T; N; N/EL	Circular economy (9) T; N; N/EL	Biodiversity (10) T; N; N/EL	Climate change mitigation (11) T/N	Climate change adaptation (12) T/N	Water and marine resources (13) T/N	Pollution (14) T/N	Circular economy (15) T/N	Biodiversity (16) T/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
7.4 Assembly, maintenance and repair of electric charging stations for vehicles located in buildings (an in adjacent parking facilities)	CCM 7.4	0.00														0.0%	E		
Turnover from environmentally sustainable activities (Taxonomy-aligned) (A.1.)		0.00														0.0%			
Including enabling activities		0.00														0.0%	E		
Including transitional activities		0.00														0.0%		T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL									
2.3 Collection and transport of non-hazardous and hazardous waste	CE 2.3	1,387,426.93	0.01%	N/EL	N/EL	N/EL	N/EL	T	N/EL							0,0%			
6.5 Transport by motorcycles, passenger cars and light-weight utility vehicles	CCM 6.5	0.00														0.0%			
6.6 Freight transport by road	CCM 6.6	0.00														1.8%			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2.)		1,387,426.93	0.01%	0%	0%	0%	0%	0,01%	0%							1.8%			
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		1,387,426.93	0.01%	0%	0%	0%	0%	0,01%	0%							1.8%			
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy non-eligible activities		18,028,921,573.07	99.99%																
TOTAL		18,030,309,000.00	100%																

7.4 Assembly, maintenance and repairs of electric charging stations for vehicles located in buildings (an in adjacent parking facilities)	CCM 7.4	89,134.00	0.0%	T	N/EL	N/EL	N/EL	N/EL	N/EL		N/A
7.7 Purchase of and ownership title to buildings	CCM 7.7	23,306,116.96	4.8%	T	N/EL	N/EL	N/EL	N/EL	N/EL		21.6%
5.1 Construction, extension and operation of water extraction, treatment and supply systems	CCM 6.6	0.00									0.02%
Capital expenditure of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2.)		28,631 539.27	5.9%	5.9%	0%	0%	0%	0%	0%		21.80%
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		153,755 169.40	31.9%	31.9%	0%	0%	0%	0%	0%		36.90%
B. TAXONOMY NON-ELIGIBLE ACTIVITIES											
CapEx of Taxonomy-non-eligible activities		327,820 830.59	68.1%								
TOTAL		481,576 000.00	100%								

Portion of capital expenditure/Total capital expenditure

	Taxonomy-alignment per objective	Taxonomy-eligibility per objective
CCM	26.0%	31.9%
CCA	0.0 %	0.0 %
WTR	0.0 %	0.0 %
CE	0.0 %	0.0 %
PPC	0.0 %	0.0 %
BIO	0.0 %	0.0 %

PROPORTION OF OPEX OF PRODUCTS OR SERVICES RELATED TO TAXONOMY-ALIGNED BUSINESS ACTIVITIES IN 2023

Business activities (1)	Code(s) (2)	OpEx (3) PLN	Proportion of OpEx, 2023 (4) %	Kryteria dotyczące istotnego wkładu							Kryteria dotyczące zasady „nie wyrządza poważnych szkód”					Minimum safeguards (17) T/N	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) activities Operating expenditure, 2022 (18) %	Enabling activities (19) E	Transitional activities (20) T
				Climate change mitigation (5) T; N; N/EL	Climate change adaptation (6) T; N; N/EL	Water and marine resources (7) T; N; N/EL	Pollution (8) T; N; N/EL	Circular economy (9) T; N; N/EL	Biodiversity (10) T; N; N/EL	Climate change mitigation (11) T/N	Climate change adaptation (12) T/N	Water and marine resources (13) T/N	Pollution (14) T/N	Circular economy (15) T/N	Biodiversity (16) T/N				
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
7.4 Assembly, maintenance and repairs of electric charging stations for vehicles located in buildings (an in adjacent parking facilities)	CCM 7.4	0.00														0.00%	E		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		0.00														0.00%			
Including enabling activities		0.00														0.00%	E		
Including transitional activities		0.00														0.00%		T	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
6.5 Transport by motorcycles, passenger cars and light-weight utility vehicles	CCM 6.5	0.00														15.60%			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2.)		0.00														15.60%			
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		0.00														15.60%			
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities		15,539,625.00	100%																
TOTAL		15,539,625.00	100%																

NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

4.4. CLIMATE RISKS

Climate risks analysis and their impact on the business operations of the Inter Cars Group follow the recommendations of Task Force on Climate-related Financial Disclosures (TCFD)⁶. During the process, a review of physical and transition risks is carried out.

Scenario analysis

**[GRI 201-2] [TCFD Strategy]
[GPW E-P1] [GPW I-P4]**

Considering the broad range of markets on which the Group operates, distribution of suppliers and predicted automotive market changes, we have carried out a climate-related risk and opportunity analysis based on two hypothetical scenarios in order to perform a detailed resilience check of our business model and to determine possible growth directions.

This approach allows us to understand which physical and transition risks related to the climate change may affect our operations in various geographies and value chain stages, beginning from material sourcing and production, distribution, sales, all the way through the use and disposal by our clients.

For the purpose of the analysis of threats and opportunities arising from the climate change, in line with TCFD recommendations, two scenarios have been selected:

- temperature increase by less than 2°C;
- temperature increase by 4°C.

Due to the long-term nature of the climate change, we have assessed risks and opportunities under various scenarios in a short-term (by 2025), mid-term (by 2030) and long-term (by 2050) perspective.

The process of material risk determination involved the assessment of likelihood of each phenomenon and estimation of its most probable impact (in line with our internal four-grade scale allowing integration with the current approach to the other business risks). Using the classification prepared by TCFD, first we developed a long list of climate-related threats, both physical and transition, which then underwent a critical assessment and prioritisation, involving the assessment of their materiality for our firm and potential impact. Owing to this we identified climate-related risks and opportunities material for our Group. Although the climate-related risk assessment methodology includes also

the financial scale, no cost analysis for the initiatives and response analysis to the risk were performed.

The outcome of the analysis regularly referenced when undertaking initiatives aimed at risk reduction and climate change adaptation.

OUTCOME OF THE ANALYSIS OF CLIMATE RISK IMPACT ON GROUP'S OPERATIONS

[GRI 3-3]

As a result of the analyses, risks most important for the Group that may occur in the short-, medium- and long-term perspective, especially transformational ones related to the 2oC growth scenario, were identified. Currently and in the short-term perspective, physical risks exert no material impact on the Group due to the nature of its operations, geographical location, diversification of suppliers and fact that they are mostly related to the long-term perspective under the 4oC growth scenario. Currently we identify no material physical climate risks that would necessitate preparation of adaptation plan in line with EU Taxonomy assumptions. We will carry out regular Taxonomy-based analysis

including new business areas, elements of the system, and risk assessment adequacy to ensure that both firm's operations and its exposure to threats are reflected to the fullest extent possible. More information regarding our strategy, risk management process and responsibilities of our organisational units and teams can be found in section 2.4 Sustainability.

When analysing risks, we identified and reviewed 21 transition climate risks, out of which we selected eight most important for our operations.

⁶ Task Force on Climate-related Financial Disclosures (TCFD) is an initiative established in 2015 by Financial Stability Board (FSB) in response to the needs of investors and other shareholders interested in obtaining more detailed information on climate change-related financial risks and opportunities. TCFD published voluntary recommendations that determine guidance regarding disclosures on climate change prevention and increase transparency of reports.

MOST IMPORTANT CLIMATE RISKS

Climate risks most important for the Inter Cars Group

Risk name	Risk description	Management method
<p>1. An increase in the prices of carbon dioxide resulting from tightened controls and requirements applicable to the automotive parts industry.</p>	<p>Regards:</p> <ul style="list-style-type: none"> • An increase in the prices of CO₂ emission certificates; • The risk that GHG and other emissions generated by the firm are too high, exceed the norms determined in environmental regulations and the firm fails to undertake appropriate measures to reduce them; • The carbon tax and the related costs. 	<ul style="list-style-type: none"> • The Group monitors and analyses market and regulatory trends using services of specialised advisory firms. • The Group has adopted <i>Decarbonisation Strategy</i> as part of its <i>Sustainability Strategy</i>, and the adopted CO₂ reduction goals have been validated by SBTi.
<p>2. The risk of growing expectations regarding the precision of data presented in non-financial reports devoted to ESG, for example the risk of developing new regulations and reporting systems that would result in an increase of costs.</p>	<p>Development of a reporting system and fulfilling requirements related, for example, to the Taxonomy and CSRD, as well as the implementing of data collection systems involves costs related to additional personnel and advisory services.</p>	<ul style="list-style-type: none"> • a dedicated ESG team working on the quality and transparency of ESG data presented in reports. • Cooperation with specialist advisory firms that help us to prepare appropriate reporting standards and to improve the reporting system.
<p>3. Introducing unexpected regulations applicable to existing products</p>	<p>Unexpected and/or significant regulatory changes affecting products, most probably in the supply chain of steel, rubber etc.</p>	<ul style="list-style-type: none"> • The Group keeps monitoring and analysing market and regulatory trends, and using services of specialist advisory firms, not only to adjust to the minimum current requirements but also to prepare to implement those included in legal acts to be introduced in future.
<p>4. The risk of limited access to logistic services, including maritime transport, resulting in an increase in costs and postponed delivery deadlines caused by new climate change-related regulations coming into effect.</p>	<p>The risk regards, among others, fuel used by transport ships, seaport remodelling necessity (e.g. caused by the sea level increase) or decommissioning of old vessels, changes in standards applicable to engines, availability of carriers/ fleet, ability to obtain licences permitting operations in certain countries. Due to changes in regulations and including the transport industry in "Fit for 55", the costs may grow.</p>	<ul style="list-style-type: none"> • The Group has a diversified network of suppliers and distributors, assessed and rationalised on an ongoing basis. • Active monitoring of accessibility of various transport and distribution channels.

MOST IMPORTANT CLIMATE RISKS

5. Risk of no access to funding or an increase in costs of funding if financial institutions issue a low ESG-related grade.

Funding/capital costs may undergo ESG evaluation and affect the accessibility of credits granted by investors. Failure to achieve strategic climate change-related goals may harm firm's reputation as well.

- The Group keeps monitoring and analysing market and regulatory trends, as well as requirements of financial institutions, including those related to climate and environment.
- The ESG Team keeps working on the quality and transparency of ESG data presented in reports, not only to ensure their compliance with the law, but also applying good practices, such as TCFD.

6. Failure to achieve the determined goals and the desirable level of KPI for strategic projects and initiatives caused by unexpected costs, unsuccessful adaptation or implementation, as well as misassessment of investments in technological solutions supporting sustainable development / low emissions.

Technology-related risk may result from a slow pace of new technology implementation process or firm's inability to fully and reasonably use the implemented technologies. Further, it may involve misassessment of investments, inappropriate or ineffective technology implementation. It may affect suppliers and force them to buy more innovative machinery, which will increase investment costs.

- The Group has developed a process of strategic planning and monitoring of key initiatives related to new technology implementation, as well as project monitoring and management system.
- In justified cases the Group cooperates with specialist advisory firms to select the most effective solutions.

7. Decrease in importance or final termination of the trade in spare parts for combustion engines on the aftermarket.

As a result of changes in regulations and/or consumer preferences, the spare parts aftermarket may lose importance compared to that trading in parts for electric vehicles or other sustainable components. Over time, the segment may disappear driven out by new regulations. Manufacturers and distributors may lack incentives to develop innovations or provide after-sales service / parts to combustion engines.

























- The Group keeps monitoring and analysing market trends, testing new product solutions and diversifying its offer, extending it with parts for electric cars. The same measures will be considered and if necessary, adopted in relation to other new technologies.
- Promoting technological neutrality to maintain innovative solutions.

8. Diminishing client base as a result of incentives to use public transport and lack of private transport solutions affordable for everyone.

The client base may shrink as a result of governmental campaigns promoting the use of public transport. Sustainable solutions developed in the private sector will not be available for an average client until they reach an appropriate scale.

- The Group is a member of many industrial organisations and working groups that develop and consult solutions optimal for various stakeholder groups. Owing to this, it is participating in social changes and monitoring them on an ongoing basis.

ASSESSMENT OF KEY CLIMATE RISKS

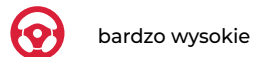
Risk	Risk type	Category	Potential impact	Short-term outlook		Long-term outlook global below 2°C warming scenario		Middle-term outlook, 4°C warming scenario	
				Impact	Probability	Impact	Probability	Impact	Probability
1. Increase in CO₂ emission prices	Regulatory	Industry-specific	<ul style="list-style-type: none"> Increase in operating expenses Drop in revenue" 						
2. Increase in expectations regarding the precision of information disclosed in ESG reports	Regulatory	Specific for Inter Cars operations	<ul style="list-style-type: none"> Increase in costs of legal and advisory services 						
3. Introducing unexpected regulations applicable to existing products	Regulatory	Broad market risk	<ul style="list-style-type: none"> Increase in operating expenses Drop in revenue" 						
4. Limited access to logistic services	Regulatory	Specific for Inter Cars operations	<ul style="list-style-type: none"> Increase in operating expenses Reputation loss resulting from not keeping deadlines 						



średnie



wysokie



bardzo wysokie

ASSESSMENT OF KEY CLIMATE RISKS

Risk	Risk type	Category	Potential impact	Short-term outlook		Long-term outlook global below 2°C warming scenario		Middle-term outlook, 4°C warming scenario	
				Impact	Probability	Impact	Probability	Impact	Probability
5. Inability to obtain funding; increase in funding costs	Product and market related	Specific for Inter Cars operations	<ul style="list-style-type: none"> Project funding difficulties Liquidity problems" 						
6. Failure to achieve the determined ESG goals	Technological	Specific for Inter Cars operations	<ul style="list-style-type: none"> Increase in operating expenses resulting from inefficient allocation or loss of resources 						
7. Decrease in importance or final termination of the trade in spare parts for combustion engine cars	Regulatory and technological	Specific for Inter Cars operations	<ul style="list-style-type: none"> Drop in revenue 						
8. Diminishing client base resulting from mass transport use incentives	Technological and regulatory	Specific for Inter Cars operations	<ul style="list-style-type: none"> Drop in revenue 						



medium



high



very high

Climate-related opportunities

Climate change not only creates threats and challenges, but also provides us with new opportunities allowing us to transform and meet sustainability-related criteria. Seizing those opportunities in a proper manner may create advantages related to competing on the market and may increase the company's resilience and its ability to respond to the negative effects of climate change. We have defined six opportunities that fit in our organisational development strategy:

1. Increasing funding and/or reducing its costs based on sustainability criteria. We need to consider not only growing requirements of regulatory bodies, but also expectations of finance sector institutions, which treat sustainable development as an increasingly important criterion of funding.
2. Reducing electricity consumption and the related costs owing to energy efficiency improvement. This is important not only as a means to limit operating expenses, but also in light of security and stability of operation in the presence of market uncertainty or geopolitical conflicts.
3. Improving ESG-related efficiency. The approach improves the brand's image not only in terms of finance, but also in relation to equally important changes in consumer preferences, who are increasingly interested in products that meet sustainable production criteria. The measures



we undertake are to fulfil these expectations.

4. Making use of new market needs. Examples include growing segments of new products, such as parts for electric vehicles. We keep monitoring trends and adjusting our product offer accordingly. Moreover, we test new solutions intended for clients.
5. Increasing the involvement of employees and suppliers as a result of achieving our sustainable development goals. This may enhance our effectiveness, improve brand's image

and increase trust in our firm. We want our business partners and clients to get involved in our initiatives that exert measurable impact on the environment, such as reducing CO₂ emissions generated by our own operations.

6. Building "agile enterprise" able to quickly adapt to the changing climate. We may achieve this by continuous adaptation of our product and service offer based on the outcome of climate-related risk and opportunity analysis. This will enhance our market position, additionally protect-

ing the firm against possible economic stress, for example resulting from supply chain disruptions.

The Inter Cars Group *Sustainability Strategy adopted in 2023* allows gradual implementation of ESG initiatives and avoiding of unplanned investments or costs.

4.5. CARBON FOOTPRINT AND DECARBONISATION TARGETS

We strive to reduce the adverse environmental impact of the Group, among others through the reduction of GHG emissions. We have implemented a related impact management process, which commences with the measurement of our carbon footprint in the three scopes, in line with the GHG Protocol methodology. The calculations have been performed since 2021, when we calculated Group's carbon footprint for the first time. Since then, we have been improving it on a continuous basis. In order to properly direct our environmental impact management activities, we have developed *Decarbonisation Strategy*, which is part of *Inter Cars Group Sustainability Strategy* adopted by a Management Board's resolution in 2023.

DECARBONISATION STRATEGY AND VERIFYING DECARBONISATION TARGETS WITH SBTi

When designing *Decarbonisation Strategy*, we analysed the Group's carbon footprint to identify material emission sources. On this basis, we designated decarbonisation levers, i.e. measures to focus on in order to achieve desirable results.

At the same time, goals determined in *Decarbonisation Strategy* were verified by Science Based Targets initiative (SBTi). This global initiative allows enterprises to set ambitious emission reducing goals in line with the newest achievements of the climate science. It focuses on the acceleration of activities performed by enterprises around the world in order to reduce the emissions by half by 2030 and achieve zero net balance by 2050

GHG EMISSION REDUCTION TARGETS OF INTER CARS GROUP

In line with SBTi methodology, we have set two decarbonisation targets:

1. For scope 1&2 emissions:

Inter Cars commits to reduce absolute scope 1 and 2 GHG emissions by 42% by 2023 from a 2021 base year.

2. For scope 3 emissions:

Inter Cars commits that 73% of its suppliers by emissions covering

- category 1: Purchased goods and services;
- category 4: Upstream transportation and distribution;
- category 9: Downstream transportation and distribution;

will set their science-based targets by 2028.



BUSINESS AMBITION FOR 1.5°C 



[GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4] [GRI 305-5]

GHG emissions were calculated in line with the standard prepared by GHG Protocol⁷. The calculations include Group's operations carried out in 19 companies in Europe for scope 1, 2 and 3. All GHGs as referred to in the GHG Protocol standard have been included. The reporting system for which the GHG emissions have been calculated includes the annual period from 1 January to 31 December 2023. The Inter Cars Group has selected the operational control approach to consolidate its emissions⁸. Data obtained for calculation purposes originate from invoices, fuel consumption reports, and

readings of the corporate management systems⁹.

Since in 2021 we performed the first calculation of our carbon footprint in all three scopes, it has been considered our base year to which we refer emissions recorded in subsequent reporting years.

Emission factors used to calculate GHG emissions originate from commonly accessible international databases, among others DEFRA, KOBIZE, URE, World Bank Balance, European Energy Agency and Exiobase tools, as well as information on the volume of emissions related to electricity generation by individual energy producers. GWP

values originate from materials made available by GHG Protocol¹⁰. The adopted values are presented in the fifth IPCC Report (AR5).

The data included in GRI 305-1, 305-2, 305-3, 305-4 and 305-5 for 2021 and 2022 were updated compared to the disclosures included in *Inter Cars Group Sustainability Report for 2022 and 2021*. This has resulted from better quality of data used to calculate emissions and verified emission sources.

The following fifteen subsidiaries whose combined revenue accounts for less than 2% of Group's revenue are excluded from the calculation, since the emissions they generated have

been considered immaterial: Q-Service Sp. z o.o., IC Development & Finance Sp. z o.o., OOO Inter Cars Avtomobilna Technika (liquidated in January 2024), Aurelia Auto d o o, Inter Cars Malta Limited, Inter Cars Malta Holding Limited, Armatus Sp. z o.o., Inter Cars Belgium NV, Inter Cars Cyprus Limited, Inter Cars Fleet Services sp. z o.o, Inter Cars Norge AS, ILS Adriatic Logistika d. o.o., Inter Cars Albania SHA, Inter Cars Deutschland GmbH3, ILS Balcan srl.

⁷ Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆).

⁸ The data consolidation approach, i.e. setting the reporting scope and classifying emissions to specific scopes as per the standard prepared by GHG Protocol, follows the operational control approach. a company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation.

⁹ The Greenhouse Gas Protocol: a Corporate Accounting and Reporting Standard. Revised Edition. Link: <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

GHG Protocol Scope 2 Guidance. An amendment to the GHG Protocol Corporate Standard. Link: <https://ghgprotocol.org/sites/default/files/2023-03/Scope%20%20Guidance.pdf>

The Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Supplement to the GHG Protocol Corporate Accounting and Reporting Standard. Link: https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard_041613_2.pdf

¹⁰ Global Warming Potential Values, link: <https://ghgprotocol.org/sites/default/files/2022-12/Global%20Warming%20Potential.pdf>

[GRI 305-1] [TCFD Measures and goals] [GPW E-P2]

Direct greenhouse gas emissions (Scope 1)

Transport fuels are the largest source of emissions in the Inter Cars Group, accounting for 56% of Scope 1 emissions. These include:

- Passenger cars used to carry out routine business operations of the Group and a small fleet of trucks used for distribution purposes;
- Emissions from buildings originating from the combustion of heating fuels and loss of refrigerants.

In 2023, Scope 1 emissions in the Inter Cars Group decreased by 15% compared to 2022, mostly as a result of reduced consumption of heating fuels in warehouses (in this respect, the drop was 37%). A significant increase in emissions, though, was experienced in relation to transport fuels (20%).

DIRECT GREENHOUSE GAS EMISSIONS, SCOPE 1 [tCO₂e]¹¹

Emission sources	Inter Cars S.A.			Inter Cars Group		
	2023	2022 <i>adjusted</i>	2021 <i>adjusted</i>	2023	2022 <i>adjusted</i>	2021 <i>adjusted</i>
Transport fuels – Petrol	578	375	255	1,566	964	634
Transport fuels – LPG	1	0	0	10	41	8
Transport fuels – Diesel	193	248	212	2,983	2,790	2,651
Transport fuels – Aviation fuel ¹²	6	8	0	6	8	0
Transport fuels – Other	0	0	0	0	11,	0
Natural gas for heating and hot water	0	0	0	3,005	3,574	4,019
Heating oil for heating and hot	25	28	78	71	40	142
LPG for heating and hot water	430	504	358	430	504	358
Coal for heating and hot water	0	0	0	0	1,477	1,817
Refrigerants	0	0	0	31	97	25
Fuel oil for power generator	0	0	0	0	0	1
Total	1,233	1,163	903	8,102	9,506	9,655

¹¹ The carbon footprint calculation for 2021 and 2022 was adjusted as a result of better quality of data used to calculate emissions and verified emission sources in the Group.

¹² The "Transport fuels: Aviation fuel" category has been added compared to the Inter Cars Group 2022 Sustainability Report.

[GRI 305-2] [TCFD Measures and goals] [GPW E-P2]

Indirect greenhouse gas emissions (Scope 2)

Scope 2 emissions are reported in line with GHG Protocol Scope 2 Standard under two approaches:

- location-based, using the energy generation emission factor for a given country;
- market-based, using the energy generation emission factor for a given power supplier.

In 2023 the Inter Cars Group reduced its Scope 2 emissions (the market-based approach) by 36% vs 2022. The reduction results from having contracted electricity originating from renewable energy sources in selected locations of Inter Cars S.A. and ILS Sp. z o.o.

[WW – SLL – KPI 1]

Reduction of Scope 1 and 2 GHG emissions

As at 31 December 2023 the total reduction of Scope 1 and 2 emissions vs the base year value determined for the reference period ending at 31 December 2021 was 26% (decrease of 5,122 tCO₂e), in accordance with market-based method.

INDIRECT GREENHOUSE GAS EMISSIONS, SCOPE 2 [tCO₂e]¹³

Emission sources	Inter Cars S.A.			Inter Cars Group		
	2023	2022 <i>adjusted</i>	2021 <i>adjusted</i>	2023	2022 <i>adjusted</i>	2021 <i>adjusted</i>
Indirect greenhouse gas emissions from electricity purchases - market-based	476	1,116	1,355	6,389	10,336	9,873
Indirect greenhouse gas emissions from electricity purchases – location-based	1,310	1,149	1,241	11,458	10,559	9,769
Indirect greenhouse gas emissions from the purchase of district heat	104	106	72	432	394	518
Indirect greenhouse gas emissions from district cold purchases	0	0	0	10	10	9
Total (market-based)	580	1,222	1,427	6,831	11,740	10,400
Total (location-based)	1,414	1,255	1,313	11,900	10,968	10,296

[GRI 305-5]

GHG EMISSIONS REDUCTION RESULTING FROM IMPLEMENTED MEASURES [tCO₂e] VS THE BASE YEAR 2021¹⁴

Total Scope 1 and 2	Inter Cars S.A.		Inter Cars Group	
	2023	2022 <i>adjusted</i>	2023	2022 <i>adjusted</i>
Reduction [tCO ₂ e]	- 517	+ 56	- 5,122	+ 189
Reduction [%]	- 22%	+ 2%	- 26%	+ 1%

¹³ The carbon footprint calculation for 2021 and 2022 was adjusted as a result of better quality of data used to calculate emissions and verified emission sources in the Group.

¹⁴ Data for 2022 were adjusted as a result of improved data quality and verification of emission sources.

[GRI 305-3] [TCFD Measures and goals] [GPW E-P2]

Other indirect greenhouse gas emissions (Scope 3)

Goods and services purchased by the Group account for most of the Scope 3 carbon footprint. Majority of Scope 3 emissions originate from:

- manufacturing of products sold by the Group (a major portion of the emissions);
- transport among warehouses and from small warehouses to the distribution network.

In 2023 a major change was introduced, involving the assignment of emissions generated by our branches to Category 9: Downstream transportation and distribution. Until 2021 they had been classified in Category 14: Franchises. The change resulted from the verification of our decarbonisation targets by SBTi, whose experts, having analysed cooperation of Inter Cars and its branches, recommended to re-assign the branches to Category 9 in Scope 3.

In 2023 Scope 3 emissions increased by 11% vs 2022, mostly as a result of a growth in sales volume and transportation scale.

OTHER INDIRECT GREENHOUSE GAS EMISSIONS, SCOPE 3 [tCO₂e]¹⁵

Scope 3 emission categories	Inter Cars S.A.			Inter Cars Group		
	2023	2022 <i>adjusted</i>	2021 <i>adjusted</i>	2023	2022 <i>adjusted</i>	2021 <i>adjusted</i>
Category 1: Purchased goods and services	659,223	616,367	642,765	1,400,230	1,269,395	1,212,443
Category 2: Capital goods	506	10,031	10,031	40,242	10,491	12,949
Category 3: Fuel- and energy-related activities not included in Scope 1 or Scope 2	627	532	526	4,379	4,995	4,860
Category 4: Upstream transportation and distribution	-	-	-	127,287	115,967	112,826
Category 5: Waste generated in operations	7	6	1	311	265	303
Category 6: Business travel	92	131	0	271	250	33
Category 7: Employee commuting	1,020	1,020	1,020	5,700	5,568	6,503
Category 8: Upstream leased assets	-	-	-	-	-	-
Category 9: Downstream transportation and distribution	15,147	20,877	20,031	35,220	39,418	34,105
Category 10: Processing of sold products	-	-	-	-	-	-
Category 11: Use of sold products	44,739	50,895	46,216	63,191	68,142	61,886
Category 12: End-of-life treatment of sold products	2,269	2,139	2,096	4,645	4,119	3,751
Category 13: Downstream leased assets	-	-	-	-	-	-
Category 14: Franchises ¹⁶	-	-	-	-	-	-
Category 15: Investments	139	127	125	139	127	125
Total	723,769	702,125	722,811	1,681,615	1,518,737	1,449,784

¹⁵ The carbon footprint calculation for 2021 and 2022 was adjusted as a result of better quality of data used to calculate emissions and verified emission sources in the Group.

¹⁶ Change vs 2022: Group's branches have been classified to Category 9 under distribution.

[GRI 305-4] [GPW E-P2]

Intensity of GHG emissions

In 2023 the GHG emissions intensity calculated in tons of CO₂ equivalent per each thousand of items sold amounted to, respectively:

- For Scope 1: 0.041;
- For Scope 2: 0.035;
- For Scope 3: 8.611.

The data include total sales of products in each company in 2023.

In all three scopes emission intensity dropped vs 2022 level by 25%, 44% and 3%, respectively, for Scope 1, Scope 2 and Scope 3. The drops have resulted from reduction in Scope 1 and 2 emissions and the sales volume growth year-to-year.

[GPW E-P3] INTENSITY OF GHG EMISSIONS [tCO₂e /1,000 ITEMS SOLD]¹⁷

Emission scope	Inter Cars S.A.		Inter Cars Group	
	2023	2022 <i>adjusted</i>	2023	2022 <i>adjusted</i>
Scope 1 (direct emissions)	0.014	0.014	0.041	0.055
Scope 2 (indirect emissions)	0.007	0.015	0.035	0.063
Scope 3 (other indirect emissions)	8.198	8.605	8.611	8.869

[GRI 305-5]

Renewable energy sources

In 2023, 37% of electricity consumed by the Inter Cars Group originated from renewable sources, the remaining portion being derived from non-renewable ones. In 2023, electricity generated in RES was purchased by:

- ILS Sp. z o.o.;
- Inter Cars S.A.;
- Lauber Sp. z o. o.
(additionally, the entity has its own photovoltaic installation).

The total volume of green electricity consumed in 2023 was 7,848,366 kWh (28,254 GJ). This contributed to the reduction in Scope 2 GHG emissions by 3,947 tCO₂e vs 2022.



¹⁷ Data for 2022 were adjusted as a result of improved data quality and verification of emission sources.

4.6. ENERGY CONSUMPTION



Knowing how electricity consumption affect the carbon footprint of the Inter Cars Group motivates us to switch to greener energy sources. In 2023 we have commenced the implementation of our decarbonisation strategy, also in the form of purchasing electricity originating from RES. We believe the purchase of Guarantees of Origin¹⁸ both helps us to achieve our emission reduction goals and contributes to the growth of renewable energy sources.

Barbara Sobańska
Director of Administration
and Relations with Sales Network

Data obtained for energy consumption calculation purposes originate from invoices, fuel consumption reports, and readings of the corporate management systems. In order to ensure consistency of energy calculation units, we have recalculated them

based on the calorific value and fuel density of each energy carrier in line with DEFRA¹⁹ database.

The calculation of factors 302-1, 302-2 and 302-2 does not include 15 entities whose total revenue is less than 2% of the total Group's revenue and whose energy consumption has been considered immaterial: Q-Service Sp. z o.o., IC Development & Finance Sp. z o.o., OOO Inter Cars Automobilna Technika (liquidated in January 2024), Aurelia Auto d o o, Inter Cars Malta Limited, Inter Cars Malta Holding Limited, Armatus Sp. z o.o., Inter Cars Belgium NV, Inter Cars Cyprus Limited, Inter Cars Fleet Services sp. z o.o, Inter Cars Norge AS, ILS Adriatic Logistika d. o.o., Inter Cars Albania SHA, Inter Cars Deutschland GmbH, ILS Balcan srl.

[GRI 302-1] [WSE E-P4]

TOTAL FUEL CONSUMPTION WITHIN THE ORGANISATION [GJ]

Energy source	Inter Cars S.A.		Inter Cars Group	
	2023	2022 adjusted	2023	2022 adjusted
Non-renewable fuels				
Natural gas	0	0	54,264	64,416
Heating oil	324	360	918	518
Coal	0	0	0	14,798
Diesel	2,602	3,346	40,262	37,649
Petrol	8,337	5,414	22,597	13,906
LPG ²⁰	6,763	7,870	6,902	8,518
Aviation fuel ²¹	86	110	86	110
Total (non-renewable fuels)	18,112	17,100	125,029	139,915
Renewable fuels				
Renewable fuels (e.g. biomass) used in real estate	0	0	0	0
Biofuels used in transportation	0	0	0	0
Total (renewable fuels)	0	0	0	0
Total	18,112	17,100	125,029	139,915

¹⁸ Guarantees of Origin are an element of the European Union's environmental policy, which aim to disclose and certify for the end user that a specific amount of electricity introduced into the distribution network or transmission network was generated from renewable energy sources or in the process of high-efficiency cogeneration (CHP – Combined Heat and power).

¹⁹ <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023>

²⁰ Data for 2022 were adjusted as a result of improved data quality and verification of emission sources.

²¹ The "Transport fuels: jet fuel" category has been added (it did not exist in the report for 2022).

[GRI 302-1] [WSE E-P4]

Total energy consumption within the organization [GJ]

In 2023 energy consumed by the Group was used mostly for operating purposes in warehouses and office facilities. The total energy consumption on the Group level reached 80,098 GJ, most of which was electricity. 37% of the consumed energy originated from renewable energy sources (RES).

[GRI 302-1] [WSE E-P4]

TOTAL ENERGY CONSUMPTION WITHIN THE ORGANIZATION [GJ]²²

Energy source	Inter Cars S.A.		Inter Cars Group	
	2023	2022 adjusted ²³	2023	2022 adjusted ²⁴
Energy from non-renewable sources				
Electricity	2,632	6,213	47,459	66,202
Heat	1,032	1,032	4,302	3,852
Cooling-related energy	0	0	83	79
Total (energy from non-renewable sources)	3,663	7,245	51,844	70,133
Renewable energy				
Electricity produced from RES or PPA/Guarantees of Origin purchased	4,615	0	28,254	114
Steam	0	0	0	0
Total (renewable energy)	4,615	0	28,254	114
Total	8,278	7,245	80,098	70,247



²² Data for 2022 were adjusted as a result of improved data quality and verification of emission sources.

²³ Data for 2022 were adjusted as a result of improved data quality and verification of emission sources.

²⁴ Data for 2022 were adjusted as a result of improved data quality and verification of emission sources.

ENERGY CONSUMPTION OUTSIDE THE ORGANISATION [GJ]²⁵

Energy consumption category	Inter Cars S.A.		Inter Cars Group	
	2023	2022 <i>adjusted</i>	2023	2022 <i>adjusted</i> ²⁶
Transport				
Freight vehicles	0	0	758,823	725,582
Vans	0	0	140,519	148,167
Branches (distribution points)				
Electricity	24,025	36,276	47,008	62,209
District heat	10,826	12,919	18,409	20,016
Natural gas	15,488	16,920	24,437	27,999
Heating oil	2,820	3,336	2,820	3,336
Coal	2,635	2,648	2,635	2,648
Diesel	101,035	101,731	233,233	236,091
Petrol	22,165	21,683	48,697	54,144
Pellets	339	0	3,958	3,077
LPG	9,892	22,061	19,407	30,742
Total	189,225	217,574	1,299,946	1,314,011

[GRI 302-2] [WSE E-P4]

Energy consumption outside the organisation

In 2023 the total energy consumption outside the organisation reached 1,299,946 GJ with the biggest share of transportation from central warehouses to smaller regional ones and further to sales and distribution outlets (branches).

Branches are the second location of energy and fuel consumption (outside the organisation). Transportation fuels (gasoline and diesel oil) used for the last-mile transportation (i.e. from sales and distribution outlets to clients) account for most of the consumption.

[GRI 302-3] [GPW E-P4]

Energy intensity

In 2023 the energy intensity expressed in GJ per thousand of items sold reached 1.05 in the organisation and 6.66 outside the organisation (indicator of the Inter Cars Group). The data include sales of products in each company in 2023.

When calculating GRI 302-3 all energy carriers included in 302-1 and 302-2 were considered, such as natural gas, fuel oil, coal, diesel oil, gasoline, LPG, heat from the grid and electricity.

ENERGY INTENSITY INDEX

	Inter Cars S.A.		Inter Cars Group	
	2023	2022 <i>adjusted</i> ²⁷	2023	2022 <i>adjusted</i> ²⁸
Energy consumption within the organisation	0.30	0.30	1.05	1.23
Energy consumption outside the organisation	2.14	2.67	6.66	7.67

²⁵ The data regarding branches have been revised and adjusted. In 2022, in a number of locations, certain emissions were incorrectly assigned to Scope 1 or 2 (entities inside the organisation) instead of Scope 3 (entities outside the organisation – branches).

²⁶ Data for 2022 were adjusted as a result of improved data quality and verification of emission sources.

²⁷ Data for 2022 were adjusted as a result of improved data quality and verification of emission sources.

²⁸ Data for 2022 were adjusted as a result of improved data quality and verification of emission sources.

4.7. WATER MANAGEMENT

**[GRI 3-3] [GRI 303-1] [GRI 303-2]
[WSE E-D2]**

The distribution activities of the Inter Cars Group do not materially affect biologically valuable or protected areas, and water consumption is below the permitted maximum values, as confirmed by analyses of our water consumption impact on the environment. The Group companies do not operate on areas exposed to the risk of water shortage.

We have obtained all necessary permits regarding water management. We keep monitoring the impact of our operations on water resources in relation to water extraction and discharge to the sewage system, both in terms of quantity and quality. We file detailed water consumption reports with competent authorities on a regular basis. Besides, we strive to re-use as much water as possible when washing remanufactured parts at Lauber Sp. z o. o.

Water extraction and discharge

In all locations we make sure that the sewage we generate is not discharged to water or soil. Most Group's facilities in Poland and abroad are supplied by municipal water supply systems. The extracted water is used mostly for sanitary and social purposes.

Water use in ILS

Our warehouses located in Czosnów and Zakroczym have their own ground water wells used based on appropriate permits and once a year provide information on water consumption to the Provincial Inspectorate for Environment Protection. Sewage is discharged to tight tanks, which are collected by a specialist third party and transported to the local treatment station. We pay appropriate environmental fees related to water consumption. Additionally, ILS covers costs related to the natural retention reduction. In new facilities, all rest rooms are equipped with sensors that switch off water when no one uses them, which allows saving water used for sanitary purposes.

WATER CONSUMPTION RATIO

	Inter Cars S.A.		Inter Cars Group	
	2023	2022 <i>adjusted</i> ²⁹	2023	2022 <i>adjusted</i>
Water uptake [m ³]	5,612.93	5,323.34	65,653.60	62,152.28
Water discharge [m ³] [WSE E-D1]	5,574.34	5,323.34	58,602.59	53,188.43

Using water in production

Lauber uses water for production purposes; it circulates in a closed system comprising washing devices. Rainwater is collected and discharged to the municipal storm-water drainage system.

Feber Vehicle Production Plant in Sieradz does not use water in production. The entire volume of extracted water is consumed solely by employees.

²⁹ The data for 2022 have been adjusted; figures provided by offices have been included.

05

EMPLOYEES (S)

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KEY FACTS
AND FIGURES

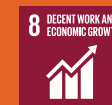
Inter Cars Group:

4,363
employeesEmployee Net
Promoter Score (eNPS):**23%**

Cases of discrimination:

0

SUSTAINABLE DEVELOPMENT GOALS



5.1. MANAGERIAL APPROACH

We strive to create an environment of motivated people based on open relationships, with personal commitment being the most important value as it makes the employees look for effective solutions and enables them to gain satisfaction from the performance of daily duties. We provide our people with growth opportunities by entrusting them with ambitious tasks and accepting possible failures. We act with passion and achieve goals through teamwork.

HUMAN CAPITAL MANAGEMENT STRATEGY

[GRI 3-3]

Our *Human Capital Management Strategy for 2021-2025* sets out strategic HR goals of the entire Group. The strategy has been developed by representatives of all markets in which we operate.

Areas covered in the *Human Capital Management Strategy*:

- organizational culture,
- values,
- uniform job titles,
- competences, assessment, and clear growth paths,
- the book of successors,
- training policy,



- remuneration policy,
- benefits policy,
- employment policy.

Key Documents

Employee matters are regulated by internal documents and procedures adopted by the Group. The major ones being:

— Human Capital Management Strategy

The strategy defines the objectives of the Human Capital Management area, describes our vision, culture, and values.

— Capital Group's personnel policy

Describes the remuneration and bonus policy, the rules governing the process of salary reviews, employee pay raises and benefits. It refers to the principles of creating career paths, laying down competency requirements for individual positions and their wording. It specifies the employee assessment system, organizational structure standards, and employee onboarding process.

— Code of Labour

The document sets out the provisions regulating internal workplace rules, including the rights and obligations of employees related to work organization and order.

— Regulations of the Employee Benefit Fund

Describes the rules for establishing and using the Social Benefits Fund.

— Remuneration regulations

The regulations define the rules governing the remuneration terms and conditions as required by the Code of Labour.

— Occupational Health and Safety and Environmental Protection Policy in the Inter Cars Capital Group

The policy sets out the safety and work ergonomics rules adopted by the Group.

— Anti-mobbing Policy

The policy describes the principles of counteracting mobbing and harassment, the possibilities of obtaining help and the rules of conduct in such cases.

— Internal communication rules

The rules determine the communication manner within the Group.

Employee Council is a body that represents employees during negotiations with the employer, i.e. the subsidiaries of the Inter Cars Group. The Council is composed of three members who are elected in free and general inter-company elections and meet at least once a quarter. The Council is consulted about employee-related matters.

5.2. OUR STAFF

[GRI 3-3]

The Inter Cars Group is all about people – employees and contractors who for over 30 years have been supporting us in becoming the market leader.

We appreciate their commitment and passion for work that we observe every day. In 2023 the number of employees directly employed by the Inter Cars Group reached 4 363, with another 661 contractors rendering additional services for the organization. The following data present the headcount as at 31 December 2023.



[GRI 2-7] [S-P7]

EMPLOYEES OF THE INTER CARS GROUP BY EMPLOYMENT TYPE AND FORM

Employment Type	Inter Cars S.A.		Inter Cars Group	
	2023	2022	2023	2022
Temporary Employees				
Female	95	91	180	181
Male	144	139	355	299
Total	239	230	535	480
Permanent Employees				
Female	316	277	1,152	1,034
Male	427	375	2,676	2,452
Total	743	652	3,828	3,486
Total	982	882	4,363	3,966

Working Time	Inter Cars S.A.		Inter Cars Group	
	2023	2022	2023	2022
Full-time				
Female	403	355	1,311	1,178
Male	563	498	3,011	2,714
Total	966	853	4,322	3,892
Part-time				
Female	8	13	21	34
Male	8	16	20	36
Total	16	29	41	70
Non-guaranteed hours				
Female	0	0	0	3
Male	0	0	0	1
Total	0	0	0	4
Total	982	882	4,363	3,966

GRI 2-7 Index broken by regions can be found in the Appendix on page 123.

[GRI 2-8]

WORKERS WHO ARE NOT EMPLOYEES

Staff employed on a service (B2B) contract, management contract or traineeship contract include clerical positions. In 2023, we do not identify a significant change in the number of people working as non-employees.

The number of workers who are not employees and whose work is controlled by the organization (by gender and type of contract)

Type of employment contract ³⁰	Inter Cars S.A.						Inter Cars Group					
	Female		Male		Total		Female		Male		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
contract of mandate	7	7	10	10	17	17	14	11	16	11	30	22
task-specific contract	2	2	19	20	21	22	2	4	22	25	24	29
service provision agreement (self-employment, B2B)	36	42	406	358	442	400	59	64	503	454	562	518
managerial contract	0	0	0	0	0	0	3	1	2	3	5	4
paid internship (for graduates)	1	7	6	9	7	16	7	7	7	9	14	16
unpaid internship (for graduates)	0	10	24	58	24	68	6	10	28	58	34	68
Total	46	68	467	455	511	523	91	97	578	560	669	657

[GRI 2-30] [GPW S-P7]

Collective Bargaining Agreement

Neither Inter Cars S.A. nor any of its 29 subsidiaries are engaged in collective bargaining agreements. The table below shows the percentage of employees covered by collective bargaining agreements in the five companies where such agreements exist.

PERCENTAGE SHARE OF COLLECTIVE BARGAINING AGREEMENTS IN SUBSIDIARIES WHERE SUCH AGREEMENTS EXIST

Subsidiary name	Percentage of employees covered by collective bargaining agreements in selected subsidiaries of the Inter Cars Group [%]
Inter Cars Ukraine	100%
Inter Cars Italia s.r.l (formerly JC Auto s.r.l.)	100%
Inter Cars Romania s.r.l.	100%
Inter Cars INT Trgovina z rezervnimi deli in opremo za motorna vozila d.o.o. ³¹	99.15%
Inter Cars d.o.o. (Bosnia and Herzegovina)	100%

³⁰ In 2023, the indicator does not include employees employed by work agencies. The process of developing a uniform methodology for calculating the indicator taking into account employees employed by work agencies for Inter Cars Group is underway. These data will be completed no later than within two reporting periods.

³¹ CEO Inter Cars INT Trgovina z rezervnimi deli in opremo za motorna vozila d.o.o. is not covered by the collective bargaining agreement.

5.3. DIVERSITY MANAGEMENT

[GRI 3-3] [GPW S-P1]

Diversity is an important aspect of employee capital management and therefore we want to make full use of its potential. Multiculturalism, varied experiences, different age and gender groups, unique characters, and passions are distinctive features that enable us to build creative teams, implement changes and design new solutions. The principles supporting diversity and equal treatment accom-

pany all stages of a career life cycle at the company – from the recruitment process, through the duration of the employment relationship (terms of employment, access to training and development activities, promotion opportunities), to the end of cooperation. They have not been laid down as a policy. Diversity is also an important topic raised during the Manager's Academy – a series of training sessions for the leadership team.

[GRI 405-1] [GPW G-P3]

DIVERSITY OF THE MEMBERS OF THE INTER CARS MANAGEMENT BOARD AND SUPERVISORY BOARD BY AGE

In 2023, 100% of the Management Board and Supervisory Board members were men.

Diversity of governance bodies by age - percentage of employees [%]

Age	Management Board of Inter Cars S.A.		Supervisory Board of Inter Cars S.A.	
	2023	2022	2023	2022
under 29	0%	0%	0%	0%
30 to 49	50%	50%	33%	33%
over 50	50%	50%	67%	67%
Total	100%	100%	100%	100%³²

³² Including two (33%) independent executive members.

³³ The term "senior management" refers to executive level positions within the Inter Cars Group career map, i.e.: M4 Director, M5 Director, E1 Director, E1+ Director. Whereas the "local market" means the country where a given company's registered office is based. Data on full-time employees.

³⁴ Adjustment of data for the year 2022.

[GRI 202-2]

PROPORTION OF SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY³³

	Inter Cars S.A.		Inter Cars Group	
	2023	2022	2023	2022
Proportion of senior management hired from the local community	100%	100%	100%	100% ³⁴



[GRI 405-1] [GPW G-P3]
DIVERSITY OF EMPLOYEES BY AGE, GENDER, AND GRADE IN 2023

	Diversity of employees by age - percentage of employees [%]							
	Inter Cars S.A.				Inter Cars Group ³⁵			
	Female		Male		Female		Male	
	2023	2022	2023	2022	2023	2022	2023	2022
Directors (M4-E1+)								
aged under 29	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
aged 30 to 49	0.10%	0.34%	1.12%	1.48%	0.07%	0.13%	0.80%	0.98%
over 50 years of age	0.10%	0.11%	0.72%	0.68%	0.05%	0.08%	0.39%	0.35%
Managerial positions (M1-M3)								
aged under 29	0.20%	0.23%	0.51%	0.46%	0.05%	0.10%	0.21%	0.25%
aged 30 to 49	3.37%	3.08%	4.29%	4.56%	2.02%	1.79%	6.06%	6.67%
over 50 years of age	0.51%	0.46%	1.53%	1.48%	0.41%	0.33%	1.38%	1.44%
Specialized positions (P1-P5)								
aged under 29	10.33%	10.02%	11.86%	12.30%	5.60%	5.24%	7.92%	7.78%
aged 30 to 49	25.46%	25.97%	32.72%	32.57%	13.63%	13.82%	22.23%	23.72%
aged above 50	1.94%	1.71%	4.91%	4.21%	1.49%	1.33%	4.31%	3.47%
Warehouse workers (OM1-OM4)								
aged under 29	0.00%	0.00%	0.00%	0.00%	2.07%	1.86%	8.99%	8.13%
aged 30 to 49	0.00%	0.00%	0.00%	0.00%	4.13%	4.18%	14.25%	13.85%
aged above 50	0.00%	0.00%	0.31%	0.34%	1.03%	1.33%	2.91%	3.17%
Total	42%	41.92%	58%	58.08%	31%	30.19%	69%	69.81%


³⁵ Exclusive of the Management Board and Cleverlog-Autoteile GmbH.

REMUNERATION POLICY AND GENDER PAY GAP

[GRI 2-20] [GRI 3-3]

Our remuneration policy is based on analyses of market standards and salary surveys. The level of remuneration is determined by reference to the local market. The salary range (the so-called pay band) depends on the position and its respective grade. Once remuneration review and their comparison with market reports is completed, a proposal for increasing the budget earmarked for pay raises in a given year is presented to the Management Board for approval. The remuneration of both the employees and Management Board members is based on fixed and variable components relating to the overall Group performance and the implementation of its *Business Strategy*. Grading of positions is performed by an evaluation committee composed of members of the senior management. The committee convenes once a quarter and, following recommendations put forward by the Human Capital Management Department and the International Team, objectively examines grading proposals for the positions within the Inter Cars Group. Bonuses are paid quarterly or annually depending on the position held. All subsidiaries have the same recommended bonus levels. External consultants are not involved in the process of defining pay grades, determining salary or budgets for pay raises.

[GRI 405-2] [GPW S-P5]

RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN

Job level	Ratio of salary and remuneration of women to men							
	Inter Cars S.A.				Inter Cars Group			
	Ratio of basic salary of women to men		Ratio of total remuneration of women to men		Ratio of basic salary of women to men		Ratio of total remuneration of women to men	
	2023	2022	2023	2022	2023	2022	2023	2022
Management Board			not applicable ³⁶				not applicable ³⁷	
Managerial positions	0.96	1.00	0.96	0.97	1.00	0.89	0.99	0.89
Specialized positions	0.98	0.90	0.95	0.87	0.99	0.87	0.97	0.84
Warehouse workers			not applicable ³⁸		1.04	0.91	1.02	0.90

The overall gender pay gap has been calculated as the average ratio of women's to men's compensation based on total remuneration in Inter Cars S.A. and the Inter Cars Group.

OVERALL GENDER PAY GAP BASED ON TOTAL WOMEN'S TO MEN'S REMUNERATION

	Inter Cars S.A.	Inter Cars Group
Overall gender pay gap	0.95	1.00

The ratio of women's remuneration to that of men's (the so-called gender pay gap) was calculated with reference to:

- basic salary – a fixed amount paid to an employee for the performance of their duties,
- total remuneration – which includes base salary along with additional financial compensation paid to the employee (bonuses, benefits, overtime pay, other allowances).

Employees were also divided according to their business grades: leadership team, inventory management, product management, sales, logistics, marketing, IT, HR, finance, complaints, branches, administration, other areas. Apart from the job grading, the level of individual positions was also considered and covered the following ranks: managerial, specialist and warehouse operations. The data collected were converted to full-time equivalents (FTE) and calculated per annum. The gender pay gap was determined for

³⁶ No women in this position in 2023.

³⁷ The disclosure is not applicable due to the lack of comparable data, which results from the variety of employment types and diverse duties of the Management Boards of the Inter Cars Group's subsidiaries and their international character. The measure would fail to reflect a meaningful gender pay gap.

³⁸ Not applicable due to the lack of men or women in this position.

each area with the use of a weighted average excluding zero items, where the weight was expressed as the number of employees at a given level divided by the total number of employees in a given area.

The calculation covered actively employed employees (e.g. individuals hired in Poland under an employment contract) as at 31 December 2023.

[GRI 2-19]

Remuneration Policy for members of the Management Board and the Supervisory Board sets out and defines remuneration terms and conditions as well as the remuneration system and related practices applied by Inter Cars S.A. towards the members of the Management Board and the Supervisory Board. The Policy's underlying goal is to:

- ensure remuneration efficiency and transparency,
- support the delivery of the Group's business strategy, long-term interests, and stability through the implementation of an incentive scheme for Management Board members aligned with financial results,
- prevent conflicts of interest by introducing clear and comprehensive rules that govern the process of determining remuneration components and their amount and awarding the annual bonus,



- motivate the employees and build their commitment.

The Incentive Scheme for Management Board Members is structured around the consolidated net profit of the Capital Group shown in audited financial statements. The scheme is based on a digressive model, where the bonus base is determined as a percentage of the net profit. The Supervisory Management Board, at the request of the President of the Management Board, may decide to reduce the amount of the cash bonus due to a member of the Management Board for a given

financial year in relation to the amount of the bonus calculated in accordance with the assumptions set out in the Group's remuneration policy.

Management Board Members are entitled to join the Employee Capital Plan on the same terms as other employees and in accordance with the applicable local laws. There are no other supplementary pension schemes or early retirement schemes for Management Board members.

[GRI 2-21]

ANNUAL TOTAL COMPENSATION RATIO

In 2023, the ratio of the total annual remuneration of the highest-paid individual³⁹ to the median total annual remuneration of all the employees of Inter Cars S.A. (excluding the highest-paid individual) was 31.79. The ratio of the percentage increase in annual remuneration of the organization's highest-paid individual to the median percentage increase in annual total remuneration of all employees (excluding the highest-paid individual) was 0.52. GRI 2-21 index broken by the subsidiaries of the Inter Cars Group can be found in Appendix [p.127].

³⁹ The President of the Management Board is the highest-paid person at Inter Cars S.A. The total annual remuneration included salary, bonuses, shares granted, share options, non-equity bonus plan, changes in the value of pension benefits, as well as deferred elements of remuneration transferred during the year. The remuneration of the highest-paid individual also encompassed the salary payable on the appointment and function performed.

5.4. CAREER PATHS AND EMPLOYEE DEVELOPMENT



Our organization has always placed great emphasis on the professional growth of employees. That is why we have created clear career paths tailored to individual needs of our people. Each employee has

access to an application where they can check what a typical career path, for a given position, looks like. At the same time, I wish to highlight that to pursue a given path, the employee is expected to meet two key requirements, i.e. act in line with the company's needs and have the right skill set.

Krzysztof Zawistowski
Human Capital Director, Poland

As a company we make every effort to enable our employees to thrive and succeed in their careers. We owe the title of Europe's leader to our people. Many of them have been with the company since the beginning, worked their way up the corporate ladder, and

now are team leaders or continue to develop in a specific field. Our friendly work environment fosters knowledge sharing and implementing innovative business solutions.

RECRUITMENT AND ONBOARDING

[GPW S-P2]

The recruitment process is run in line with our company procedures. All the candidates have equal access to employment opportunities and are treated with dignity and respect. We honour diversity and guarantee professional assessment of candidates' applications. Our objective is to acquire talents who meet our requirements and have the competencies expected for a given position. The same principles apply to our apprenticeship and internship programs. The said principles have not been laid down as a policy.

[GRI 401-1] [GPW S-P6]

New Hires and Employee Turnover Rate

In 2023 the Group hired 1 345 new employees. The percentage of new hires accounted for 30.76%, with the employee turnover rate of 17.36%⁴⁰. GRI 401-1 Index broken by regions can be found in the Appendix on page 129.

NEW HIRES AND EMPLOYEE TURNOVER RATE

	New hires and employee turnover rate by gender			
	Inter Cars S.A.		Inter Cars Group	
	2023	2022	2023	2022
Number of new employees				
Female	72	89	360	360
Male	108	145	1,011	821
Total	180	234	1,371	1,181
Percentage of new employees hires [%]				
Female	17.52%	24.18%	27.03%	29.63%
Male	18.91%	28.21%	33.40%	29.84%
Total	18.33%	26.53%	31.46%	29.78%
Number of leavers				
Female	25	31	210	190
Male	48	55	636	577
Total	73	86	846	767
Employee turnover rate [%]				
Female	6.08%	8.42%	15.77%	15.64%
Male	8.41%	10.7%	21.01%	20.97%
Total	7.43%	9.75%	19.41%	19.34%

⁴⁰ When calculating the ratio, the denominator should include the total number of women and men employed under employment contracts as at 31 December 2023.

NEW HIRES AND EMPLOYEE TURNOVER RATE

	New hires and employee turnover rate by age			
	Inter Cars S.A.		Inter Cars Group	
	2023	2022	2023	2022
Number of new hires				
aged under 29	78	93	632	495
aged 30 to 49	93	131	639	601
aged above 50	9	10	100	85
Total	180	234	1,371	1,181
Percentage of new employees hires [%]				
aged under 29	34.82%	46.04%	58.41%	53.28%
aged 30 to 49	14.13%	21.87%	23.19%	23.28%
aged above 50	9.00%	12.35%	19.08%	18.48%
Number of leavers				
aged under 29	29	35	377	329
aged 30 to 49	39	44	402	375
aged above 50	5	7	67	63
Total	73	86	846	767
Employee turnover rate [%]				
aged under 29	12.95%	17.33%	34.84%	35.41%
aged 30 to 49	5.93%	7.35%	14.59%	14.52%
aged above 50	5.00%	8.64%	12.79%	13.70%

We support new hires in getting their bearings. In Poland the onboarding process takes two days. The training program is very intensive and designed in such a way as to provide the employee with the necessary information about the company, work culture, and rules in

a comprehensive way. It also includes a visit to one of our warehouses to gain a better understanding of the processes involved in warehousing, logistics and distribution. The President or the Vice President of the Management Board meets with the new hires during

onboarding to show the bigger picture and the company's growth plans.

In addition, once a quarter representatives of different departments run a series of three meetings aimed to acquaint new employees with the Group's operating model in more detail. The presentation of subsidiaries looks similar.

We also coordinate international onboarding for our newly hires during which they learn about the company's mission, values, and procedures. The idea being to ensure smooth and seamless integration and effective business operations.

Apprenticeships and Internships

In 2023 subsidiaries of the Inter Cars Group organized internships for students and graduates lasting from 3 to 6 months. In addition, we also organize unpaid apprenticeships dedicated to students of technical or vocational schools. For over 14 years we have been cooperating with the Polish Business Roundtable on the implementation of internship programs.

Career tab with job and internship offers



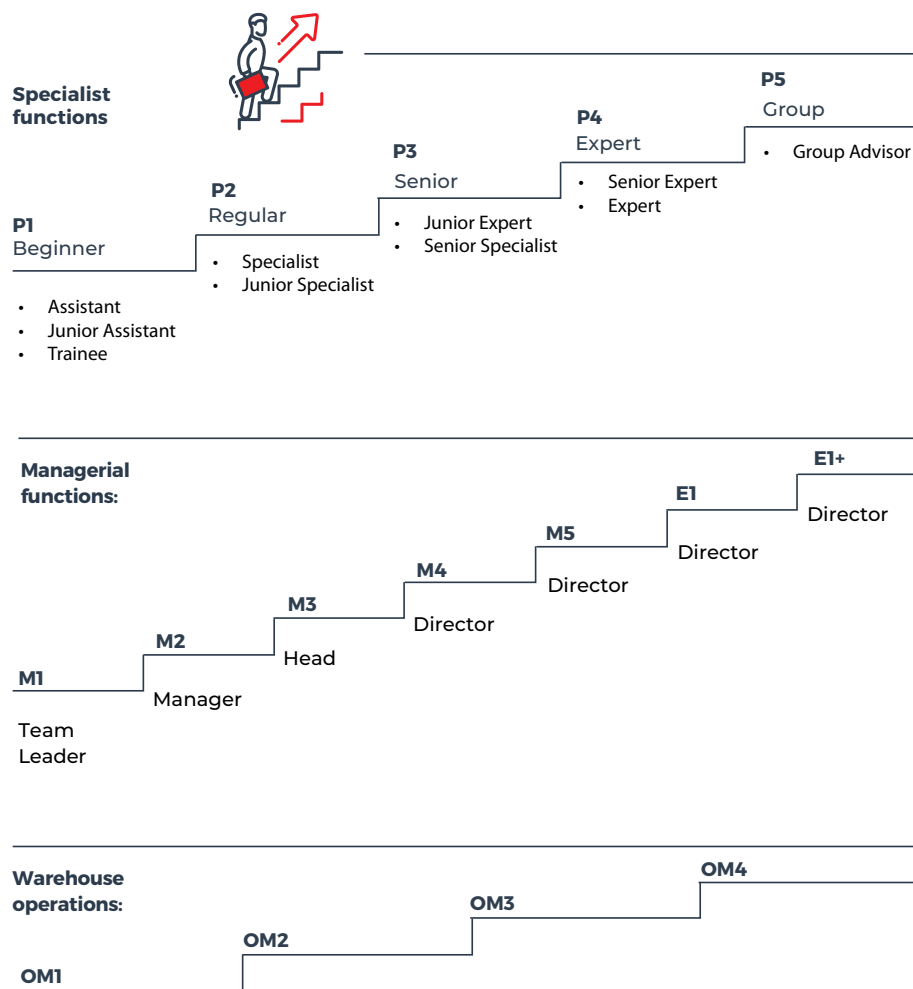


CAREER PATHS AND SUCCESSION

[GRI 3-3]

We enable our employees to acquire new qualifications and develop professionally. To this end, the Group has introduced a **career path concept**, which presents the principles of career development adopted in the Group in a systematic, transparent and comprehensive manner. Such support is provided to each employee so that they can plan their career progression, gain new skills and competences. We offer both vertical and horizontal promotion opportunities, i.e. a transfer to another organizational unit, leaving the initiative and freedom of choice to employees. We have also launched a special application for employees which serves as a source of information about the competencies needed for promotion and the possibility of changing a given career path.

CAREER PATHS⁴¹



⁴¹ In this report, we present employee data broken by five categories consistent with the Inter Cars Group career map: “Warehouse Worker” (OM1-OM4); “Specialist” (P1-P5); “Manager (M1-M3); “Director” (M4-E1+) and “Management Board”. Unless otherwise indicated, the data refer to actively employed employees (e.g. individuals hired in Poland under an employment contract) per headcount. Valid as at 31 December 2023. Inter Cars Deutschland GmbH, Cleverlog-Autoteile GmbH and the Management Board of Inter Cars S.A. were excluded from the total headcount due to lack of valuation

PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

Percentage of all employees, by gender and by employee category, receiving regular performance and career analysis programs [%]

Job level	Inter Cars S.A.				Inter Cars Group ⁴²			
	Female		Male		Female		Male	
	2023	2022	2023	2022	2023	2022	2023	2022
Directors	100.00%	100%	88.89%	73.68%	100.00%	100%	75.00%	83.02%
Managerial positions	90.00%	90.91%	90.32%	89.47%	85.98%	89.77%	85.59%	89.55%
Specialized positions	75.27%	77.95%	79.34%	71%	71.37%	76.95%	74.97%	75.31%
Warehouse workers ⁴³	Nie dotyczy	Nie dotyczy	66.67%	66.67%	57.19%	85.32%	48.42%	86.59%
Average	79.25%	89.62%	81.79%	75.21%	78.26%	88.01%	70.99%	83.62%

EMPLOYEE ASSESSMENT PROCESS

[GRI 404-3]

All employees of the Inter Cars Group are covered by the employee assessment program. In 2023 the process did not include employees who started work in the last quarter of the year and those who were absent at the time of the assessment due to unforeseen circumstances or holiday (long-term absences).

In 2023 we made changes to the methodology for calculating the indicator and presenting data on work quality assessment. The 2023 data comprise performance reviews documented either in writing or in the HR system only.

In 2022 the process was performed in a form of meetings, thus the indicator included a post-meeting performance assessment reported by supervisors, with no written review summary made.

INVESTING IN EMPLOYEE DEVELOPMENT

[GRI 404-2]

Our organization perceives the development of each employee as the most profitable investment. The Inter Cars Group offers its employees a training program aimed at developing their skills and qualifications considered the essential elements of the competence model. There are no assistance programs for redundant employees or those going into retirement.

Manager Academy

The Academy is a training program that aims to implement a new leadership competency model and create optimized development plans for the leadership team. It consists of e-learning courses, on-site workshops, tests, tasks, and games, as well as mastermind meetings tailored to the needs of our management staff. Each participant undergoes talent assessment, the results of which are presented and discussed during individual sessions. It provides a great opportunity to learn about the work methods that would best fit with the identified strengths and how to apply them in practice, e.g. for the purpose of teamwork. The idea behind the program is also to provide

managers from different teams with space to share knowledge.

International IC Academy

International IC Academy is a training program tailored to the needs of managers from various international subsidiaries. The latest edition of the program was attended by representatives from 15 different countries. The training agenda covered a range of key topics such as leadership, building high-performing teams, diversity management, communication, and active listening skills. Moreover, academy participants took Talent Dynamics tests to obtain a better understanding of their natural abilities and preferences in the context of teamwork and management.

Manager Academy 2023 in figures:

- 40 basic training sessions conducted (571 hours of training),
- 142 managers took part in on-site training,
- 110 managers took part in online sessions,
- 72 managers participated in individual online meetings.

⁴² Inter Cars Deutschland GmbH, Cleverlog-Autoteile GmbH and the Management Board of Inter Cars S.A. were excluded from the total headcount due to lack of valuation.

⁴³ In 2023 and 2022 Inter Cars S.A. did not employ any women in that roles.

In 2023 we also offered the following training courses:

- on soft skills, including: openness to change, time management, stress management, public speaking, or communication with the team and business partners,
- on technical skills such as using the programs and systems implemented in the organization.

[GRI 404-1]

Average Hours of Training per Employee per Year

In 2023 the employee of Inter Cars S.A. spent an average of 10.45 hours in training to improve their competences, with the Group result being 6.9 hours.

Compared to 2022, a significant decrease in the average number of training hours per employee of the Inter Cars Group (positions other than managerial) results from the change in the data collection methodology. The 2023 indicator includes only those training hours that have been accompanied by a written confirmation, e.g. in the form of a certificate or attendance list. The increase in the average number of training courses for managerial positions results from the implementation of the ManageAcademy project.



AVERAGE HOURS OF TRAINING PER EMPLOYEE PER YEAR BY GENDER AND JOB LEVEL

Average number of hours spent in training by gender											
Inter Cars S.A.						Inter Cars Group					
Female		Male		Average		Female		Male		Average	
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
11.69	8.56	9.26	7.91	10.50	8.18	6.51	16.60	4.56	15.65	5.54	15.94

Average number of hours spent in training by job level				
Job level	Inter Cars S.A.		Inter Cars Group	
	2023	2022	2023	2022
Directors	8.4	5.91	7.39	26.26
Managerial positions	22.82	14.93	12.51	21.64
Specialized positions	8.93	7.42	6.28	11.96
Warehouse workers	0	5.33	0.95	1.39
Average	10.04	8.14	6.78	9.72

5.5. EMPLOYEE ENGAGEMENT AND WELL-BEING

WELL-BEING AND EMPLOYEE BENEFITS

[GRI 3-3]

We are fully aware that employee well-being is impacted by various factors, such as: recognition, sense of security, development opportunities, motivation, ability to cope with stress, friendly atmosphere based on harmonious team cooperation. And thus, we try to cater for those needs as best as we can. We tailor our activities to the specifics of a given country and standards adopted by local markets.

[GRI 401-2]

In Polish subsidiaries, each employee is entitled to:

- healthcare,
- parental leave,
- life insurance,
- inability to work and disability insurance,
- retirement scheme.

All subsidiaries have an individual set of employee benefits adjusted to their market and needs.

In addition, Inter Cars S.A. offers:

- Company's Employee Social Fund, which are meant to provide our employees with a variety of benefits and services,
- flexible working hours,
- Worksmile – a sports and benefits platform,
- technical and soft skills training,
- language courses (English and other foreign languages).

EMPLOYEE ENGAGEMENT AND SATISFACTION SURVEY

[S-P3]

Continuous learning and development make an inherent part of our organizational culture. Since employee feedback

plays an important role to us, each year we conduct an employee engagement and satisfaction survey across all the markets. There is no written work-life balance policy at the Group's level.

The entire process is conducted by an independent agency, which ensures the anonymity of employee opinions collected in an online survey.

In 2023, 2 856 specialists and managers participated in the survey. This translated into a record-high turnout as 80% of eligible employees provided their feedback. The result is 11 percentage points higher than the year before.

2023 results:

- eNPS at 23% (down by 11 percentage points when compared to 2022),
- the engagement rate remained high (74%) and outscored other companies participating in the survey carried out by the same agency,
- the employee satisfaction rate maintained at 38%.



[GRI 401-3] [GPW S-P4]

Parental Leave

In 2023, 198 of the Group's employees took parental leave. The return-to-work rate was 69.70% and the employee retention rate was 77.00%.

PARENTAL LEAVE AND RETURN TO WORK RATE

	Inter Cars S.A.						Inter Cars Group					
	Female		Male		Total		Female		Male		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Number of employees entitled to parental leave ⁴⁴	411	368	571	514	982	882	1,332	1,215	3,031	2,751	4,363	3,966
Number of employees that took parental leave	32	30	30	26	62	55	107	98	91	62	198	160
Number of employees who returned to work during the reporting period after finishing their parental leave	14	17	30	26	44	43	45	38	93	56	138	94
Number of employees that returned to work after parental leave ended and were still employed 12 months after their return to work	17	14	24	18	41	32	27	26	50	35	77	61
Return-to-work rate [%] ⁴⁵	43.75%	58.62%	100%	100.00%	70.97%	78.18%	42.06%	38.78%	102.20%	90.32%	69.70%	58.75%
Employee retention rate [%] ⁴⁶	100.00%	100.00%	92.31%	78.26%	95.35%	86.49%	61.36%	92.86%	89.29%	79.55%	77.00%	84.72%

⁴⁴ Employees entitled to parental leave are employees who are covered by company policies, arrangements, or contracts that grant them parental leave entitlements. All actively employed employees of all Inter Cars Group subsidiaries (e.g. individuals hired in Poland under an employment contract) are entitled to parental leave.

⁴⁵ The return-to-work rate corresponds to the proportion of employees who returned to work from parental leave during the reporting period.

⁴⁶ The employee retention rate corresponds to the proportion of employees who returned from parental leave in 2022 and continued to work at the company for the next 12 months after their return, i.e. in 2023.



5.6. HEALTH AND SAFETY

[GRI 3-3] [GRI 403-1] [GPW S-D1]

Safety in the workplace is our top priority. The occupational health and safety management system is intended to identify hazards and manage the associated risks. Each company of the Group has developed and implemented relevant occupational health and safety rules in line with national regulations, such as internal procedures, workplace instructions and occupational risk assessments applicable to individual workplaces. No changes were introduced in 2023.

[GRI 403-8] [GPW S-D1]

In 2023 the occupational health and safety management system covered 100% of Inter Cars S.A. and the Inter Cars Group employees. Detailed data regarding 403-8 indicator can be found in the table in Appendices [place in the report]. No group of employees was excluded from the indicator. An externally audited system is understood as a system compliant with ISO and having appropriate certification. An internally audited system is a system audited by the internal audit unit. The remaining, unaudited systems, comply with national law.

[GRI 403-4] [GPW S-D1]

Inter Cars S.A. has set up the Occupational Health and Safety Committee. It is composed of the employer and employee representatives who meet at least once a quarter. The Committee's duties include reviewing working conditions, making periodic assessment of the occupational health and safety (OHS) status, issuing opinions on measures to prevent accidents at work and occupational diseases, and suggesting improvements to working conditions. In addition, our company cooperates with a provider of OHS and fire protection services, and related expert opinions. OHS documentation is stored and made available to employees in an electronic form. Department managers have printed version of the documentation at their disposal. Preventive or information materials are distributed to the employees by email or can be found on the intranet.

Twelve subsidiaries hold consultations with their employees on the development and implementation of the occupational health and safety management system. Detailed data referring to respective subsidiaries can be found in the table in Appendices [place in the report].

[GRI 3-3] [GRI 403-2] [GPW S-D1]

Regular safety audits conducted at our facilities are another way to ensure safety at work. Our warehouses in Czosnów, Zakroczym, Brwinów and Błonie are under special supervision, with the following audit frequency: Czosnów – twice a week, Zakroczym and Brwinów – once a week, Błonie – once a month. To increase their effectiveness, audits are carried out in designated warehouse zones, which allows for a more accurate verification of working conditions and the manner in which employees perform their activities, as well as the detection of any irregularities. The said checks are performed by audit committees, composed of the chief auditor, i.e. the OHS inspector and, alternatively, the warehouse manager assigned to a specific department, a technical department employee (administration) and a foreman responsible for a given zone. Proper implementation of post-audit recommendations is subject to periodic monitoring.

Once a year, we conduct an analysis of the OHS status in Polish subsidiaries covering the previous year, with a view to improving safety, detecting threats, assessing risk, and looking into incidents.

Periodic OHS risk identification and assessment take place in 13 subsidiaries. It is a routine procedure conducted in line with the implemented occupational health and safety management system.



Detailed data referring to respective subsidiaries can be found in the table in Appendices [place in the report].

[GRI 403-3] [GPW S-D1]

Our employees undergo regular health screenings to identify symptoms or warning signs of occupational diseases associated with their work. Medical checks are conducted by private health care facilities, with the entire process being supervised either by the HR employees (pre-employment medical assessment and control check-up) or the OHS employees (periodic examination). The contract concluded with the service provider guarantees the protection of employees' personal data in accordance with the GDPR.

[GRI 403-7] [GPW S-D1]

Where necessary, our Polish subsidiaries require that contractors provide

information necessary to assess the risks associated with the work process or products.

Pursuant to national regulations, we keep a record of all cases of threat to the life or health of employees that have occurred in our organization, which enables us to plan and implement preventive measures, detect, and quickly eliminate system errors, supervisory deficiencies or abnormal behaviour, and reduce the number of events serious in nature.

After each accident – in accordance with national regulations – we appoint an accident investigation team that prepare documentation and an accident sheet for statistical purposes, make a careful inspection of the accident site, take photos, and collect all relevant information. After each near miss or accident, we prepare accident alerts

that are sent to persons responsible for the occupational health and safety and display them on the screens in the company's warehouses. Such situations are discussed at regular meetings called "Five Minutes for Safety". We keep the training presentations up to date, demonstrate correct behaviours, as opposed to incorrect ones, and discuss their consequences.

Detailed data referring to respective subsidiaries can be found in the table in Appendices [place in the report].

[GRI 403-5] [GPW S-D1]

OHS training courses for the Inter Cars Group's subsidiaries are conducted in accordance with the requirements of local law. Administrative and office employees from subsidiaries registered in Poland participate in an online preliminary OHS training, whereas employees in other positions take part in an on-site one.

We regularly broaden our employees' OHS knowledge in line with the applicable provisions of the national law. In Poland, periodic training for manual workers is held at least one month before the expiry date of the previous training. Office workers undergo periodic training facilitated via an online platform. A training framework has been developed for subsidiaries.

Any comments or observations concerning threats in the workplace are reported to supervisors.

06

SOCIETY (S)

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KEY FACTS
AND FIGURES

PLN 3.64 million
donated to the Inter Cars Foundation
by the Inter Cars Group

PLN 300 000
of grants distributed within
the "Drogowskaz" program
(Signpost Program)

6 tonnes
of waste collected by the volunteers
of the Inter Cars Group during
"Operacja Czysta Rzeka"
(Operation Clean River)

41 scholarship holders during
the 1st and 2nd edition of
"Program Akcelerator"
(Accelerator Program)

635 Inter Cars volunteers involved
in the projects and programs
of the Inter Cars Foundation

SUSTAINABLE DEVELOPMENT GOALS



6.1. MANAGERIAL APPROACH

Social activities are an inherent part of the Inter Cars Group's operations in all locations. Willing to maximize the positive social impact of our initiatives, in 2021 we established the Inter Cars Foundation.

We encourage you to visit the website dedicated to the Inter Cars Foundation:
www.fundacja.intercars.eu



FOUNDATION MANAGEMENT BASIS

— Resolution of the Management Board of Inter Cars of 27 April 2021 on granting consent to the establishment of Foundation

The Management Board has adopted the Resolution to establish the Foundation, approve its statute, and determine the provision of in-kind and financial donations in the form of a percentage of the consolidated net profit of the Inter Cars S.A. Capital Group for the previous financial year.

— **Statutes of the Inter Cars Foundation** – the most important internal document of the Foundation, setting out the goals and principles of its operations.

— Code of Ethics of the Inter Cars Foundation

The document aims to reduce the risk of fraud that may arise in connection with the Foundation's operations and foster the implementation of the zero-tolerance principle for corruption and bribery.

— Anti-Fraud Policy in the Inter Cars Group and Policy Addendum and the Supplement to the Policy

The policy and the supplement set out the rules governing the process of reporting suspected frauds and conducting internal investigations, as well as issues related to making donations and verifying contractors.



6.2. INTER CARS FOUNDATION



The Inter Cars Foundation has just completed its second year of operational activity which was filled with intensive work on the preparation and implementation of projects related to our core areas of activity. These areas include support for the development of the competencies of the future, care for the natural environment, health protection, and road safety.

We are particularly proud of "Akcelerator" (Accelerator) – our original scholarship program addressed to students of technical and vocational schools. We have awarded scholarships to exceptional young individuals who are passionate about the automotive industry, logistics, and IT. Our decision to invest in their development is a natural outcome of our collaborative efforts with our Founder, the Inter Cars Group. In addition to providing financial assistance, we also offer educational and mentoring support to our scholarship recipients. We take

great pride in witnessing our students grow and become part of a vibrant community that we are honoured to be a part of as a Foundation.

Road safety is another element inherent in the mission of the Inter Cars Foundation, which makes the central point of "Drogowskaz" (Signpost Program) – our grant program addressed to NGOs, local government units and other organizations. We monitor the educational initiatives run as part of "Drogowskaz" on an ongoing basis and we are glad to observe its growing coverage, reaching the most remote regions of the country, engaging various social groups, and contributing to greater safety on the Polish roads.

Another big achievement of the Foundation is partnership in the project called "Wielka Wyprawa Maluchów" (The Grand Tour of Fiats 126p). The tour organizers have decided to donate a portion of the funds they have gathered to our Foundation. We will include them in the grants reserved for the second edition of the "Drogowskaz" program. Apart from heartfelt gratitude for the trust placed in us, we got an additional boost to continue our efforts to enhance safety on Polish roads.

The fact that "Inter Dobro" (Inter Good) workplace volunteering program has a growing group of actively involved individuals speaks for the Foundation's tremendous value. It is thanks to them that initiatives that benefit people, animals and the environment are put into motion. The competence-based volunteering is also gaining momentum, with our employees and specialists, Inter Cars' contractors, providing mentoring support to the holders of "Akcelerator" scholarship.

We would like to extend our thanks to all friends of the Inter Cars Foundation, our partners, volunteers, employees and the entire Foundation's community for their support and enthusiasm. Without you, the likelihood of reaching the places that need our help would not have been possible.

To learn more about our last year's initiatives, read a review of the Inter Car Foundation's operations and find out how much we have achieved together!

Jacek Piotrowiak

President of the Management Board of the Inter Cars Foundation, and **Katarzyna Oleksowicz**, Member of the Management Board of the Inter Cars Foundation

Foundation Financing

Pursuant to the statute, the Foundation is financed by the Inter Cars Group, which made contribution to its founding capital and determines the amount of financial and in-kind donations for the delivery of statutory objectives. The amount of support depends on the consolidated net profit of the Inter Cars Group for the previous financial year. In 2023, the Foundation also received funding from other sources: a donation from a business partner of the Inter Cars Group – Michelin – for projects supporting refugees from Ukraine, and additional resources from a targeted fundraising to support the Slovenian Inter Cars community affected by flood.

Inter Cars Foundation



Organizational structure of the Foundation

Council of the Inter Cars Foundation

- Prof. Piotr Płoszajski
– Chairman of the Council of the Inter Cars Foundation
- Agnieszka Soszyńska
– Member of the Council of the Inter Cars Foundation
- Agata Łuczyńska
– Member of the Council of the Inter Cars Foundation

Management Board of the Inter Cars Foundation

- Jacek Piotrowiak
– President of the Management Board of the Inter Cars Foundation
- Katarzyna Oleksowicz
– Member of the Management Board of the Inter Cars Foundation

[GRI 3-3]

The Foundation's mission is to support accessible, safe, and sustainable mobility. For the sake of people and the climate alike.

Main areas of activity of the Inter Cars Foundation:



**DEVELOPING
COMPETENCIES
OF THE FUTURE**



**ROAD
SAFETY**



**HEALTH
PROTECTION**



**CARING
FOR THE
ENVIRONMENT**

About the Inter Cars
Foundation



ORIGINAL PROGRAMS



"Akcelerator" (Accelerator) Scholarship Program



As part of the development of the competencies of the future, the Inter Cars Foundation launched the first edition of its scholarship program "Akcelerator" at the turn of the year 2022/23. The idea behind this initiative is to support ambitious young individuals who wish to contribute to the development of the automotive and logistics sectors. The first pilot edition of the program was addressed to secondary school

students. Scholarship holders obtain financial and educational support tailored to their individual needs, plans, and challenges of the current-day job market.

Participants can also count on mentoring assistance throughout the program duration offered by managers and experienced associates of the Inter Cars Group who assume the role of mentors within competence-based volunteering.

Key figures:

- **20** scholarship holders (4 female and 16 male) during the first edition of the Program
- **38** trained candidates for mentors
- **30** mentors in both editions of the Program
- at least **80** hours of volunteering work within the mentoring program.



The second edition of “Akcelerator” was launched in October 2023. During the recruitment, we selected a total of 21 scholarship holders (3 females and 18 males); the second edition will last until July 2024.

[WW – SLL – KPI 3]

In 2023, we adopted internal indicator, defined as the number of scholarships granted under the “Accelerator” program of the Inter Cars Foundation, which is a proprietary scholarship program of the Inter Cars Foundation intended for ambitious students interested in the automotive sector, mechanics, mechatronics, electronics, information technology and logistics in technical secondary (technika) schools in Poland. Data on scholarships awarded under the Program in 2023 will provide baseline information for verification of the 2023 target for increasing the participation of female scholarship recipients in the Program in 2024 and 2025. This KPI is divided into:

3.a: Total Scholarships granted, which was 21 people in 2023; and

3.b: Increase in % of scholarships granted to females compared to the previous year and edition of the Accelerator program. In 2023, 3 scholarships were awarded to females.

“Akcelerator”
Scholarship Program



Akcelerator Pro

“Akcelerator Pro” (Accelerator Pro) is a grant program for teachers of technical and vocational schools, which complements the scholarship program for students, and is run together with the School with Class Foundation. We want to recognize teachers and their work by providing them with specific tools that will enable them to carry out their own educational projects together with their pupils.

In October 2023, we organized a preliminary training session for the first group of teachers who were interested in our grant program. During this session, they were able to learn about the rules of the program, the work methods used in educational projects, and practice the application of the design thinking method in a classroom environment. The call for applications was held in November 2023, and a list

of 17 persons who were admitted to the program for the 2023/2024 school year was announced a month later. The winning projects will be carried out by teachers accompanied by a group of at least 10 pupils. The program is scheduled to end in June 2024.

Key figures:

- 30 participants of the preliminary training
- 15 grants awarded (disbursement in 2024)
- projects run in 15 vocational and technical schools
- a minimum of 150 students covered by the program
- PLN 75 000 – the value of grants awarded.

“Akcelerator Pro”
Scholarship Program



Alumni Club

#Team Akcelerator

The aim of the program is to build a strong, integrated community of alumni of the Inter Cars Foundation’s scholarship programs and create space fostering the exchange of knowledge and experiences. We want to support our alumni at the next stages of their education. As part of the activities of the Alumni Club, former scholarship holders meet on-site and on-line, take advantage of the training courses offered

and are invited to volunteer activities and projects carried out by the Inter Cars Foundation. In 2023, the Alumni Club carried out a project called “Czyste Plaże” (Clean Beaches).



Alumni Club
#Team Akcelerator





Grant Program Drogowskaz

The first edition of the grant program “Drogowskaz” was launched in 2023. Its aim is to improve road safety by creating safe infrastructure and promoting responsible behaviour of all road users.

The first edition was addressed to non-governmental organizations, municipal police, rural women’s associations, community centres, schools, kindergartens, libraries, and other local government units in Poland. As part of the program, we awarded 12 grants to support various projects.

The launch of the next edition of “Drogowskaz” is planned for February 2024. This time the program will receive extra financial support all thanks to the organizers of “Wielka Wyprawa Maluchów” (The Grand Tour of Fiats

126p). For more information about “Wielka Wyprawa Maluchów”, please go to [94].

Key figures:

- Funding granted to **12** institutions and organizations from all over Poland
- **10** grants of PLN 20 000 and 2 grants of PLN 50 000
- **PLN 300 000** – the total value of grants awarded.

“Drogowskaz”
Grant Program

EMPLOYEE VOLUNTEERING

“Inter Dobro” (Inter Good) Grant Program

The aim of the program is to develop the concept of employee volunteering and provide financial and expert support to initiatives submitted by employees and contractors of the Inter Cars Group.

In the two editions carried out so far, we have supported 14 projects.

Key figures:

- **69** volunteers
- **874** – the number of hours dedicated to volunteering work
- **PLN 73 000** – financial support for the implementation of volunteering projects.

1st and 2nd edition
of “Inter Dobro”



ACTION-BASED VOLUNTEERING



“Operacja Czysta Rzeka” (Operation “Clean River”)

“Operacja Czysta Rzeka” is a nationwide public campaign to clean the rivers. It is carried out on the water, along the shorelines and in the area directly adjacent to the rivers. We joined the campaign for the first time in 2022 and became its Key Partner a year later.

The event was popular among the Inter Car Group’s employees, associates and branch employees who combined forces with their families to help clean the river.

Key figures:

- nearly **600** volunteers
- almost **6 tonnes** of waste collected
- **12** clean-up actions
- **PLN 430 500** of financial support provided.



“Rok nad Rzeką” (Year by the River)

“Rok nad Rzeką” is an educational program that we run in partnership with the initiative “Operacja Czysta Rzeka” (Operation Clean River). It is addressed to primary schools pupils (grade 4-7), members of after-school nature and volunteering clubs. The aim of the program is to sensitize young people to ecology, encourage them to be attentive to nature and shape environment-friendly attitudes. As part of the program, a series of original workshops tackling the subject of rivers and their function in the ecosystem were conducted in three primary schools.





#PomagamyPomagać (We Help to Help) Program

Under the statutory assumptions adopted by the Inter Cars Foundation, in 2021 we started an initiative that entailed making in-kind donations in the form of spare parts. This project is addressed to non-governmental organizations engaged in aid activities consistent with the statutory objectives of the Inter Cars Foundation. #PomagamyPomagać is a way to make everyday life easier for those who bring good to the world!

In 2023, we made a total of 11 in-kind donations. Among the beneficiaries were Volunteer Fire Brigades from Ciekosyn, Morzeszczyn and Nowy Dwór Mazowiecki.

Key figures:

- 11 in-kind donations
- **PLN 42 000** – the value of donations.



Solidarni z Ukrainą (Standing with Ukraine)

As part of the Solidarity with Ukraine program, the Foundation has been continuously providing assistance since the beginning of the war in Ukraine. Our activities have been particularly focused on children – the most vulnerable victims of the war. Thanks to the support of the Foundation and the Founder's business partners, 78 children of the employees of Inter Cars Ukraine from the regions most affected by military operations could spend two weeks of carefree summer break in a holiday resort in the Ukrainian Carpathians.

During the Christmas time the Inter Cars Foundation prepared gifts for over 320 children from Ukraine. Aiding „KLUBik ukraiński” (Ukrainian Mini-Club) in Gorzów Wielkopolski is another example of the support we have shown for the Ukrainian community

in Poland. As a result, more than 30 children regularly attended kids classes organized in the club and took part in a holiday camp.

We also assisted the city council of Nowy Dwór Mazowiecki to organize winter and summer day camps for the children of Ukrainian refugees. Overall, thanks to our financial support 30 children took part in the „Zima w mieście” (Winter in the City) program and 45 children joined “Lato w mieście” (Summer in the City) day camps.

Key figures:

- 78 children took part in two-week summer camps in Ukraine
- 105 children attended day camps during school breaks or participated in activities organized by KLUBik ukraiński (Ukrainian Mini-Club)
- **PLN 480 000** – funds allocated for support.

AFFILIATE PROGRAMS

The Inter Cars Foundation provides financial and expert support to the following initiatives undertaken by partner organizations:

Program: Scholarship “Liderzy Jutra” (Leaders of Tomorrow)

Partner organization: The Educational Enterprise Foundation

In 2023, we became partners of the Bridge Scholarships Program to support the competencies of the future. The Leaders of Tomorrow scholarship was open to technical university students studying various fields such as automation, electricity, electrical engineering, mechanical engineering, materials engineering, civil engineering, transport, and computer science. The scholarship was awarded to the winners of a competition in two equal semester installments.

Key figures:

- 26 scholarship holders
- PLN 150 500 – total amount of support.

Uniwersytet Sukcesu (“Success University”)

Organization: Digital University

The “Success University” is a program addressed to young women in a diffi-

cult life situation who want to pursue their professional career in the IT industry. Participants of the program receive a package of professional training and support from mentors and career counsellors. As part of the strategic partnership with the “Success University”, volunteers – employees of the Human Capital Management Department of Inter Cars S.A. supported the participants of the fourth and fifth editions of the program with their knowledge and experience.

Key figures:

- 71 scholarship holders
- PLN 116 850 – the total amount of support.

International Student Formula – Polish edition of a cross-university contest

Organization: Formula Student Foundation

International Student Formula is an international engineering design competition for university teams which has been held annually for over 50 years. Students from technical universities from around the world work using the STEM method, design and construct racing cars that are further presented to committees composed of specialists. The next step is a race on the largest and most famous racing tracks in the

world. The competition is divided into three car categories: combustion, electric and autonomous vehicles. Not only is the performance of the cars examined, but above all engineering competences, as well as cooperation and managerial skills of the designers.

In August 2023, the Inter Cars Foundation provided financial support for the first International Student Formula competition in Poland held at the “Autodrom Słomczyn” Racing Track near Warsaw, organized by the FSP Foundation.

Key figures:

- 10 teams
- 9 Polish technical universities represented during the competition
- PLN 30 000 – the total amount of support.

Program: Be.Eco

Organization: Digital University

Be.Eco is an educational program created by the Digital University Foundation, addressed to primary and secondary school teachers. The idea behind the project is to reach out to people who care about environmental education and want to gain and supplement their knowledge, build awareness and educate the young generation about ecology. The second edition of the pro-



gram included online webinars, inspirational workshops, live meetings with experts, monthly challenges, and tasks for schools with prizes, development of original lesson plans, a competition for primary school students, a knowledge tournament and e-books for teachers.

Key figures:

- 51 295 pupils
- 756 teachers
- 743 schools
- 2 980 downloads of educational materials and scripts.

MEMBERSHIP

The Inter Cars Foundation is a member of the following organizations:

- Partnerstwo dla Bezpieczeństwa Drogowego (Road Safety Partnership)
- Polish Donors Forum.

6.3. SUPPORTING FUTURE MECHANICS

It turns out that apart from being an important and needed job, the car mechanic profession is more a passion than just work. Every day we cooperate with people who have developed a liking for the car industry in their childhood and have turned their hobby into an interesting and rewarding way of life. Our goal is to foster the ambitions of young people and restore the car mechanic profession to its rightful rank. For over a decade our company has been running training programs for future mechanics. To this end we cooperate with training centres, provide teaching aids and professional literature.

Młode Kadry (Young Staff)

In 2012, Inter Cars S.A. developed "Young Staff" – a program based on collaboration between car parts manufacturers and educational institutions (vocational schools and technical schools of mechanical engineering). Its goal is to enhance students' skills and help them establish connections with potential employers. As part of the program, we offer specialized equipment to schools for diagnosing and fixing mechanical issues. Additionally,

we provide students with practical vocational training opportunities in service networks that work with our company. Through this program, students gain insight into the realities of the industry and receive hands-on experience that prepares them for future careers.

The "Young Staff" initiative is also a way to showcase our company and its achievements, to present Inter Cars as the automotive industry leader that implements new technologies and takes care of the professional development of its employees.

The "Young Staff" program offers:

- supplying school garages with the necessary equipment and tools for diagnosing and repairing vehicles
- service and repair of the equipment donated by Inter Cars S.A. to school garages
- free, specialist training for teachers and students
- free participation in training courses intended for professionally active car mechanics available to teachers of practical vocational training
- the possibility of carrying out individual projects, including the organization of apprenticeships, educational trips and ShowCar training.



Key figures:

- 30 schools
- over 5 000 students
- 84 technical training courses carried out in 22 schools for over 2 300 students.

Young Car Mechanics

"Young Car Mechanics" is a competition for technical or vocational schools students, aged 16 to 23, trained to become professional automotive service technicians and mechanics. The competition consists of three stages: theoretical parts comprising tests and practical parts, which entail finding defects and making the necessary repairs or suggesting repair methods. The competition is a flagship project of the "Young Staff" program and enables

young, talented people to present their skills, exchange experiences and good practices between Polish and European mechanical schools and popularize the car mechanic profession. The 2023 edition was attended by students from 10 European countries and, as every year, supported by the largest car parts manufacturers: ZF, Bosch, Schaeffler, Meyle, Shell, Febi, Continental, Elring, MannFilter, Varta, Valeo, NRF. The competition is also supported by the Inter Cars Foundation that sponsored non-cash prizes and scholarships for the participants of the national final.

Last year 3 100 students took part in the Polish preliminary stage of the competition, with as many as 1 900 qualified for the second stage. The top 10 reached the national finals. In May we selected the winner who represented Poland during the International Final of Young Car Mechanic 2023 in Hungary in June and finished the contest in second position.

6.4. OTHER SOCIAL AND SPONSORSHIP ACTIVITIES

Inter Cars Marketing Services sponsors sports events and initiatives that support local communities operating in the vicinity of our business locations. Our support extends to aspiring and active moto athletes.

Stajnia Rowerowa Inter Cars (Inter Cars Stajnia Rowerowa Bike Team)

The Inter Cars Stajnia Rowerowa Bike Team is a project intended to promote physical activity among young people. At present, there are 30 contestants representing five age categories who train under the eye of the Inter Cars Stajnia Rowerowa Bike Team. Inter Cars has been supporting the club since its establishment.

Bartosz Ostałowski – Inter Cars Ambassador

Bartosz Ostałowski is the world's only professional sports driver controlling cars with his feet only. He lost both of his arms in a motorcycle accident at the age of 19, but never gave up. His stubbornness and passion were the driving force that kept him pursuing his dreams. He has an international FIA racing license and successfully competes on equal terms with other able-bodied drivers in the Polish Drifting Championship and in European leagues. Bartosz is a long-time Inter Cars ambassador.

Łukasz Tasiemski

Łukasz Tasiemski started his drifting adventure 13 years ago. Apart from being an active drift driver, he is also a constructor of cars for drifting and other types of motorsports. In 2019, Łukasz started driving a simulator. Within a few years, he rose to the top of the most popular drift e-sports league in the world. As Inter Cars Ambassador, not only does he perfectly foster the values of our brand, but also is a great source of inspiration.



Wielka Wyprawa Maluchów (The Grand Tour of Fiats 126p)

The Grand Tour of Fiats 126p is the largest automotive charity project in Poland. Its aim is to help children and victims of road accidents, and to educate young generations about what being a conscious road participant means. In 2023, as much as PLN 2.1 million was collected.

Inter Cars is one of the main partners of the campaign. Part of the funds collected during the Tour was earmarked for the launch of the second edition of the "Drogowskaz" program.

Wielka Wyprawa Maluchów
(The Grand Tour of Fiats 126p)



Local Initiatives

In addition to the activities mentioned above, subsidiaries of the Inter Cars Group engage in various social initiatives on a local scale, including fundraisers and collections in response to unforeseeable circumstances or events, e.g. flooding (Inter Cars Greece and Inter Cars INT d.o.o.), Christmas fundraising to buy gifts to children from orphanages (Inter Cars d.o.o. from Bosnia, Inter Cars Latvija from Latvia and Inter Cars Slovenská republika s.r.o. from Slovakia), forest planting campaigns (Inter Cars Bulgaria Ltd.) and other initiatives tailored to local needs.



[GRI 415-1]

As set forth in the provisions of the *Anti-Fraud Policy in the Inter Cars Group* making any political contributions, either directly or indirectly by the Company or its subsidiaries, is prohibited. The key charity and sponsorship projects require the approval of the Company's General Counsel. In 2023, none of the Inter Cars Group subsidiaries made financial or in-kind contributions to political parties, politicians, or institutions of a similar nature.

07

BUSINESS OPERATIONS (G)

KEY FACTS AND FIGURES

0

cases of corruption

100%

of newly hired employees
of Inter Cars S.A.
have undergone compliance
training as part of onboarding

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7.1. ETHICS AND RESPECT FOR HUMAN RIGHTS IN THE INTER CARS GROUP



The whistle-blowing mechanisms developed in our Group allow us to identify areas particularly exposed to compliance risks. It is crucial to have fraud reporting channels in place,

not only for individuals employed in the organization, but also for other persons or entities the Inter Cars Group maintains business relationships with.

Anna Skrzypińska
Compliance Counsel

**[GRI 3-3] [GRI 2-23] [GRI 2-24]
[GPW G-P4]**

We uphold ethical principles and human rights in all business areas, as evidenced by our decisions and compliance with the EU Taxonomy minimum safeguards. Each employee, also in relation to key business partners throughout the value chain (e. g. suppliers, representatives of distribution and sales outlets – subsidiaries) must strictly comply with the applicable policies and codes, which regulate our approach to ethics, due diligence, and human rights in the Inter Cars Group.

At the same time, we do not identify separately categories of stakeholders who are particularly sensitive or exposed to risk in connection with the company's operations. The principles set out in the documents listed below are meant to prevent adverse impact of our direct operations on human and labour rights. The policies have been adopted in the form of a resolution of the Management Board and are available to all employees on the intranet.

The key documents governing the code of conduct include:

[GPW G-P4]

— **Code of Conduct and Good Market Practice of the Inter Cars S.A. Capital Group**

The Code of Conduct sets out the general principles followed in our day-to-day operations and serves as a code of ethics. It defines, among others, the rules and desirable attitudes towards:

- values
- safety
- equal opportunities and equal treatment

- client relationships
- business relationships
- contacts with the media
- relations with competitors.

The Code is a declaration of compliance with various categories of human rights relating to the Group's operations (employee rights in particular). It clearly highlights a firm stance against corruption and bribery, while emphasizing the fundamental principles of environmental protection, collaboration with public administration, and personal data protection regulations.

Code of Conduct and Good Market Practice of the Inter Cars S.A. Capital Group



Given our human rights due diligence within supply chains, contracts with some of our suppliers include the Inter Cars Group's expectations regarding responsible business conduct. Under the concluded agreements, the subsidiaries of the Inter Cars Group with their registered office in Poland require that suppliers familiarize themselves with the *Code of Conduct and Good Market Practice* and oblige them to comply with human rights. Moreover, the suppliers are bound by the compliance clause included in the Code to respect human rights. For the purpose of contractor verification, the subsidiaries of the Inter Cars Group

with their registered office in Poland use a self-assessment questionnaire, i.e. a *Business Partner Assessment Questionnaire*. Detailed supplier requirements are described in chapter 3.1. Obtaining and manufacturing products.

— **Anti-abuse Policy of the Inter Cars Capital Group**

The document outlines measures to prevent fraudulent activities, including offering and accepting financial benefits, and provides examples of prohibited behaviour. It sets out procedures for reporting suspected fraud and conducting internal investigations. The Fraud Prevention Policy also describes the guidelines for making donations or verifying contractors. It also provides a very broad definition of the concept of a "public official" which includes, but is not limited to, representatives of political parties, employees of the public administration and state-owned companies, and individuals holding any judicial positions. The Policy strictly prohibits making, promising, offering, or approving any payments to persons who falls within this definition. The policy is available to all employees, it is not available to third parties. Appendix 4 to the policy – Rules for internal filings in the Inter Cars Group is available on the Investor Relations website.



[GPW G-D1]

— Information Confidentiality Policy in Inter Cars Capital Group

The Policy lays down the basic rules for the processing and storage of confidential information and indicates the procedures to be followed in the event of a confidentiality breach. It also includes cybersecurity rules adopted by the Group. This policy is not available to third parties.

— Workplace Mobbing Prevention Policy in Inter Cars Capital Group

The Policy defines the term “mobbing” and sets out the rules that apply to reporting suspected mobbing and conducting an internal investigation if such an incident has been reported. This policy is not available to third parties.

— Occupational Health and Safety and Environmental Protection Policy in Inter Cars Capital Group

The Policy lays down the basic principles governing the area of occupational health and safety and environmental protection. This policy is not available to third parties.

7.2. ANTI-CORRUPTION

[GPW G-P5] [GRI 3-3]

As stipulated in the *Code of Conduct and Good Market Practice* we are against corruption and bribery as methods of doing business, and we take measures to combat such practices. Detailed provisions concerning corruption, bribery, any corporate and business frauds have been described in the *Anti-abuse Policy of the Inter Cars Capital Group*. The Policy contains a set of definitions and detailed descriptions of frauds. Its scope applies to the Company and its individual subsidiaries.

— Communication and Training about Anti-corruption Policies and Procedures⁴⁷

[GRI 205-2] [GRI 2-23] [GRI 2-24]

Each new hire of: Inter Cars S.A., ILS SP Z O.O., Inter Cars Marketing Services Sp. z o.o., Armatus sp. z o.o., Q-service Sp. z o.o., and Q-service Truck Sp. z o.o. undergoes the *Group's Compliance Program Policy* training during onboarding sessions. In addition, all employees have access to e-learning compliance courses. Policies implemented as part of the *Compliance Program*,

regarding such topics as anti-corruption, are available to all employees on the company's intranet.

All our contractors are provided with the *Code of Conduct and Good Market Practice of the Inter Cars S.A. Capital Group*. We also conduct an ongoing corruption risk assessment that covers the Company's contractors.

— Conflict of Interest Policy of the Inter Cars Capital Group

[GRI 2-15]

The document provides a definition of a conflict of interest and outlines employee responsibilities in the case when such a conflict is identified. For instance, employees of the Group's subsidiaries are obliged to avoid situations when their interests or the interests of their related persons may conflict with the interests of the company. In such cases, not only are they obliged to inform their superiors about the

conflict of interest, but also to refrain from making any decisions on the matter. If a conflict of interest is suspected, the supervisor may remove a person from a case.

⁴⁷ There are no disclosures under GRI 205-2 indicator relating to communication and training about anti-corruption policies and procedures as the Inter Cars Group does not report such data for its employees and members of management bodies broken by employee categories. The same applies to business partners – the Group does not collect any data for business partners who have been acquainted with the anti-corruption policy and procedures in force in the organization, broken by type of partners.

As regards the management of conflicts of interest, the Management Board and the Supervisory Board have decided to apply the principles of Chapter 5 *Conflict of interest and transactions with related parties of the Best Practice for WSE Listed Companies 2021*. In accordance with generally applicable provisions of law, certain conflicts of interest/ transactions with related parties are disclosed to stakeholders in periodic and current reports.

In accordance with generally applicable law, conflicts of interest (e.g. membership in management or supervisory boards of other organizations, ownership of shares in supplier companies and other stakeholders) are disclosed to stakeholders in periodic reports and on the Investor Relations website.

7.3. FRAUD REPORTING SYSTEMS

**[GRI 3-3] [GRI 2-25] [GRI 2-26]
[GPW G-P6]**

To ensure proper understanding and compliance with the adopted policies, we have implemented a special fraud reporting system, described in the *Internal Reporting Regulations*, which is available on the Investor Relations website. *Internal Reporting Regulations* is an appendix to the previously mentioned *Fraud Prevention Policy*.

Fraud Reporting System



The system has been implemented as part of the Group's human rights due diligence process and enables stakeholders negatively affected by the company's operations to file complaints and seek their resolution. We have adopted a broad definition of "fraud" explained as a deliberate act or omission that results in a breach of provisions of law or rules applicable in the Group, which provides benefits to the perpetrator or causes damage to the entities of the Inter Cars Group. Cases of financial non-compliance (e.g. corruption, fraud, financial crime) and

other types of misconduct (such as harassment, discrimination, or environmental violations) can be reported online. Information obtained from the complaints reporting system enables us to identify the adverse impact our activities exert or may exert on human or labour rights. The system is available in two language versions: Polish and English. To verify its functionality and effectiveness, we asked the employees to fill in a questionnaire. There were no consultations with external stakeholders.

The fraud reporting system can be used by the Inter Cars Group employees, contractors, customers, or other persons who may know about potential abuse. Individuals submitting a complaint can remain anonymous or reveal their identity. It is important to create a secure mailbox that allows for confidential communication with the organizational unit responsible for handling reported cases, regardless of whether the whistle-blower chooses to provide their data or not. The organization ensures that all reported breaches remain confidential.

Whistle-blowers who act in good faith are given protection against repressive actions or any other type of unfair treatment. We make sure that whistle-blowers do not fall victim to retaliation (e.g. in a form of regulatory, disciplinary, or financial liability in connection with their complaint) or do not get otherwise harassed by their superiors or colleagues.

The same rights are also vested in individuals who decide to report abuse through other channels – either via e-mail address: compliance@intercars.eu, by phone, in person or by traditional mail.

All complaints are verified on an ongoing basis. Should any irregularities be identified, specific corrective measures are taken. The Company's Compliance Counsel is the person authorized to receive complaints, undertake, and conduct investigation procedures. The effectiveness of compliance activities, including fraud prevention, is monitored and described in annual reports followed by internal audit verification. The results are presented to the Supervisory Board.

[GRI 2-16]

Serious reservations and doubts may also be reported to the Management Board or the Supervisory Board by e-mail. In 2023, no suspected violations were reported in this way.

Infringements Identified

No court decisions were made in 2023 that would find any violations of human rights, employee rights, fair competition law, tax law or corruption law committed either by the Group, its leadership team, or subsidiaries. OECD National Contact Points did not receive any cases concerning the Group or its subsidiaries. Over the last 2 years, the Business and Human Rights Resource Centre has not raised any charges against Inter Cars S.A. or its subsidiaries.

As part of our assessment to ensure compliance with the minimum safeguards, we have verified whether any court-confirmed violations were identified in the reporting period that could suggest non-compliance with the minimum safeguards recommended by the Platform on Sustainable Finance. The explanation of minimum safeguards and related taxonomy-based disclosure can be found in Chapter 4.3. Taxonomy-related disclosures .

[GRI 2-27]

In 2023, there were no significant instances of non-compliance with laws and regulations for which fines or non-monetary sanctions were incurred. No fines for significant instances of non-compliance with laws and regulations that occurred in the current or previous reporting period were paid⁴⁸.

[GRI 418-1]

In 2023, the Inter Cars Group did not receive any substantiated complaints concerning breaches of customer privacy. On the other hand, the Group identified two cases of customer data leaks that were reported to national Personal Data Protection institutions. The leaks were identified at ILS and Inter Cars INT Trgovina z rezervnimi deli in opremo za motorna vozila d.o.o. in Slovenia. In response to the incidents, the organization implemented security measures including employee guidelines and appropriate training. The technical safeguards in the IT systems have also been adjusted.

VIOLATIONS INVOLVING NON-COMPLIANCE WITH THE MINIMUM SAFEGUARDS OF THE TAXONOMY

	Inter Cars S.A.		Inter Cars Group	
	2023	2022	2023	2022
Human rights violations	0	0	0	0
Employee rights violations	0	0	0	0
[GRI 406-1] Incidents of discrimination	0	0	0	0
[GRI 206-1] Number of legal actions undertaken against the organization for anti-competitive behaviour and violations of anti-trust and monopoly legislation	0	0	0	0
Tax non-compliance	0	0	0	0
[GRI 205-3] Confirmed incidents of corruption	0	0	0	0
[GRI 205-3] Public legal cases regarding corruption brought against the organization or its employees	0	0	0	0
Allegations presented by the Business and Human Rights Resource Centre (in the past 2 years)	0	0	0	0
Cases against Inter Cars submitted to the OECD National Contact Points	0	0	0	0
Total	0	0	0	0

⁴⁸ Significant (material) instances of non-compliance shall mean non-conformities that have a significant negative impact on the situation of stakeholders.

08

BASIS OF THE REPORT

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8.1. ABOUT THE REPORT

This *Inter Cars Capital Group Sustainability Report* contains non-financial information compiled in accordance with the Accounting Act of 29 September 1994 which implements the provisions of Directive 2013/34/EU into the Polish legal system.

As an entity meeting the requirements set forth in the aforementioned legal acts, the Inter Cars Group is obliged to make taxonomy disclosures under Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 and five delegated regulations: **Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021** (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 (hereinafter regulation (EU) 2021/2139), **Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021** (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), **Commission Delegated Regulation (EU)**

2023/2485 of 27 June 2023 (establishing additional technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially to climate change mitigation or climate change adaptation and for determining whether those activities cause no significant harm to any of the other environmental objectives), **Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023** (establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives, and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities), **Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022** laying down technical screening criteria for economic activities in the fossil gas and nuclear energy sectors.

[GRI 2-3]

The report has been drawn up in accordance with the Global Reporting Initiative standards (GRI Standards 2021) and based on recommendations

of the Task Force on Climate-related Financial Disclosures (TCFD) and “ESG reporting guidelines for Warsaw Stock Exchange listed.

[GRI 2-3]

Reporting Period

The report presents both qualitative and quantitative data relating to the period between 1 January 2023 and 31 December 2023, unless stated otherwise. The Group’s financial statements cover the same reporting period. The Inter Cars Group reports its non-financial and financial operations on an annual basis.

[GRI 2-2]

List of companies whose data are included in the sustainability report

The data presented in the *2023 Inter Cars Group Sustainability Report* refer to Inter Cars S.A. being the parent company, 40 entities, i.e. 35 subsidiaries, 3 indirect subsidiaries and 2 jointly controlled entities that comprise the Inter Cars Capital Group. The same companies are included in the Group’s financial statements. The full list of the Capital Group’s subsidiaries as at the date of this report is available in the *Consolidated annual financial statements for the period from 1 January to 31 December 2023*. The following nine subsidiaries have been excluded from the GRI indices calculations that required

data to be broken by specific undertakings: IC Development & Finance Sp. z o.o., Inter Cars Cyprus Limited, Inter Cars Malta Holding Limited, OOO Inter Cars Automobilna Technika (subsidiary liquidated in January 2024), Inter Cars Norge AS, Inter Cars Albania SHA, ILS Adriatic Logistica d.o.o., Aurelia Auto d. o. o., ILS Balkan srl. Nevertheless, the above subsidiaries are subject to the management processes described in the report and are included in the analysis of material topics. The figures required for calculating GRI indicators were not collected for an associated entity: Partslife International Kft and two jointly controlled entities: Intermeko Europe Sp. z o.o and DANXILS Sp. z o. o. The activities of these companies have been described in relevant parts of the report. Additional exclusions were applied to the following GRI indicators: 302 (Energy), 305 (Emissions) and 306 (Waste). Relevant explanation can be found in Chapter 4. ENVIRONMENT (E).

Accordingly, unless otherwise specified, the term “Inter Cars Capital Group” (hereinafter referred to as the “Inter Cars Group” or “the Group”) used in the report refers to all direct and indirect subsidiaries and the parent company (Inter Cars S.A.). The data reported for Inter Cars S.A. concerns the parent company only.

Consolidated annual report for the period from 1 January to 31 December 2023



[GRI 2-4]

For the purpose of this report, disclosures made in the *2022 Inter Cars Group Sustainability Report* have been revised and adjusted accordingly due to the availability of data of better quality, identified errors and re-examination of some of the indices. a list of the adjustments made can be found in the table below. The term “report for 2022” used in the table refers to the *2022 Inter Cars Capital Group Sustainability Report*.

Compared to last year, we did not disclose the following indicators: GRI 202-1, GRI 207-1, GRI 403-6 and we added the following indicators to the report: GRI 403-9, GRI 415-1.

Data presented in the table illustrate changes of at least 5% from the previous year.

[GRI 2-5]

The report was subject to independent external verification by the auditing unit KPMG Advisory Spółka z ograniczoną odpowiedzialnością sp.k.. The auditor’s opinion is available on the Investor Relations website.

Auditor's opinion on the Inter Cars Group Sustainability Report for 2023



Index number	Description of index	Explanation of changes and adjustments
2-8	Workers who are not employees	The “workers from work agencies” category has been removed. The Group is developing a coherent approach to reporting data on this category of individuals performing work for the organization that would be adopted by all the subsidiaries and all the markets. The total number of employees per category has been adjusted accordingly.
201-1	Direct economic value generated and distributed	The value of components in the „Payments to government institutions” and „Operating costs” categories were adjusted. The values have been changed due to the change in the calculation method and have been unified for 2023. The change occurred in the components of payments to the state, currently we only include paid CIT and real estate tax, the result has been adjusted to remove other taxes paid by the organization.
202-2	Percentage of senior management members from the local market	Percentage of senior management members from the local market has been adjusted due to the unification of the “local market” definition at the level of the entire Group. Under the definition adopted in 2023 the employee country of origin refers to the country of their employment, while the definition from 2022 covered a narrower area.
302-1	Energy consumption within the organization	The sources of fuel and energy consumption within the organization have been reevaluated, with the errors corrected. Compared to the data presented in the report for 2022, energy consumption in Inter Cars S.A. increased by 17%, with a 16% drop recorded at the Inter Cars Group level. The total fuel consumption within the organization declined by 18% in the Inter Cars Group as compared to the data presented in the report for 2022.
302-2	Energy consumption outside the organization	The sources of fuel and energy consumption outside the organization have been reevaluated, with the errors corrected. Energy consumption outside the Inter Cars Group decreased by 6% compared to the data presented in the report for 2022.

Index number	Description of index	Explanation of changes and adjustments
302-3	Energy intensity	Adjustments to indices 302-1 and 302-2 were followed by the correction of index 302-3. In addition, an erroneous calculation was corrected as, by definition, it referred to one thousand of products sold, while the calculation formula referred to a single item of products sold. As a result of the adjustments made, the energy intensity index in the organization increased 1 000 times and 820 times for Inter Cars S.A. and the Inter Cars Group respectively, compared to the data presented in the report for 2022. Outside the organization, the energy intensity index increased 989 times and 935 times for Inter Cars S.A. and the Inter Cars Group respectively, compared to the data presented in the report for 2022.
305-1	Direct (Scope 1) GHG emissions	The sources of the emissions have been verified, with errors corrected. As a result of the adjustments, direct (Scope 1) GHG emissions in the Inter Cars Group decreased by 20% compared to the data presented in the report for 2022.
305-2	Energy indirect (Scope 2) GHG emissions	The sources of the emissions have been verified, with errors corrected. As a result of the adjustments made, energy indirect (Scope 2) GHG emissions in Inter Cars S.A. increased by 9% when reported both under the market-based and the location-based methods compared to the data presented in the report from the previous year. Energy indirect (Scope 2) GHG emissions in the Inter Cars Group decreased by 11% when reported with the use of the location-based method and compared to the data presented in the report for 2022.
305-3	Other indirect (Scope 3) GHG emissions	Verification of decarbonization targets under the Science Based Targets initiative resulted in the reclassification of emissions from branch operations from category 14 of Scope 3 to category 9 of Scope 3.

Index number	Description of index	Explanation of changes and adjustments
305-4	GHG emissions intensity	Adjustments made to indices 305-1, 305-2 and 305-3 led to the correction of index 305-4. As a result, the GHG emissions intensity index for Inter Cars S.A. increased by 7% for Scope 2 compared to the data presented in the report for 2022. The GHG emissions intensity index for the Inter Cars Group increased by 20% for Scope 1 and by 5% for Scope 2 when compared to the data presented in the report for 2022.
404-3	Percentage of employees receiving regular performance and career development reviews	The total number illustrating the average number of employees subject to performance reviews has been corrected. The calculation method has been changed and harmonized for 2023. The average is calculated as an arithmetic mean.

[GRI 2-14]

Involvement in the report compilation

The report has been drawn up thanks to the involvement of over one hundred employees of the Inter Cars Group who were responsible for furnishing data and internal verification of the report's content. The information presented in the report, including the list of material topics, has been approved by the Group's Management Board.

Katarzyna Podrucka, Sustainability Manager (esg@intercars.eu) supervises the process of drawing up the report and is the contact person for questions concerning the report or the information contained therein.

8.2. GRI CONTENT INDEX

Index category	Index number	Description of index	Year of the standard	Location within the report	Reason for omission/ comment
PROFILE INDICATORS					
GRI 2 The organization and its reporting practices	2-1	Organizational details	2021	7	
	2-2	Entities included in the organization's sustainability reporting	2021	101	
	2-3	Reporting period, frequency and contact point	2021	101	
	2-4	Restatements of information	2021	102	
	2-5	External assurance	2021	102	
GRI 2 Activities and workers	2-6	Activities, value chain and other business relationships	2021	14, 17, 29	
	2-7	Employees	2021	69, 123	
	2-8	Workers who are not employees	2021	70	
GRI 2 Governance	2-9	Governance structure and composition	2021	11, 12, 13	
	2-10	Nomination and selection of the highest governance body	2021	12	
	2-11	Chair of the highest governance body	2021	12	
	2-12	Role of the highest governance body in overseeing the management of impacts	2021	26, 27	
	2-13	Delegation of responsibility for managing impacts	2021	26, 27	
	2-14	Role of the highest governance body in sustainability reporting	2021	103	
	2-15	Conflicts of interest	2021	97	
	2-16	Communication of critical concerns	2021	98	
	2-17	Collective knowledge of the highest governance body	2021	27	
	2-18	Evaluation of the performance of the highest governance body	2021	13	
	2-19	Remuneration policies	2021	74	
GRI 2 Strategy, policies and practices	2-20	Process to determine remuneration	2021	73	
	2-21	Annual total compensation ratio	2021	74, 127	
	2-22	Statement on sustainable development strategy	2021	4	
	2-23	Policy commitments	2021	96, 97	
	2-24	Embedding policy commitments	2021	22, 96, 97	
	2-25	Processes to remediate negative impacts	2021	98	
GRI 2 Strategy, policies and practices	2-26	Mechanisms for seeking advice and raising concerns	2021	98	
	2-27	Compliance with laws and regulations	2021	99	
	2-28	Membership in associations	2021	10	

Index category	Index number	Description of index	Year of the standard	Location within the report	Reason for omission/ comment
GRI 2 Stakeholder engagement	2-29	Approach to stakeholder engagement	2021	15, 22	
	2-30	Collective bargaining agreements	2021	70	
GRI 3 Management approach	3-1	Process to determine material topics	2021	20, 22	
	3-2	List of material topics	2021	20, 22	
	3-3	Management of material topics	2021	26, 29, 30, 38, 39, 40, 41, 51, 66, 68, 69, 71, 73, 75, 77, 80, 82, 83, 87, 96, 97, 98	
THEMATIC INDICATORS					
Economic topics:					
GRI 201 Economic performance	201-1	Direct economic value generated and distributed	2016	18	
	201-2	Financial implications and other risks and opportunities due to climate change	2016	51	
GRI 202 Market presence	202-2	Proportion of senior management hired from the local community	2016	71	
GRI 205 Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	2016	97	
	205-3	Confirmed incidents of corruption and actions taken	2016	99	
GRI 206 Anti-competitive behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.	2016	99	
Environmental topics:					
GRI 302 Energy	302-1	Energy consumption within the organization	2016	63, 64	Since the Inter Cars Group did not sell energy in 2023 the value for this indicator is zero.
	302-2	Energy consumption outside the organization	2016	65	
	302-3	Energy intensity	2016	65	
GRI 303 Water and effluents	303-1	Interactions with water as a shared resource	2018	66	
	303-2	Management of water discharge-related impacts	2018	66	
GRI 305 Emissions	305-1	Direct (Scope 1) GHG emissions	2016	58, 59	
	305-2	Energy indirect (Scope 2) GHG emissions	2016	58, 60	
	305-3	Other indirect (Scope 3) GHG emissions	2016	58, 61	

Index category	Index number	Description of index	Year of the standard	Location within the report	Reason for omission/ comment
GRI 305 Emissions	305-4	GHG emissions intensity	2016	58, 62	
	305-5	Reduction of GHG emissions	2016	58, 60, 62	
GRI 306 Waste	306-3	Waste generated	2020	40, 110	
	306-4	Waste diverted from disposal	2020	40, 112, 114	
	306-5	Waste directed to disposal	2020	40, 115, 117	
Social topics:					
GRI 401 Employment	401-1	New employee hires and employee turnover	2016	75, 129	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	2016	80	
	401-3	Parental leave	2016	81	
GRI 403 Occupational health and safety	403-1	Occupational health and safety management system	2018	82	
	403-2	Hazard identification, risk assessment, and incident investigation	2018	83, 118	
	403-3	Occupational health services	2018	83	
	403-4	Worker participation, consultation, and communication on occupational health and safety	2018	82, 118	
	403-5	Worker training on occupational health and safety	2018	83	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2018	83, 118	
	403-8	Workers covered by an occupational health and safety management system	2018	82, 118	
GRI 404 Training and education	404-1	Average hours of training per year per employee	2016	79	
	404-2	Programs for upgrading employee skills and transition assistance programs	2016	78	
	404-3	Percentage of employees receiving regular performance and career development reviews	2016	78	
GRI 405 Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	2016	71, 72	
	405-2	Ratio of basic salary and remuneration of women to men	2016	73	
GRI 406 Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	2016	99	
GRI 415-1 Political contributions	415-1	Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary	2016	94	
GRI 418 Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	2016	99	

8.3. TABLE CONFIRMING COMPLIANCE OF THE REPORT WITH THE ACCOUNTING ACT

Requirements set forth in the Accounting Act	Location within the report
Business model (Article 49b(2)(1))	14, 19
Key non-financial performance indicators (Article 49b(2)(2))	104-106
Non-financial policies and their results (Article 49b(2)(3))	38, 68, 96, 97, 98, 99
Social policy	68, 96, 97
Workers-related policy	68
Environmental policy	38
Human rights policy	98
Employee-related/anti-corruption policy	96, 97
Due diligence procedures (Article 49b(2)(4))	99
Material non-financial risks associated with activity and their management (Article 49b(2)(5))	13, 51-55

8.4. TABLE CONFIRMING COMPLIANCE OF THE REPORT WITH TCFD RECOMMENDATIONS

Area	Disclosure	Location within the report
Governance Disclosure of the organization's governance around climate-related risks and opportunities.	Description of board's oversight of climate-related risk and opportunities	26-27
	Description of the management's role in assessing and managing climate-related risks and opportunities	13, 26-27
Strategy Disclosure of the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	Description of the climate change risks and opportunities that the organization has identified in the short, medium, and long term	51-56
	Description of the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	51-56
Risk management Disclosure how the organization identifies, assesses, and manages climate-related risks.	Description of the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	51-56
	Description of the organization's processes for identifying and assessing climate-related risks	51
	Description of the organization's processes for managing climate-related risks	52-53
Metrics and targets Disclosure of the metrics used by the organization to assess and manage relevant climate-related risks and opportunities where such information is material	Description of how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	13, 51
	Description of the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	54-55
	Description of Scope 1, Scope 2 and, if relevant, Scope 3 greenhouse gas emissions and the related risk	59-62
	Description of the targets used by the organization to manage climate-related risks and opportunities and performance against targets	57

8.5. LIST OF INDICATORS FROM THE “ESG REPORTING GUIDELINES. GUIDE FOR COMPANIES LISTED ON GPW”

Indicator code	Indicator name	Location within the report
General Information		
I-P1	Business model	14
I-P2	Sustainability integration	20
I-P3	Sustainability governance	22
I-P4	Material impacts, risk and opportunities	20, 22, 51
I-P5	Stakeholder engagement	15
ENVIRONMENTAL METRICS		
Climate change		
E-P1	Climate change management	51
E-P2	Greenhouse gas emissions	59, 60, 61, 62
E-P3	GHG emissions intensity	62
E-P4	Energy consumption and mix	63, 64, 65
Other Environmental Issues		
E-P5	Environmental policy	38
E-D1	Water consumption	66
E-D2	Water management	66
E-D4	Waste management	40, 110-117

Indicator code	Indicator name	Location within the report
SOCIAL METRICS		
Working Conditions		
S-P1	Diversity policy	71
S-P2	Employment policy	75
S-P3	Work-life balance policy	80
S-P4	Reintegration policy	81
S-P5	Gender pay gap ratio	73
S-P6	Employee turnover	75
S-P7	Freedom of association and collective bargaining	69, 70
S-D1	Employee health and safety	82, 83
Human Rights		
S-P8	Human rights policy	96
S-P9	Human rights due diligence	99
GOVERNANCE METRICS		
Governance		
G-P1	Board composition	11, 12
G-P2	Board independence	11, 12
G-P3	Board diversity	71
Business Ethics		
G-P4	Code of ethics	96
G-P5	Anti-corruption policy	97
G-P6	Whistle-blower procedure	98
Date Security and Privacy		
G-D1	Data security policy	97

8.6. INTERNAL INDICATORS RELATED TO SUSTAINABLE FINANCING OF INTER CARS GROUPS

Indicator number	Indicator definition	Value of indicator for 2023
WW – SLL – KPI 1	Reduction of Scope 1 and 2 GHG Emissions compared to a baseline referred to as the Reference Period ending 31 December 2021, measured in tons of CO ₂ eq, in accordance with the GHG Protocol.	Reduction of 5 122 tCO₂eq compared to 2021 as a base year, which means: -26% compared to 2021 as the base year (according to the market-based method)
WW – SLL – KPI 2	The annualized level of 'Core Returns' in the European Union Business to Business ("B2B") market, and is calculated as the volume of returned (invoices or credit notes) Core Parts to suppliers of remanufactured products vs. the volume of purchased remanufactured products from suppliers sold to the final customers annually, with the intention to increase the annualized levels of Core Parts returned to extend the lifetime of spare parts in the European Union B2B after-market. "Core parts" or "core(s)" is defined as the part removed from the car, having a specific value, determined by the supplier of the remanufactured product to the market.	43%
WW – SLL – KPI 3	The number of scholarships granted under the "Accelerator" program of the Inter Cars Foundation, which is a proprietary scholarship program of the Inter Cars Foundation intended for ambitious students interested in the automotive sector, mechanics, mechatronics, electronics, information technology and logistics in technical secondary (technika) schools in Poland. This KPI is divided into: 3.a: Total Scholarships granted; and 3.b: Increase in % of scholarships granted to females compared to the previous year and edition of the Accelerator program.	3.a. 21 3.b. Not applicable ⁴⁹ In the second edition of the Accelerator Program, in 2023, scholarships were awarded to 3 women (out of 21 scholarships awarded in total).

⁴⁹ Data for 2023 constitute the base data for calculating the growth rate of scholarships awarded to women.

8.7. APPENDICES

[GRI 306-3] [GPW E-D4] TOTAL WEIGHT OF WASTE GENERATED, BY TYPE OF WASTE

Type of waste generated	Inter Cars S.A.						Inter Cars Group	
	Total weight of hazardous waste generated [Mg]		Total weight of non-hazardous waste generated [Mg]		Total weight of hazardous waste generated [Mg]		Total weight of non-hazardous waste generated [Mg]	
	2023	2022	2023	2022	2023	2022	2023	2022
Distribution								
Packaging waste – cardboard	0	0	0.19	0.50	0	0	7,162.54	4,888.33
Packaging waste – plastics	0	0	37.61	5.52	0	0	702.22	485.48
Packaging waste – wood	0	0	201.12	164.42	0	0	4,640.15	3,885.48
Packaging waste – aluminium	0	0	0	0	0	0	26.91	34.35
Packaging waste – steel	0	0	86.32	0	0	0	357.96	41.06
Metal scrap, oil, plastic	0	0	2.56	110.86	22.21	6.98	282.12	894.3
Vehicle batteries	0	0	0	0	220.49	154.35	39.84	182.56
Polystyrene	0	0	0	0	20.17	0	14.54	0.10
Used electronic equipment	0	0	0	0	0.59	0.01	1.54	0.24
Total (distribution)	0	0	327.71	281.30	263.46	161.34	13,224.21	10,411.90
Production								
Oils	0	0	0	0	53.93	20.83	0	0
Liquids	0	0	0	0	61.78	39.22	0	0
Sanding materials, paints, solvents, other hazardous waste	0	0	0	0	62.10	38.35	0	0
Packaging waste – cardboard	0	0	0	0	0	0	115.70	94.86
Packaging waste – plastics	0	0	0	0	0.89	0	12.84	8.54
Packaging waste – wood	0	0	0	0	0	0	0	65.00
Steel scrap, non-ferrous metal scrap	0	0	0	0	30.02	0	707.30	412.56
Total (production)	0	0	0	0	208.72	98.40	835.84	580.96
Office waste/ municipal waste								
Batteries	0.02	0	0	0.04	0.36	0	0.01	0.04



Toners	0	0	0.02	0.80	0.06	1.00	0.14	2.98
Construction waste	0	0	1.90	1.80	0	0	7.94	12.44
Municipal waste	0	0	66.30	13.17	0	541.45	933.24	5,864.66
Other	0	0	0.83	1.88	0	0	6.94	172.18
Total (office waste)	0.02	0	69.05	17.69	0.42	542.46	948.27	6,052.30
Total	0.02	0.00	396.76	298.99	472.60	802.19	15,008.32	17,045.16

[GRI 306-4] [GPW E-D4] TOTAL WEIGHT, TYPES AND COMPOSITION OF WASTE GENERATED, DIRECTED TO RECOVERY (DIVERTED FROM DISPOSAL)

Type of waste generated	Inter Cars S.A.						Inter Cars Group	
	Total weight of hazardous waste not directed to disposal [Mg]		Total weight of non-hazardous waste not directed to disposal [Mg]		Total weight of hazardous waste not directed to disposal [Mg]		Total weight of non-hazardous waste not directed to disposal [Mg]	
	2023	2022	2023	2022	2023	2022	2023	2022
Distribution								
Packaging waste – cardboard	0	0	0.19	0.50	0	0	6,671.73	4,540.40
Packaging waste – plastics	0	0	37.61	5.52	0	0	580.78	392.99
Packaging waste – wood	0	0	201.12	164.42	0	0	4,352.19	3,728.76
Packaging waste – aluminium	0	0	0	0	0	0	25.01	28.09
Packaging waste – steel	0	0	86.32	0	0	0	278.73	27.41
Metal scrap, oil, plastic	0	0	2.56	110.86	3.18	6.98	282.10	701.63
Vehicle batteries	0	0	0	0	147.89	63.97	39.84	180.86
Polystyrene	0	0	0	0	20.17	0.00	14.54	0
Used electronic equipment	0	0	0	0	0.59	0.01	1.54	0.24
Total (distribution)	0	0	327.71	281.30	171.83	70.96	12,246.47	9,600.38
Production								
Oils	0	0	0	0	11.79	14.83	0	0
Liquids	0	0	0	0	58.54	0	0	0
Sanding materials, paints, solvents, other hazardous waste	0	0	0	0	18.58	10.22	0	3.86
Packaging waste – cardboard	0	0	0	0	0	0	115.70	0
Packaging waste – plastics	0	0	0	0	0.89	0	12.84	1.38
Packaging waste – wood	0	0	0	0	0	0	0	0
Steel scrap, non-ferrous metal scrap	0	0	0	0	0	0	707.30	276.56
Total (production)	0	0	0	0	89.79	25.05	835.84	281.80

Office waste/ municipal waste

Batteries	0.02	0	0	0.04	0.35	0	0.01	0.04
Toners	0	0	0.02	0.80	0.02	1.00	0.14	0.91
Construction waste	0	0	0	0	0	0	4.62	0
Municipal waste	0	0	0	0	0	0	455.10	13.00
Other	0	0	0.83	1.88	0	0	0.83	171.88
Total (office/municipal waste)	0.02	0	0.85	2.72	0.37	1.00	460.70	185.83
Total	0.02	0	328.56	284.02	262.00	97.01	13,543.00	10,068.01

[GRI 306-4] [GPW E-D4] TOTAL WEIGHT OF WASTE DIRECTED TO RECOVERY, BY TYPE OF RECOVERY OPERATIONS (DIVERTED FROM DISPOSAL)

Type of recovery	Inter Cars S.A.										Inter Cars Group	
	Total weight of waste not directed to disposal – on-site [Mg]		Total weight of waste not directed to disposal – off-site [Mg]		Total weight of waste not directed to disposal – off-site [Mg]		Total weight of waste not directed to disposal – on-site [Mg]		Total weight of waste not directed to disposal – off-site [Mg]		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Hazardous												
Preparation for reuse	0	0	0	0	0	0	0	0	0.01	6.98	0.01	6.98
Recycling	0	0	0	0	0	0	0	0	93.99	544.23	93.99	544.23
Other types of recovery	0	0	0.02	0	0.02	0	0	0	168.00	83.38	168.00	83.38
Total (hazardous)	0.00	0	0.02	0	0.02	0	0.00	0	262.00	634.59	262.00	634.59
Non-hazardous												
Preparation for reuse	0	0	0	0	0	0	0	0	55.29	248.23	55.29	248.23
Recycling	0	0	327.71	284.02	327.71	284.02	0	0	13,055.46	8,980.25	13,055.46	8,980.25
Other types of recovery	0	0	0.85	0	0.85	0	0	3.3	432.25	298.66	432.25	301.96
Total (non-hazardous)	0	0	328.56	284.02	328.56	284.02	0	3.3	13,543.00	9,527.14	13,543.00	9,530.44
Total	0.00	0.00	328.58	284.02	328.58	284.02	0.00	3.3	13,805.00	10,161.73	13,805.00	10,165.03

[GRI 306-5] [GPW E-D4] TOTAL WEIGHT OF WASTE DIRECTED TO DISPOSAL, BY COMPOSITION OF THE WASTE

Type of waste generated	Inter Cars S.A.						Inter Cars Group	
	Total weight of hazardous waste directed for disposal [Mg]		Total weight of non-hazardous waste directed for disposal [Mg]		Total weight of hazardous waste directed for disposal [Mg]		Total weight of non-hazardous waste directed for disposal [Mg]	
	2023	2022	2023	2022	2023	2022	2023	2022
Distribution								
Packaging waste – cardboard	0	0	0	0	0	0	487.20	347.93
Packaging waste – plastics	0	0	0	0	0	0	121.44	92.49
Packaging waste – wood	0	0	0	0	0	0	287.96	156.72
Packaging waste – aluminium	0	0	0	0	0	0	1.90	6.45
Packaging waste – steel	0	0	0	0	0	0	79.22	71.61
Metal scrap, oil, plastic	0	0	0	0	19.03	69.89	0.02	134.71
Vehicle batteries	0	0	0	0	72.60	20.50	0	1.80
Polystyrene	0	0	0	0	0	0	0	0
Used electronic equipment	0	0	0	0	0	0	0	0
Total (distribution)	0	0	0	0	91.63	90.39	977.74	811.71
Production								
Oils	0	0	0	0	42.14	6.01	0	0
Liquids	0	0	0	0	3.24	29.00	0	0
Sanding materials, paints, solvents, other hazardous waste	0	0	0	0	43.52	38.36	0	0
Packaging waste – cardboard	0	0	0	0	0	0	0	91
Packaging waste – plastics	0	0	0	0	0	0	0	7.16
Packaging waste – wood	0	0	0	0	0	0	0	65.00
Steel scrap, non-ferrous metal scrap	0	0	0	0	30.02	0	0	136.00
Total (production)	0	0	0	0	118.92	73.36	0.00	299.16

Office waste/ municipal waste

Batteries	0	0	0	0	0.01	0	0	0
Toners	0	0	0	0	0.04	0	0	2.08
Construction waste	0	0	1.90	1.80	0	0	3.32	12.44
Municipal waste	0	0	66.30	13.17	0	541.45	478.14	5,851.66
Other	0	0	0	0	0	0	6.11	0.30
Total (office/ municipal waste)	0	0	68.20	14.97	0.05	541.45	487.57	5,866.48
Total	0	0	68.20	14.97	210.59	705.20	1465.30	6,977.35

[GRI 306-5] [GPW E-D4] TOTAL WEIGHT OF WASTE DIRECTED TO DISPOSAL, BY TYPE OF DISPOSAL OPERATIONS

Type of recovery	Inter Cars S.A.								Inter Cars Group			
	Total weight of waste directed to disposal - on-site [Mg]		Total weight of waste directed to disposal - off-site [Mg]		Total		Total weight of waste directed to disposal - on-site [Mg]		Total weight of waste directed to disposal - off-site [Mg]		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Hazardous												
Incineration (with energy recovery)	0	0	0	0	0	0	0	0	0	0	0	0
Incineration (without energy recovery)	0	0	0	0	0	0	0	0	0	1.20	0	1.20
Landfilling	0	0	0	0	0	0	0	541.45	0	0	0	541.45
Other types of disposal	0	0	0	0	0	0	0	0	210.59	162.56	210.59	162.56
Total (hazardous)	0	0	0	0	0	0	0	541.45	210.59	163.75	210.59	705.20
Non-hazardous												
Incineration (with energy recovery)	0	0	1.90	14.97	1.90	14.97	0	0	1.90	14.97	1.90	14.97
Incineration (without energy recovery)	0	0	0	0	0	0	0	0	0	3.16	0	3.16
Landfilling	0	0	0	0	0	0	0	0	31.74	16.30	31.74	16.30
Other types of disposal	0		66.30	0	66.30	0	0	349.30	1,431.66	6,593.61	1,431.66	6,942.91
Total (non-hazardous)	0	0	68.20	14.97	68.20	14.97	0	349.30	1,465.30	6,628.04	1,465.30	6,977.34
Total	0	0	68.20	14.97	68.20	14.97	0	890.75	1,675.89	6,791.79	1,675.89	7,682.54

[GRI 403-2]

All the subsidiaries, except for the eight listed below, carry out periodic risk assessments via the occupational health and safety management system. Inter Cars United Kingdom automotive technology Ltd, Inter Cars Česká republika s.r.o., Inter Cars Eesti OÜ, Inter Cars Belgium NV, Inter Cars Ukraine, Inter Cars Malta Holding Limited, Cleverlog-Autoteile GmbH, Inter Cars Deutschland GmbH do not conduct such assessments.

[GRI 403-4]

More than half of the subsidiaries, except for the nine listed below, encourage employee participation in the development, implementation and evaluation of the occupational health and safety management system. Such activities are not carried out by: Inter Cars Bulgaria Ltd., Inter Cars d.o.o. Beograd-Rakovica, Inter Cars Česká republika s.r.o., Inter Cars Hungária Kft, Inter Cars Eesti OÜ, Inter Cars Lietuva UAB, Inter Cars Belgium NV, Inter Cars Ukraine, Inter Cars Malta Holding Limited.

[GRI 403-7]

All subsidiaries, except for the three listed below, take measures to prevent or mitigate significant adverse occupational health and safety impacts directly linked with business operations, products or services by its business relationships and the associated threats and risks. Inter Cars United Kingdom automotive technology Ltd, Inter Cars Eesti OÜ, Inter Cars Belgium NV do not undertake such activities.

[GRI 403-8] [GPW S-D1] EMPLOYEES COVERED BY THE OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

	Employees and persons working for the organization that are covered by an occupational health and safety (OHS) management system	Employees and persons working for the organization that are covered by an occupational health and safety (OHS) management system, subject to internal audit	Employees and persons working for the organization that are covered by an occupational health and safety (OHS) management system audited or certified by an external party
Inter Cars S.A.	100%	0%	0%
Inter Cars Group	100%	3%	22%

EMPLOYEES COVERED BY THE OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM IN SUBSIDIARIES

	Employees and persons working for the organization that are covered by an occupational health and safety (OHS) management system	Employees and persons working for the organization that are covered by an occupational health and safety (OHS) management system, subject to internal audit	Employees and persons working for the organization that are covered by an occupational health and safety (OHS) management system audited or certified by an external party
Inter Cars S.A.	100%	-	-
Inter Cars Romania s.r.l.	100%	-	-
ILS sp. z o.o.	100%	-	-
Inter Cars d.o.o. (Croatia)	100%	-	100%
Inter Cars Hungária Kft	100%	-	-
Inter Cars Česká republika s.r.o.	100%	-	100%
Inter Cars GREECE	100%	-	100%
Lauber sp. z.o.o	100%	-	-
Feber sp.z.o.o	100%	-	-
Inter Cars Bulgaria Ltd.	100%	-	-
Inter Cars INT d.o.o. (Slovenia)	100%	-	-
Inter Cars Ukraine	100%	100%	-
Inter Cars Lietuva UAB	100%	-	-
Inter Cars Slovenská republika s.r.o.	100%	-	-
Inter Cars Latvija SIA	100%	-	-
Inter Cars Marketing Services	100%	-	-
Inter Cars d.o.o. (Bosnia and Herzegovina)	100%	-	-
Inter Cars Eesti OÜ	100%	-	-
Q-Service Truck sp. z.o.o	100%	-	-
Inter Cars d.o.o. Beograd-Rakovica	100%	-	-
Inter Cars Piese Auto s.r.l.	100%	-	-
Inter Cars Fleet Services sp. z.o.o	100%	-	-
Inter Cars Italia s.r.l	100%	-	-
Inter Cars United Kingdom automotive technology Ltd	100%	-	-
Inter Cars Malta Limited	100%	-	-
Armatus sp. z.o.o	100%	-	-
Q-Service Sp. z,o,o	100%	-	-
IC Deutschland GmbH	100%	-	-
Cleverlog-Autoteile GmbH	100%	-	-
Inter Cars Belgium NV	100%	-	-

[GRI 403-9] [GPW S-D1]

In 2023, one serious work-related incident and 65 work-related injuries were reported in the Inter Cars Group. Each time an investigation is conducted, and remedial measures are taken. The index was calculated based on the number of employees reported in GRI 2-7 and the number of non-employees in GRI 2-8.

WORK-RELATED INJURIES

	Inter Cars S.A.	Inter Cars Group
Employees (employment contract)		
The number of fatalities as a result of work-related injury	0	0
The rate of fatalities as a result of work-related injury	0	0
The number of high-consequence work-related injuries (excluding fatalities)	0	1
The rate of high-consequence work-related injuries (excluding fatalities) ⁵⁰	0	0.15
The number of recordable work-related injuries	0	65
The rate of recordable work-related injuries ⁵¹	0	9.84
The main types of work-related injury	Not applicable	Lower and upper limb injuries
Number of hours worked	1,568,421.00	6,608,426.50
Non-employees		
The number of fatalities as a result of work-related injury	0	0
The rate of fatalities as a result of work-related injury	0	0
The number of high-consequence work-related injuries (excluding fatalities)	0	0
The rate of high-consequence work-related injuries (excluding fatalities)	0	0
The number of recordable work-related injuries	0	0
The rate of recordable work-related injuries	0	0
The main types of work-related injury	Not applicable	Not applicable
Number of hours worked ⁵²	No data	No data

⁵⁰ Rate calculated based on 1 000 000 hours worked.

⁵¹ Rate calculated based on 1 000 000 hours worked.

⁵² The Group does not monitor the number of hours worked by non-employees due to different employment types.

[GRI 403-5] [GPW S-D1] WORK-RELATED INJURIES OF EMPLOYEES AND NON-EMPLOYEES IN SUBSIDIARIES

	The number of fatalities as a result of work-related injury	The rate of fatalities as a result of work-related injury	The number of high-consequence work-related injuries (excluding fatalities)	The rate of high-consequence work-related injuries (excluding fatalities)	The number of recordable work-related injuries	The rate of recordable work-related injuries ⁵³	The main types of work-related injury	Number of hours worked
Feber Sp. z o.o.	0	0	0	0	5	3.94	Foot and hand injuries	254,041.00
ILS Sp. z o.o.	0	0	0	0	0	0.00	Not applicable	638,995.00
Inter Cars Fleet Services Sp. z o.o.	0	0	0	0	0	0.00	Not applicable	26,818.00
Inter Cars Marketing Services (ICMS)	0	0	0	0	1	1.75	Ankle sprain	114,196.00
Lauber	0	0	0	0	2	1.29	Hand injuries	309,579.00
Q-service Sp. z o.o.	0	0	0	0	0	0.00	Not applicable	3,552.00
Q-service Truck Sp. z o.o.	0	0	0	0	0	0.00	Not applicable	63,834.00
Inter Cars Ukraine	0	0	0	0	0	0.00	Not applicable	227,360.00
Inter Cars Česká republika s.r.o.	0	0	0	0	1	0.50	Clavicle fracture	396,054.00
Inter Cars Slovenská republika s.r.o.	0	0	0	0	0	0.00	Not applicable	113,589.00
Inter Cars Lietuva UAB	0	0	0	0	1	1.49	Foot injury	134,103.00
Inter Cars Hungária Kft	0	0	0	0	35	15.06	Injuries to the upper and lower limbs	464,884.00
Inter Cars Italia s.r.l. (old JC Auto s.r.l.)	0	0	0	0	0	0.00	Not applicable	18,907.00
Inter Cars d.o.o.	0	0	0	0	10	3.18	Foot injuries, hand injuries	628,144.00
Inter Cars Romania s.r.l.	0	0	0	0	0	0.00	Not applicable	635,104.00
Inter Cars Latvija SIA	0	0	0	0	0	0.00	Not applicable	4,008.00
Cleverlog-Autoteile GmbH	0	0	0	0	0	0.00	Not applicable	1,879.50

⁵³ The rate was calculated based on 200 000 hours worked for each of the subsidiaries.

Inter Cars Bulgaria Ltd.	0	0	0	0	0	0.00	Not applicable	216,688.00
Inter Cars Eesti OÜ (EE)	0	0	0	0	0	0.00	Not applicable	70,018.00
Inter Cars Piese Auto s.r.l. (Moldava)	0	0	0	0	0	0.00	Not applicable	54,121.00
Inter Cars GREECE	0	0	0	0	0	0.00	Not applicable	317,664.00
Inter Cars United Kingdom – automotive technology Ltd	0	0	0	0	0	0.00	Not applicable	13,066.00
Inter Cars d.o.o. Beograd-Rakovica ICRS	0	0	0	0	0	0.00	Not applicable	79,040.00
Inter Cars INT d.o.o.	0	0	0	0	10	15.62	Foot injuries, hand injuries and ankle sprains	128,050.00
Inter Cars Malta Limited	0	0	0	0	0	0,00	Not applicable	10,644.00
Armatus Sp. zo.o.	0	0	0	0	0	0,00	Not applicable	3,448.00
IC Deutschland GmbH	0	0	0	0	0	0,00	Not applicable	1,260.00
Inter Cars d.o.o.	0	0	1	1.83	0	0,00	Foot injury	109,117.00
Inter Cars Belgium NV	0	0	0	0	0	0,00	Not applicable	1,842.00

[GRI 2-7] EMPLOYEES OF THE INTER CARS GROUP BY EMPLOYMENT TYPE AND FORM
Number of employees of the Inter Cars Group companies by gender and type of contract

Company name	Country	Permanent contract						Fixed-term contract						Total number of employees	
		Female		Male		Total		Female		Male		Total		2023	2022
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022		
Inter Cars S.A.	Poland	316	277	427	375	743	652	95	91	144	139	239	230	982	882
ILS Sp. z o.o.	Poland	88	88	240	232	328	320	32	34	43	35	75	69	403	389
Feber Sp. z o.o.	Poland	9	9	127	123	136	132	1	1	18	15	19	16	155	148
Inter Cars Marketing Services Sp. z o.o.	Poland	20	17	16	12	36	29	22	20	13	8	35	28	71	57
Lauber Sp. z o.o.	Poland	36	42	56	60	92	102	17	19	85	67	102	86	194	188
Armatus Sp. z o.o.		0	0	2	0	2	0	0	0	1	0	1	0	3	0
Q-service Sp. z o.o.	Poland	2	3	0	0	2	3	0	0	0	0	0	0	2	3
Q-service Truck Sp. z o.o.	Poland	6	5	18	15	24	20	1	2	16	17	17	19	41	39
Inter Cars Fleet Services Sp. z o.o.	Poland	7	8	4	4	11	12	3	3	4	5	7	8	18	20
Inter Cars Česká republika s.r.o.	Czech Republic	61	62	179	220	240	282	2	5	2	11	4	16	244	298
Inter Cars Slovenská republika s.r.o.	Slovakia	25	25	47	39	72	64	1	4	2	1	3	5	75	69
Inter Cars Hungária Kft	Hungary	126	116	224	155	350	271	0	0	0	0	0	0	350	271
Inter Cars Lietuva UAB	Lithuania	14	15	62	60	76	75	1	1	0	0	1	1	77	76
Inter Cars Latvija SIA	Latvia	14	12	60	58	74	70	0	0	0	1	0	1	74	71
Inter Cars Eesti OÜ	Estonia	10	9	31	30	41	39	1	0	0	0	1	0	42	39
Inter Cars Ukraine	Ukraine	30	39	88	89	118	128	0	0	0	0	0	0	118	128
Inter Cars Romania s.r.l.	Romania	127	90	372	318	499	408	0	0	0	0	0	0	499	408
Inter Cars d.o.o.	Croatia	92	87	273	271	365	358	0	0	1	0	1	0	366	358
Inter Cars d.o.o.	Bos- nia-Herze- govina	14	11	37	33	51	44	2	0	15	0	17	0	68	44
Inter Cars INT Trgovina z rezervnimi deli in opremo za motorna vozila d.o.o.	Slovenia	28	19	87	69	115	88	0	0	0	0	0	0	115	88

Inter Cars GREECE	Greece	47	32	182	162	229	194	0	0	0	0	0	0	229	194
Inter Cars Bulgaria Ltd.	Bulgaria	55	47	80	79	135	126	0	1	0	0	0	1	135	127
Inter Cars Piese Auto s.r.l.	Moldova	6	7	24	19	30	26	1	0	0	0	1	0	31	26
Inter Cars d.o.o. Beograd-Rakovica	Serbia	10	6	16	11	26	17	1	0	11	0	12	0	38	17
Inter Cars Italia s.r.l.	Italy	5	5	12	9	17	14	0	0	0	0	0	0	17	14
Inter Cars Belgium NV	Belgium	0	,	1	,	1	0	0	,	0	,	0	0	1	0
Cleverlog-Autoteile GmbH	Germany	1	1	0	0	1	1	0	0	0	0	0	0	1	1
Inter Cars Deutschland GmbH	Germany	0	0	2	0	2	0	0	0	0	0	0	0	2	0
Inter Cars United Kingdom - automotive technology Ltd	United Kingdom	1	0	6	6	7	6	0	0	0	0	0	0	7	6
Inter Cars Malta Holding Limited	Malta	2	2	3	3	5	5	0	0	0	0	0	0	5	5
Total		1,151	1,034	2,677	2,452	3,828	3,486	181	181	354	299	535	480	4,363	3,966

Number of employees of the Inter Cars Group companies by gender and type of contract

Company name	Country	Full-time						Part-time			Total number of employees				
		Female		Male		Total		Female		Male	Total	2023	2022		
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022				
Inter Cars S.A.	Poland	403	355	563	498	966	853	8	13	8	16	16	29	982	882
ILS Sp. z o.o.	Poland	119	118	281	262	400	380	1	4	2	5	3	9	403	389
Feber Sp. z o.o.	Poland	10	10	142	136	152	146	0	0	3	2	3	2	155	148
Inter Cars Marketing Services Sp. z o.o.	Poland	41	35	29	20	70	55	1	2	0	0	1	2	71	57
Lauber Sp. z o.o.	Poland	53	61	140	124	193	185	0	0	1	3	1	3	194	188
Armatus Sp. z o.o.	Poland	0	0	3	0	3	0	0	0	0	0	0	0	3	0
Q-service Sp. z o.o.	Poland	2	2	0	0	2	2	0	1	0	0	0	1	2	3
Q-service Truck Sp. z o.o.	Poland	6	6	34	32	40	38	1	1	0	0	1	1	41	39
Inter Cars Fleet Services Sp. z o.o.	Poland	9	10	8	9	17	19	1	1	0	0	1	1	18	20
Inter Cars Česká republika s.r.o.	Czech Republic	61	61	181	226	242	287	2	6	0	5	2	11	244	298
Inter Cars Slovenská republika s.r.o.	Slovakia	24	24	47	39	71	63	2	5	2	1	4	6	75	69
Inter Cars Hungária Kft	Hungary	123	115	223	155	346	270	3	1	1	0	4	1	350	271
Inter Cars Lietuva UAB	Lithuania	15	15	62	60	77	75	0	1	0	0	0	1	77	76
Inter Cars Latvija SIA	Latvia	14	12	60	58	74	70	0	0	0	1	0	1	74	71
Inter Cars Eesti OÜ	Estonia	11	9	31	30	42	39	0	0	0	0	0	0	42	39
Inter Cars Ukraine	Ukraine	30	39	88	88	118	127	0	0	0	1	0	1	118	128
Inter Cars Romania s.r.l.	Romania	126	90	372	318	498	408	0	0	0	0	1	0	499	408
Inter Cars d.o.o.	Croatia	92	87	274	271	366	358	0	0	0	0	0	0	366	358
Inter Cars d.o.o.	Bosnia -Herzegovina	16	11	52	33	68	44	0	0	0	0	0	0	68	44
Inter Cars INT Trgovina z rezervnimi deli in opremo za motorna vozila d.o.o.	Slovenia	28	19	85	68	113	87	0	0	2	1	2	1	115	88
Inter Cars GREECE	Greece	47	32	182	162	229	194	0	0	0	0	0	0	229	194

Inter Cars Bulgaria Ltd.	Bulgaria	55	48	80	79	135	127	0	0	0	0	0	0	135	127
Inter Cars Piese Auto s.r.l.	Moldova	6	5	23	18	29	23	1	2	1	1	2	3	31	26
Inter Cars d.o.o. Beograd-Rakovica	Serbia	11	6	27	11	38	17	0	0	0	0	0	0	38	17
Inter Cars Italia s.r.l.	Italy	5	5	12	8	17	13	0	0	0	1	0	1	17	14
Inter Cars Belgium NV	Belgium	0	0	1	0	1	0	0	0	0	0	0	0	1	0
Cleverlog-Autoteile GmbH	Germany	1	1	0	0	1	1	0	0	0	0	0	0	1	1
Inter Cars Deutshland GmbH	Germany	0	0	2	0	2	0	0	0	0	0	0	0	2	0
Inter Cars United Kingdom – automotive technology Ltd	United Kingdom	1	0	6	6	7	6	0	0	0	0	0	0	7	6
Inter Cars Malta Holding Limited	Malta	2	2	3	3	5	5	0	0	0	0	0	0	5	5
Total		1,311	1,178	3,011	2,714	4,322,	3,892	21	37	20	37	41	74	4,363	3,966

[GRI 2-21] ANNUAL TOTAL COMPENSATION RATIO

Company name	Country	Annual total compensation ratio in the Inter Cars Group		Change in the annual total compensation ratio in the Inter Cars Group	
		The ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees		The ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees	
		2023	2022	2023	2022
Inter Cars S.A.	Poland	31.79	29.57	0.52	0.78
ILS Sp. z o.o.	Poland	43.15	40.38	1.37	1.31
Feber Sp. z o.o.	Poland	4.72	2.47	confidentiality restrictions ⁵⁴	
Inter Cars Marketing Services Sp. z o.o.	Poland	3.44	3.56	0.64	1.81
Lauber Sp. z o.o.	Poland	6.93	4.3	2.40	-2.72
Armatus Sp. z o.o.	Poland	confidentiality restrictions	confidentiality restrictions	confidentiality restrictions	confidentiality restrictions
Q-service Sp. z o.o.	Poland	confidentiality restrictions	1.99	confidentiality restrictions	1.54
Q-service Truck Sp. z o.o.	Poland	5.05	3.87	1.72	-0.83
Inter Cars Fleet Services Sp. z o.o.	Poland	5.74	5.96	0.65	0.35
Inter Cars Česká republika s.r.o.	Czech Republic	5.48	10.86	-1.42	0.61
Inter Cars Slovenská republika s.r.o.	Slovakia	10.99	17.74	2.07	-0.41
Inter Cars Hungária Kft	Hungary	19.83	8.9	16.81	-2.4
Inter Cars Lietuva UAB	Lithuania	11.20	9.53	3.28	-0.86
Inter Cars Latvija SIA	Latvia	10.39	6.82	6.99	2.88
Inter Cars Eesti OÜ	Estonia	6.38	7.07	-11.98	0.39
Inter Cars Ukraine	Ukraine	13.87	7.64	3.39	2.78
Inter Cars Romania s.r.l.	Romania	4.92	23.77	10.61	1.45
Inter Cars d.o.o.	Croatia	4.70	4.24	0.05	0.98
Inter Cars d.o.o.	Bosnia -Herzegovina	12.39	13.7	-0.92	-0.49

⁵⁴ The confidentiality restriction applies to companies employing fewer than 15 employees and is intended to protect sensitive personal data.

Inter Cars INT Trgovina z rezervnimi deli in opremo za motorna vozila d.o.o.	Slovenia		5.57	4.22	-1.29	2.42
Inter Cars GREECE	Greece		9.89	8.64		confidentiality restrictions
Inter Cars Bulgaria Ltd.	Bulgaria		17.57	6.62	-3.79	0.55
Inter Cars Piese Auto s.r.l.	Moldova		11.25	15.98	-0.22	6.47
Inter Cars d.o.o. Beograd-Rakovica	Serbia		8.34	4.77	-0.80	3.87
Inter Cars Italia s.r.l.	Italy		2.49	1.81	10.12	-0.85
Inter Cars Belgium NV	Belgium	confidentiality restrictions	confidentiality restrictions	confidentiality restrictions	confidentiality restrictions	confidentiality restrictions
Cleverlog-Autoteile GmbH	Germany	confidentiality restrictions	confidentiality restrictions	confidentiality restrictions	confidentiality restrictions	confidentiality restrictions
Inter Cars Deutshland GmbH	Germany	confidentiality restrictions	confidentiality restrictions	confidentiality restrictions	confidentiality restrictions	confidentiality restrictions
Inter Cars United Kingdom – automotive technology Ltd	United Kingdom		1.00	confidentiality restrictions	-0.04	confidentiality restrictions
Inter Cars Malta Holding Limited	Malta		3.04	confidentiality restrictions	3.27	confidentiality restrictions

[GRI 401-1] NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY KEY REGIONS

	Number of new hires		Percentage of new hires [%]		Number of leavers		Employee turnover rate [%]	
	2023	2022	2023	2022	2023	2022	2023	2022
Inter Cars S.A.								
Female	72	89	7.33%	10.09%	25	31	2.55%	3.51%
Male	108	145	11.00%	16.44%	48	55	4.89%	6.24%
Total	180	234	18.33%	26.53%	73	86	7.43%	9.75%
Poland								
Female	36	78	4.06%	9.24%	41	26	4.62%	3.08%
Male	159	186	17.81%	22.04%	107	100	12.06%	11.85%
Total	195	264	21.87%	31.28%	148	126	16.69%	14.93%
Eastern Europe								
Female	82	69	9.76%	9.06%	44	54	5.24%	7.09%
Male	217	174	25.83%	22.83%	146	158	17.38%	20.73%
Total	299	243	35.60%	31.89%	190	212	22.62%	27.82%
Western Europe								
Female	2	0	7.14%	0.00%	1	0	3.57%	0.00%
Male	10	3	35.71%	14.29%	5	1	17.86%	4.76%
Total	12	3	42.86%	14.29%	6	1	21.43%	4.76%
Southern Europe								
Female	126	83	11.31%	9.18%	79	54	7.09%	5.97%
Male	406	160	36.45%	17.70%	243	168	21.81%	18.58%
Total	532	243	47.76%	26.88%	322	222	28.90%	24.56%
Northern Europe								
Female	7	5	3.63%	2.69%	2	4	1.04%	2.15%
Male	26	26	13.47%	13.98%	21	14	10.88%	7.53%
Total	33	31	17.10%	16.67%	23	18	11.92%	9.68%
Central Europe								
Female	32	36	10.03%	9.81%	15	21	4.70%	5.72%
Male	86	127	26.96%	34.60%	59	81	18.50%	22.07%
Total	118	163	36.99%	44.41%	74	102	23.20%	27.79%

	Number of new hires		Percentage of new hires [%]		Number of leavers		Employee turnover rate [%]	
	2023	2022	2023	2022	2023	2022	2023	2022
Inter Cars S.A.								
under 29	78	93	7.94%	10.54%	29	35	2.95%	3.97%
30 to 49	93	131	9.47%	14.85%	39	44	3.97%	4.99%
over 50	9	10	0.92%	1.13%	5	7	0.51%	0.79%
Poland								
under 29	72	119	8.12%	14.10%	41	44	4.62%	5.21%
30 to 49	95	123	10.71%	14.57%	88	65	9.92%	7.70%
over 50	28	105	3.16%	12.44%	19	17	2.14%	2.01%
Eastern Europe								
under 29	151	100	17.98%	13.12%	88	77	10.48%	10.10%
30 to 49	132	130	15.71%	17.06%	88	119	10.48%	15.62%
over 50	16	13	1.90%	1.71%	14	16	1.67%	2.10%
Western Europe								
under 29	3	0	10.71%	0.00%	1	0	3.57%	0.00%
30 to 49	8	2	28.57%	9.52%	6	1	21.43%	4.76%
over 50	1	1	3.57%	4.76%	0	0	0.00%	0.00%
Southern Europe								
under 29	257	125	23.07%	13.83%	179	134	16.07%	14.82%
30 to 49	244	102	21.90%	11.28%	125	73	11.22%	8.08%
over 50	31	16	2.78%	1.77%	18	15	1.62%	1.66%
Northern Europe								
under 29	15	11	7.77%	5.91%	11	8	5.70%	4.30%
30 to 49	14	17	7.25%	9.14%	10	9	5.18%	4.84%
over 50	4	3	2.07%	1.61%	2	1	1.04%	0.54%
Central Europe								
under 29	52	47	16.30%	12.81%	28	31	8.78%	8.45%
30 to 49	58	96	18.18%	26.16%	39	64	12.23%	17.44%
over 50	8	20	2.51%	5.45%	7	7	2.19%	1.91%

Signatures of members of the Management Board

Maciej Oleksowicz

President of the Management Board

Krzysztof Soszyński

Vice-President of the Management Board

Wojciech Twaróg

Member of the Management Board

Piotr Zamora

Member of the Management Board

Wojciech Aleksandrowicz

Member of the Management Board



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