

**Report of the Management Board of AB
S.A. on the Operations of the AB Capital
Group, and the AB S.A Company**

for the period 01.10.2024 to 30.09.2025



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I) INTRODUCTION

The Report of the Management Board on the Operations of the AB S.A. Group and the AB S.A. Company covering the period from 1 October 2024 to 30 September 2025 was prepared in accordance with the Regulation of the Minister of Finance of 06 June 2025 on current and periodical information disclosed by issuers of securities and on conditions of recognition as equivalent of information required by the law of non-member states (consolidated text, Journal of Laws of 2025, item 755). Comparable figures cover the period from 1 October 2023 to 30 September 2024.

II) BACKGROUND INFORMATION ON THE AB GROUP

1. STRUCTURE OF THE GROUP OF AB S.A.

1.1 Entities of the AB Capital Group (with information on consolidation method or share valuation)

In the financial year, the Capital Group was composed of the following entities:

Parent entity

- AB S.A. (parent entity)
The Company's business consists in distribution of computers and electronic equipment in Poland and abroad.

Subsidiary entities

- Alsen Sp. z o.o. (AB S.A. holds 100% of the shares) – subject to full consolidation. The Company conducts wholesale and retail sale of computer accessories and provides service of electronic equipment. The Company also installs photovoltaic equipment.

Alsen Marketing Sp. z o.o. (AB S.A. holds 100% of the shares) – subject to full consolidation. The Company arranges retail sales of computers and electronic equipment, it carries out wholesale and retail trade in computers and electronic equipment, it arranges a franchise network and carries out marketing operations.

- AT Computers Holding a.s. (AB S.A. holds 100% of the shares) – subject to full consolidation. The Company owns companies located in the Czech Republic and Slovakia. The Company does not conduct operating activities.
- AT Computers a.s. (AT Computers Holding a.s. holds 100% of the shares) – subject to full consolidation. The Company's business consists in the distribution of computers and electronic equipment.
- AT Compus s.r.o. (AT Computers Holding a.s. holds 100% of the shares) – subject to full consolidation. The Company is engaged in assembly of computers from ready sub-assemblies. Finished products are re-sold to distribution companies for further resale.
- Comfor Stores a.s. (AT Computers Holding a.s. holds 100% of the shares) – subject to full consolidation. The Company is engaged in retail trade in computers and electronic materials.

- AT Computer s.r.o. (AT Computers Holding a.s. holds 100% of the shares) – subject to full consolidation. The Company’s business consists in the distribution of computers and electronic equipment in the Slovak market.
- AT Distribution s.r.o. (AT Computers Holding a.s. holds 100% of the shares) – subject to full consolidation. The Company’s previous name was iComfor s.r.o (on 14 July 2021, the Company changed its name to AT Distribution s.r.o.). The Company is engaged in the retail of computers and electronic materials, IT consulting and marketing activities. The Company had no operations in the financial year 2023/24.
- Optimus Sp. z o.o. (AB S.A. holds 100% of the shares) – subject to full consolidation. Optimus is engaged in trade business.

1.2 Governing bodies of the companies as at 30 September 2025

Parent entity: AB S.A.

The Management Board of AB S.A. consisted of:

- Andrzej Przybyło – President of the Management Board
- Krzysztof Kucharski – Vice-President of the Management Board, Head of Corporate and Legal Affairs
- Zbigniew Mądry – Vice-President of the Management Board, Commercial Director
- Grzegorz Ochędzan – Vice-President of the Management Board, Chief Financial Officer

Until the publication date of the report, there were no changes in the composition of the Management Board.

The Supervisory Board consisted of:

- Jan Woźniak (Chair of the Supervisory Board)
- Iwona Przybyło
- Jacek Łapiński
- Michał Wnorowski
- Tomasz Mazurczak
- Robert Jasiński

Information on changes to the composition of the Supervisory Board:

Mr Wojciech Niesyto has submitted a declaration of resignation from the Supervisory Board as of 17.06.2025. Mr Jakub Bieguński submitted a declaration of resignation from the Supervisory Board as of 30.07.2025. Mr Marek Ćwir submitted a declaration of resignation from the Supervisory Board as of 30.07.2025, the Extraordinary General Meeting of Shareholders adopted a resolution to dismiss Mr Jerzy Baranowski from the Supervisory Board as of 31.07.2025.

As at 31 July 2025, the Extraordinary General Meeting of the Company appointed Mr Jan Wozniak, Mr Michał Wnorowski, Mr Tomasz Mazurczak, Mr Robert Jasiński and to the Supervisory Board, as announced by the Company in current report RB 30/2025.

Until the publication date of the report, there were no changes in the composition of the Supervisory Board.

Subsidiary entities

Alsen Sp. z o.o.

Registration number (KRS): 0000218144

with its registered office: ul. Katowicka 146, 41-500 Chorzów, Poland

The Management Board consisted of:

- Jan Zdebel – President of the Management Board

The composition of the Management Board had not changed in the period covered by the report until the date of its publication.

Alsen Marketing Sp. z o.o.

Registration number (KRS): 0000321159

with its registered office: ul. Katowicka 146, 41-500 Chorzów, Poland

The Management Board consisted of:

- Jan Zdebel – President of the Management Board

The composition of the Management Board had not changed in the period covered by the report until the date of its publication.

AT Computers Holding a.s.

Registration number (KRS): 27,805,760

registered office: Ostrava, Slezská Ostrava, Těšínská 1970/56

The Management Board consisted of:

- Aleš Kilnar – President of the Management Board

- Zbigniew Mądry

- Krzysztof Kucharski

The composition of the Management Board had not changed in the period covered by the report until the date of its publication.

The Supervisory Board consisted of:

- Andrzej Przybyło – Chair

- Iwona Przybyło

- Mariusz Ćwik

The composition of the Supervisory Board had not changed in the period covered by the report until the date of its publication.

AT Computers a.s.

Registration number (KRS): 61,672,599

registered office: Ostrava, Slezská Ostrava, Těšínská 1970/56, the Czech Republic

The Management Board consisted of:

- Aleš Kilnar – President of the Management Board
- Petr Vaněk – Vice-President of the Management Board
- Rostislav Vybíral – Member of the Management Board

The composition of the Management Board had not changed in the period covered by the report until the date of its publication.

The Supervisory Board consisted of:

- Zbigniew Mądry – Chair
- Krzysztof Kucharski
- Martin Harazím

The composition of the Supervisory Board had not changed in the period covered by the report until the date of its publication.

AT Compus s.r.o.

Registration number (KRS): 26,217,911

registered office: Těšínská 1970/56, 710 00 Ostrava, Slezská Ostrava, Czech Republic

The Management Board consisted of:

- Tomáš Gelnar
- Aleš Kilnar

The composition of the Management Board had not changed in the period covered by the report until the date of its publication.

Comfort Stores a.s.

Registration number (KRS): 26,290,944

registered office: Brno, Komín, Běly Pažoutové 742/1, 624 00 the Czech Republic

The Management Board consisted of:

- Stanislav Heža – President of the Management Board
- Martin Wanke – Member of the Management Board
- Aleš Kilnar – Member of the Management Board

The composition of the Management Board had not changed in the period covered by the report until the date of its publication.

The Supervisory Board consisted of:

- Zbigniew Mądry – Chair
- Krzysztof Kucharski
- Mojmír Klas

The composition of the Supervisory Board had not changed in the period covered by the report until the date of its publication.

AT Computer s.r.o.

- Registration number (KRS): 31,611,559
- registered office: Framborská 253, Žilina 010 01, Slovakia

The Management Board consisted of:

- Aleš Kilnar
- Eng. Marek Timura

The composition of the Management Board had not changed in the period covered by the report until the date of its publication.

AT Distribution s.r.o. (formerly ICOMFOR s.r.o)

- Registration number (KRS): 29,292,093
- registered office: Těšínská 1970/56, 710 00 Ostrava, Slezská Ostrava, Czech Republic

The Management Board consisted of:

- Aleš Kilnar
- Petr Vaněk

Optimus Sp. z o.o.

- Registration number (KRS): 0000473843
- with its registered office: ul. Europejska 4, 55-040 Magnice, Poland

The Management Board consisted of:

- Krzysztof Kucharski

The composition of the Management Board had not changed in the period covered by the report until the date of its publication.

1.3 Description and structure of the group

Pursuant to the agreement of 19 July 2004, a limited liability company operating under the business name of Alsen Sp. z o.o. with its registered office in Chorzów was established. The Company was established for an indefinite period. Originally, AB S.A. held 170 shares, which accounted for 28% of the share capital and votes at general meetings of Alsen Sp. z o.o. Gradually, AB S.A. was increasing its stake in Alsen Sp. z o.o., and on 18 December 2013 it held 100% shares in Alsen Sp. z o.o.

On 19 September 2007 the Management Board of AB S.A. signed a purchase agreement for 100% shares in AT Computers Holding a.s., one of the largest ICT companies operating in the Czech Republic and Slovakia. AT Computers Holding a.s. holds 100% shares in the following companies:

- AT Computers a.s. – a distributor offering software, IT equipment, consumer electronic products, and mobile technology devices in the Czech Republic.

- AT Compus s.r.o. – largest enterprise engaged in manufacture of personal computers in the Czech Republic;
- Comfor Stores a.s. – a company managing a network of over 20 retail stores in the Czech Republic;
- AT Computer s.r.o. – a company involved in distribution in the Slovak Republic;
- AT Distribution s.r.o. – the Company does not conduct operating activities.

On 30 October 2007, the last conditions precedent for the acquisition were satisfied.

Pursuant to the Agreement of 29 January 2009, Alsen Marketing Sp. z o.o. was established within the Group, with share capital of PLN 50,000. All shares in the company were acquired by AB S.A. The company's business focuses on advertising actions and retail sales of computer hardware and consumer electronic goods. As part of the structure of the Group of AB S.A., the company supports the activities of Alsen Sp. z o.o. Jan Zdebel is the President of the Management Board. On 25 May 2011, the share capital of Alsen Marketing Sp. z o.o. was increased to PLN 1,000,000.

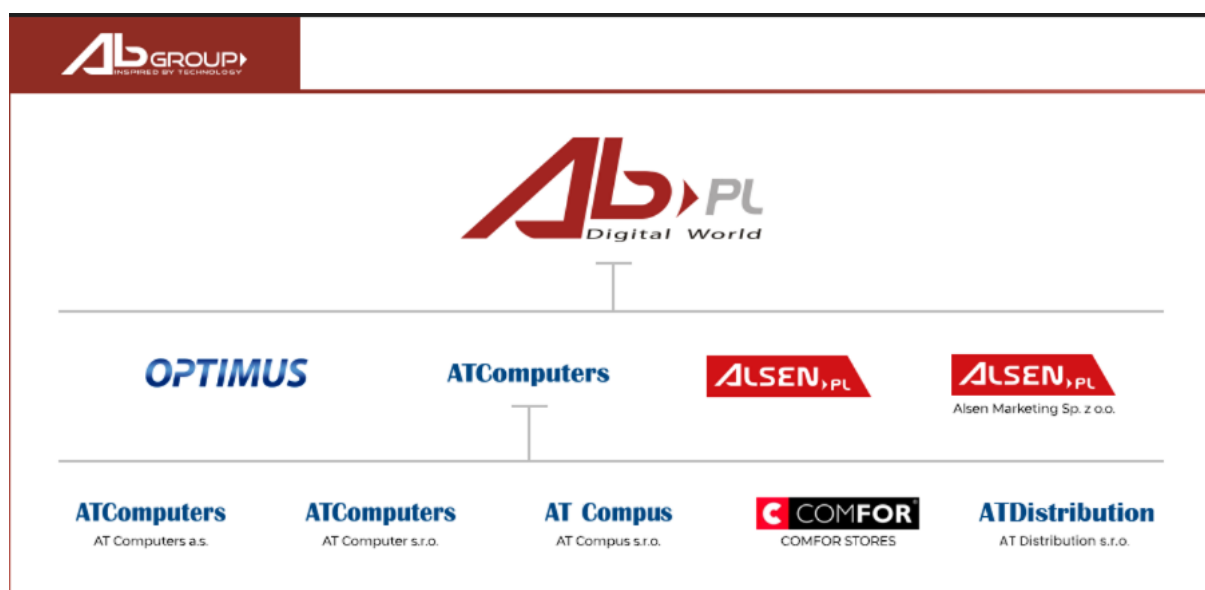
On 20 October 2009, special purpose vehicle B2B IT Sp. z o.o. was established with the share capital of PLN 3,000,000, the business of which is provision of logistics services. On 6 December 2011, the share capital of B2B IT Sp. z o.o. was increased to PLN 10,000,000. On 27 September 2024, the merger of B2B Sp. z o.o. with AB S.A. took place.

On 16 September 2011, iCOMFOR s.r.o. with its registered office in Brno, a subsidiary of AT Computers Holding a.s., was established; the company is represented by Mr Aleš Kilnar and Mr Stanislav Heža. The share capital of the company amounts to CZK 200,000. On 14 July 2021 the company changed its name to AT Distribution s.r.o. and moved its registered office from Brno to Ostrava.

AB S.A. acquired part of rights to the Optimus brand and on 28 August 2013 established a subsidiary company named Optimus Sp. z o.o., making a contribution in kind. AB S.A. holds 100% shares in Optimus Sp. z o.o. Optimus is engaged in trade business.

On 18 September 2013, AB S.A. concluded a purchase contract for 100% of shares in Rekman Sp. z o.o. and when the conditions precedent was satisfied in Q4 2013, AB S.A. became the holder of 100% shares in Rekman Sp. z o.o., operating in the wholesale market of toys and board games for children. The Company has been on the market since 1992 (including as a partnership). The Company's product offer is very extensive and it practically covers the products of all major world manufacturers. The merger of Rekman Sp. z o.o. with AB S.A. took place on 27 September 2024.

As at 30 September 2025, the composition of the AB Group is as follows:



1.4 Information on branches (establishments)

The AB Group and AB S.A. do not have branches (establishments).

III) KEY ECONOMIC AND FINANCIAL DATA

In the financial year 2024/25 the AB Group's sales revenue amounted to PLN 14,931 million and was by 1.9% higher versus the equivalent previous period.

In the period, EBITDA of the Group amounted to PLN 288.9 million and was 6.4% lower year-on-year. The operating result amounted to PLN 267.0 million and was lower than in the same period of the previous year (PLN 285.7 million). Gross profit generated amounted to PLN 222.1 million (+0.5% y/y), while net profit amounted to PLN 173.9 million (-0.5% y/y).

1. MAJOR EVENTS AFFECTING BUSINESS OF THE AB GROUP AND AB S.A.

Uncertain global political situation

Russia's war with Ukraine has been ongoing since 24 February 2022. This serious political situation is having an adverse impact on the economies of the Region and the world, including through fluctuations in energy commodity prices, currency fluctuations, as well as economic downturns, including in the IT equipment market. There is also a risk of supply chain continuity problems, including in the raw materials market, which may affect fluctuations in raw material and commodity prices. The ongoing war is having an impact on economic activity, consumers' willingness to buy and companies' decisions to make development investments.

The apparent conflict flare-up between the U.S. and China, and the flared-up situation in the Middle East, may also be important for AB Group's business. While the former conflict may have an impact in the future on, among other things, the availability of electronic devices (chip production), negative developments in the Middle East may bring a drastic increase in electricity prices (another energy crisis) as well as difficulties in the transport of goods by sea from the Far East. The progressive change

in the global map of influence of the great powers, the U.S. military operation in Venezuela, the unrest in Iran or the U.S. demands for Greenland show that the coming year 2026 could be a year of unexpected changes and their impact on the global economy, including the development of new technologies.

Macroeconomic situation

According to the Central Statistical Office (CSO), Poland's GDP growth in the first three quarters of 2025 was +3.2%, +3.3%, +3.8%, respectively, compared to 2024 (+2.2%, +3.2% and +2.8%, respectively). The main factor behind the growth of the Polish economy was consumption supported by wage growth and the good condition of the labour market.

In December 2025, the PMI of the Polish industrial sector stood at 48.5 points, slightly above the previous month's reading but still below 50.

According to forecasts published by the European Commission in November 2025, Poland's GDP growth is expected to be +3.2% in 2025 and +3.5% in 2026.¹ Poland remains among the fastest-growing economies in the EU². Financial transfers from the European Union, including funds from the National Recovery Plan, will also have a material impact on economic activity in Poland. There is an increase in investment largely linked to the acceleration of public investment and the use of EU funds.

Unemployment has remained very low for the past three years, although there has been a slight increase since June 2025 (November 2025: 5.6% (CSO) vs. previous year 5.0%). Compared to Europe, it is still one of the lowest unemployment rates³.

The challenge for the economy in the near term will be to maintain an optimal level of inflation, in a context of increased state budget spending and high levels of public debt. In December 2025, inflation reached +2.4% on an annualised basis (CPI, according to the CSO's preliminary estimates). According to forecasts presented by the NBP⁴ in November 2025, the CPI inflation rate in 2026-27 will be +2.9% and +2.5%.

The Czech Republic and Slovakia also managed to keep inflation stable. According to forecasts presented in November 2025 by the European Commission, the expected inflation rate in 2025 will be +2.3% for the Czech Republic and +4.2% for Slovakia. Forecasts for 2026 are +2.1% and +4.1% respectively (in 2024, inflation was +2.4% in the Czech Republic and +3.2% in Slovakia⁵).

The Czech Republic's GDP growth rate in 2024 was +1.1%. According to forecasts published in November 2025 by the European Commission, GDP growth is expected to be +2.4% in 2025 and +1.9%

¹ European Economic Forecast. Autumn 2025. European Commission. November 2025.

² behind Ireland (+10.7%), Malta (+4.0%) and Cyprus (+3.4%)

³ In November 2025, Poland's unemployment rate, as defined by Eurostat, was 3.2%, the second lowest after Malta (3.1%)

⁴ <https://nbp.pl/projekcja-inflacji-i-pkb-listopad-2025/>

⁵ https://economy-finance.ec.europa.eu/economic-surveillance-eu-member-states/country-pages/slovakia/economic-forecast-slovakia_en#:~:text=In%202024%2C%20headline%20inflation%20eased,were%20extended%20further%20into%202025.

in 2026. Keeping inflation at an optimal level brings an improvement in sentiment and increases private consumption and the propensity to invest. The PMI in October 2025 in the Czech Republic was 47.2 (compared to 49.2 in September 2025), remaining below the threshold of 50.

Slovakia's GDP growth in 2024 was +1.9%, while it is expected to be +0.8% and +1.0% respectively in 2025-26, according to forecasts published by the European Commission in November 2025.

The AB Group's activities in the past period and the situation on the IT distribution market

The Company managed its operations in such a way as to ensure maximum market effects, taking into account market and operational safety. In the 2024/25 financial year, the AB Group continued its growth, remaining the IT market distribution leader in Poland and the Czech Republic and one of the largest suppliers of IT products in Slovakia. The AB Group is also ranked 5th in the ranking of European IT distributors and 14th in the global ranking. The Group is also the main distributor of the Apple brand in Poland, the Czech Republic and Slovakia.

The prospects for the distribution market are very good. According to Gartner's forecasts for 2026, IT spending growth in Europe is expected to be +11.1% (global +9.8%).

The most important growth drivers for this market are:

- the dynamic **progress of AI technology** being a determinant of **the increase in demand for devices** and computing capacity in industry, medicine, business and education,
- **the popularisation of the as-a-service sales model** as a result of pressure for lower costs, increased agility and greater flexibility in business operations,
- **increased spending on cyber security** (hardware, software, consultancy) (2,500 attacks per week on Polish government institutions alone),
- the expected **stabilisation of global supply chains**,
- pressure to accelerate the pace of spending on the **digital transformation** of enterprises and public administration will increase, inter alia, thanks to funding from the EU's National Recovery Plan; in the coming months, the implementation of numerous public tenders is expected ("Digital School", "Digital Student", AI laboratories, STEM laboratories),
- **positive economic outlook for Poland** (GDP growth forecasts for 2026, further decline in interest rates, strong consumption, forecasts of continued low unemployment, reduced upward pressure on wages).

Market trends and the evolution of the distribution market continue to point to the development of online sales. AB is therefore consistently investing in the development of this particular sales channel (investments in warehouse automation and e-commerce tools).

For years, the Group has been developing and improving comprehensive e-commerce solutions for partners. The modern logistics centre in Magnice has been effectively supporting activities in the area of e-commerce for many years now through a modern system of automation with a central ultra-fast sorter. AB S.A. offers a modern transactional platform for its business partners in 4 language versions, B2B and B2C platforms, provides for integration with the AB system to download data on the product offer, warehoused goods, description and pictures of products, electronic software by subscription. As part of the sale of electronic software in the form of a subscription, the "Cloud Services for you" platform is being developed. AT Computers is also developing a B2B and B2C (ATC BusinessLink) transaction platform.

The Group is consistently developing the VAD channel – the distribution of value-added products. The Group has a dedicated team of engineers, technicians, and project managers, technological back-up facilities; it conducts training in the consistently developed Competence Centre. The AB Presales & Solution Design Department works with customers offering them support in technological and equipment advisory. The unique model of competencies is translated with success into sales results. In the 2024/25 financial year, sales growth in the VAD channel was +6.9%.

Within the scope of its activities, VAD AB conducts many activities dedicated directly to customers dealing with high-tech issues, including the market-appreciated training provided within the Competence Centre. In the 2024/25 financial year, the Competence Centre conducted 840 Pearson Vue examinations and 168 training courses (4,618 participants).

The Group is a leader in the distribution of services in the cloud. In this category, sales are developing very dynamically, achieving a +18% increase in the volume of services sold in the 2024/2025 financial year, and the potential for the following years remains strong.

Efforts are also being made to develop existing franchise networks. Very good results are achieved thanks to the implemented sales model, which allows to achieve the so-called triple win-win. Each of the participants in this sales channel (manufacturers, the AB Group, and resellers) will obtain tangible benefits from their participation in the franchise model supported by the Group. This unique competitive advantage is behind successfully continued development of all franchise networks owned by AB Group companies.

In the past year, the Group concluded further distribution agreements, with the brands Xiaomi (tablets), Yale (smart home), Storware (backup software), CyberPower (guaranteed power supply), OnePlus, Hisense (TC+Laser projector), Sage (small white goods+coffee makers), Deame (small and large household appliances), Beuer (small household appliances).

Confirmation of the results achieved in the area of operations is provided by the awards and accolades that The AB Group has received in the last year, including ChannelWatch's Distributor of the Year 2025 for the 11th consecutive year.



2. MAJOR ACHIEVEMENTS OF THE AB GROUP AND AB S.A. IN RESEARCH AND DEVELOPMENT

It does not apply to the AB Group and AB S.A.

3. ECONOMIC POSITION OF THE GROUP

The AB Group is the largest distributor in the IT industry in the Central European region covering Poland, the Czech Republic and Slovakia. This fact is confirmed, among other things, by the volume of sales revenue realised.

The key factors that had the greatest impact on the economic condition of the Group included:

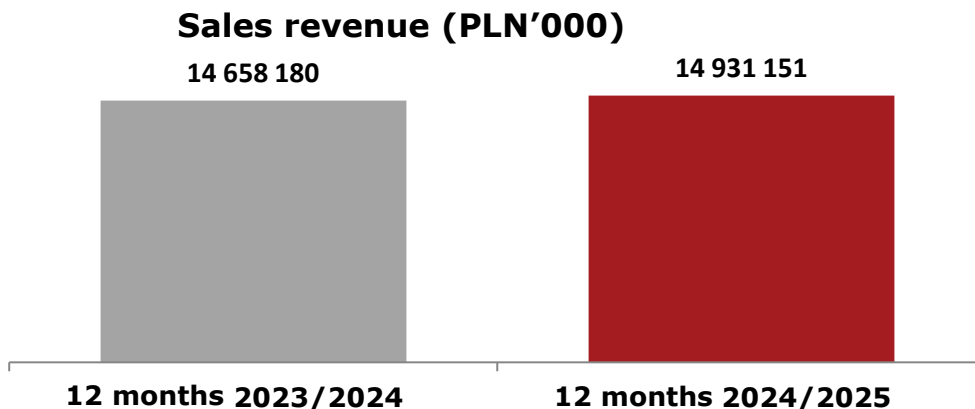
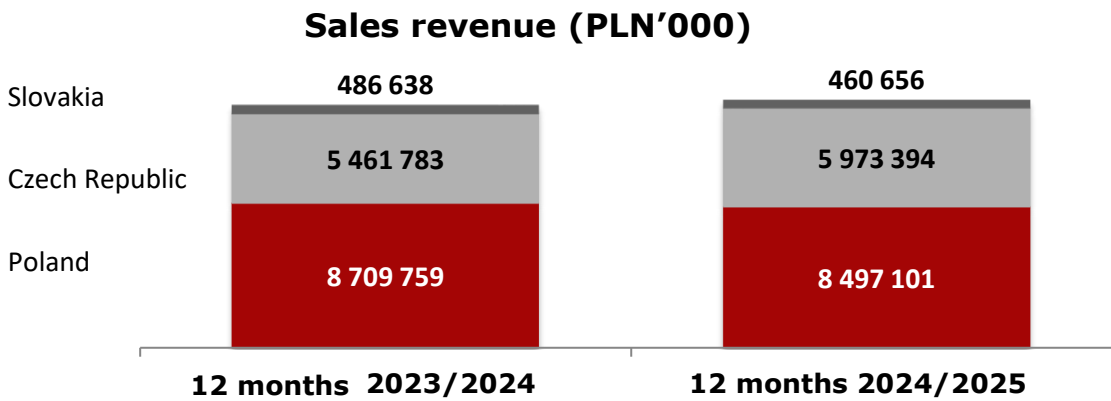
- stable level of sales revenue, guaranteeing a leadership position on the distribution market for the IT industry in the CEE region,
- keeping the costs of sales and general and administrative expenses to revenue at a low level (currently at 2.15% of turnover),
- stability of financing, total debts below 70%,
- conducting a prudent currency risk management policy by applying a hedge accounting policy in this respect in line with international accounting standards,
- further growth in the core sales channels,
- development of the product offer, with special inclusion of technologically advanced products, successive expansion of the product offer to include new categories and brands.

3.1 Sales revenue. Financial result

In the financial year 2024/2025, the AB Group achieved sales revenue of PLN 14,931 million, up 1.9% y/y.

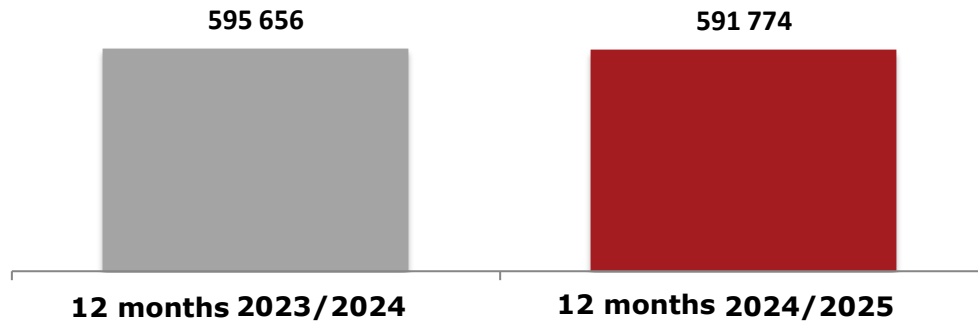
The profit margin on sales was 4.0% (4.1% in the same period of the previous year), at PLN 591.8 million compared to PLN 595.7 million in the same period of the previous year.

Further to the specific nature of business, the Group companies are exposed to a high FX risk. A considerable part of the goods is purchased directly from foreign manufacturers and most transactions are executed in USD or EUR, sometimes in GBP, too. The companies hedge the currency risk associated with sales indexed to the EUR and USD exchange rates using monetary currency positions, i.e. trade payables, bank loan payables, trade receivables, cash and FX spot, FX forward, FX swap contracts. Due to the application of hedge accounting with respect to the FX risk, the Group recognises the effective portion of foreign exchange differences in operating result instead of finance result.



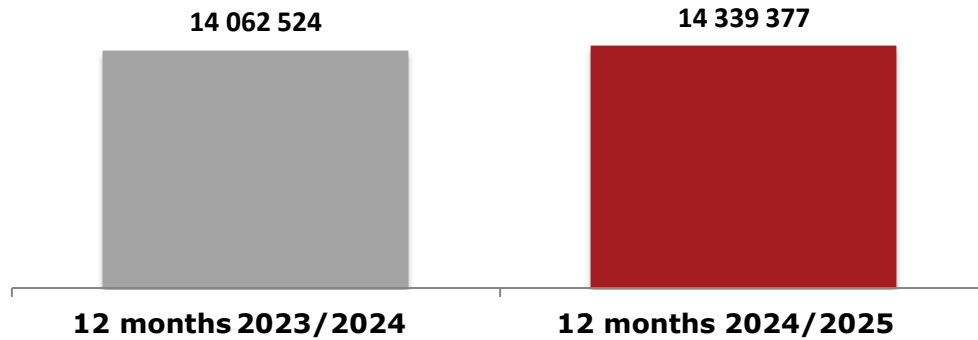
The table below presents a structure of revenue by geographic segments:

Gross profit on sales (PLN'000)



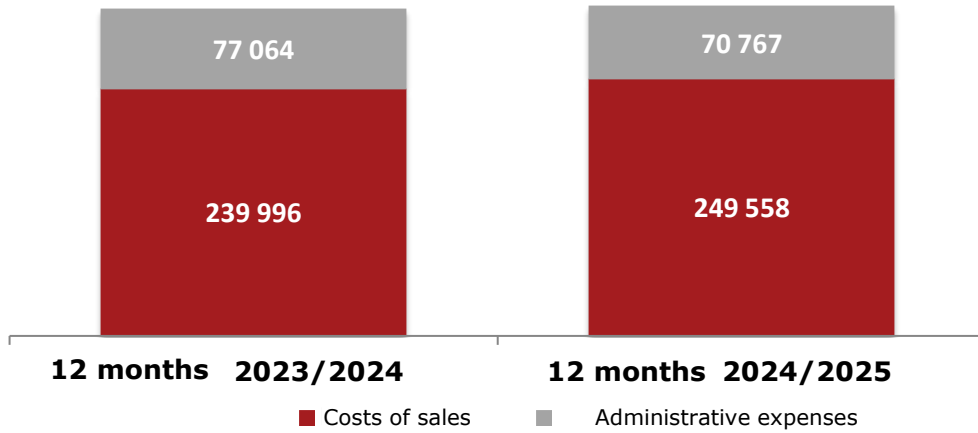
Internal costs of sales amounted to PLN 14,339.4 million, up 2.0% y/y, due to higher sales.

Internal costs of sales (PLN'000)

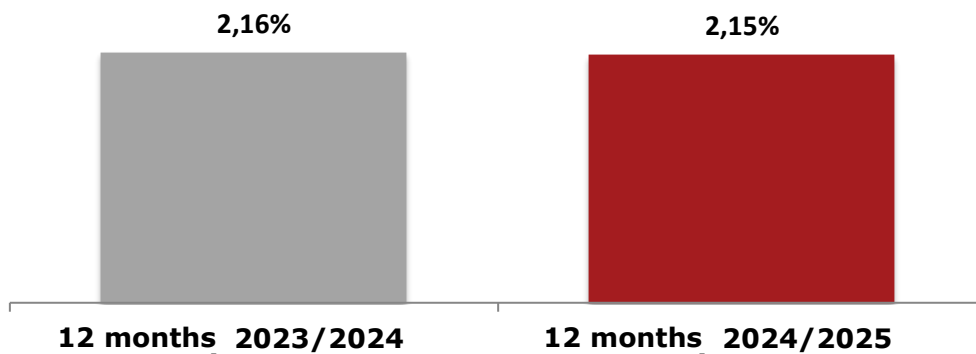


The consolidated costs of sales and general and administrative expenses (SG&A) amounted to PLN 320.3 million, i.e. their share amounted to 2.15% of the Group's total sales revenue. The SG&A ratio is one of the most commonly used ratios to measure operational efficiency in the sector and its level generated by the AB Group makes it one of the most effective entities in the industry.

Structure of costs (PLN'000)

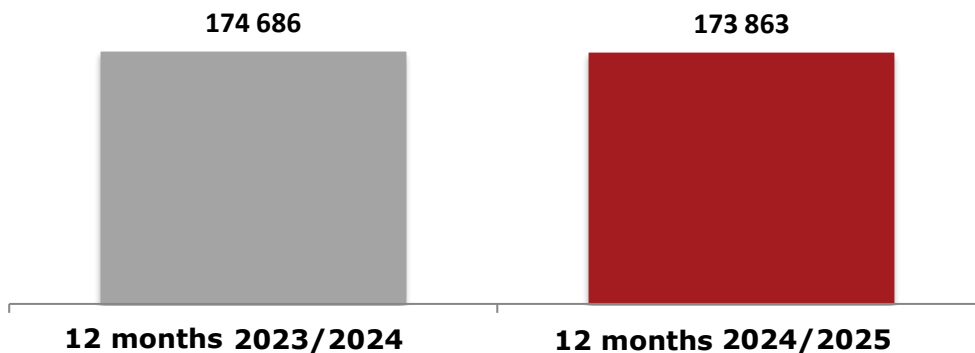


SG&A in relation to sales



The Group's gross profit amounted to PLN 222.1 million, while the net profit stood at PLN 173.9 million (which accounts for 1.16% of sales).

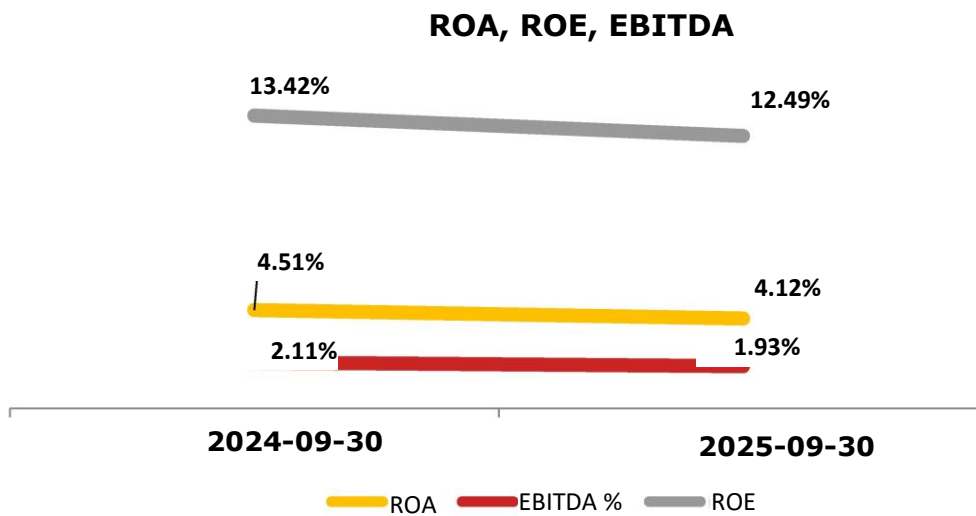
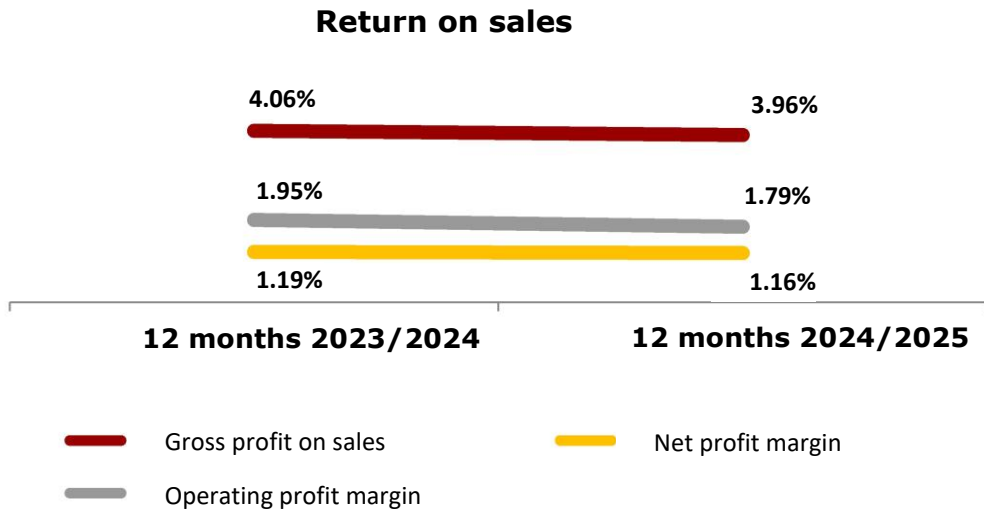
Net profit (PLN'000)



3.2 Profitability

In the analysed financial year, the AB Group generated the following profitability ratios:

- gross profit on sales: 3.96%
- operating profit margin: 1.79%
- net profit margin: 1.16%
- EBITDA profitability: 1.93%
- return on equity (ROE*): 12.49%, return on assets (ROA*): 4.12%

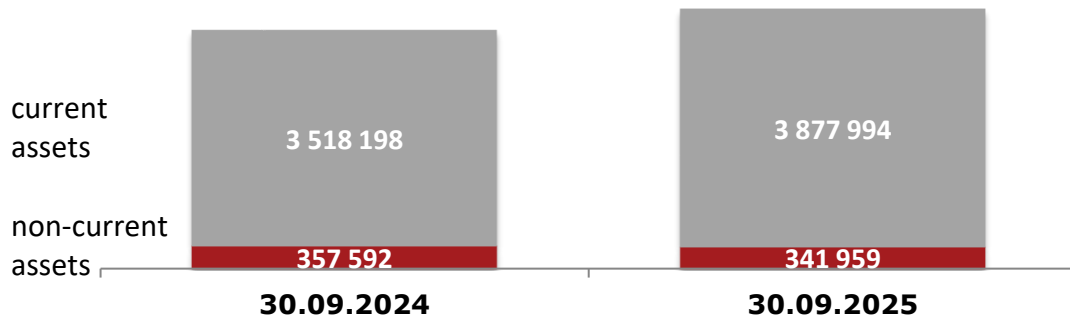


*) ROE and ROA ratios were calculated on an annual basis, for the periods from 1 October to 30 September.

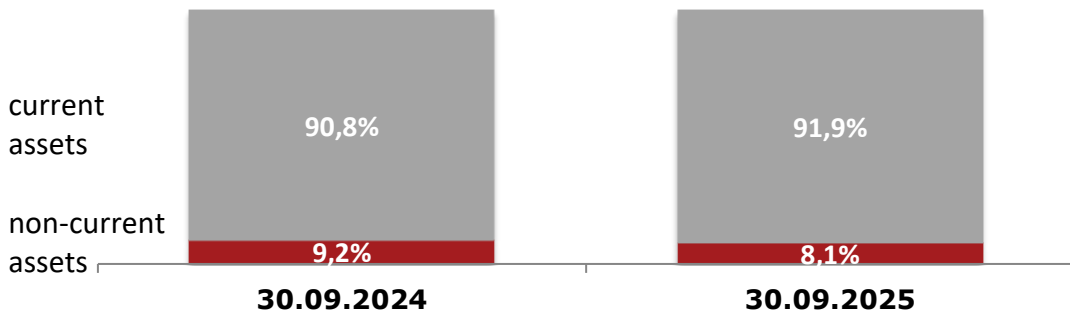
3.3 Assets

The AB Group has an asset structure characteristic for a distribution company. Current assets account for the largest portion of the Group's assets (92%). Fixed assets amount to 8% of the Group's total assets. The dominant item among these is tangible fixed assets, which accounts for 4% of total assets, and their significant value is due to the book value of the logistics centre in Magnice near Wrocław.

Assets (PLN'000)

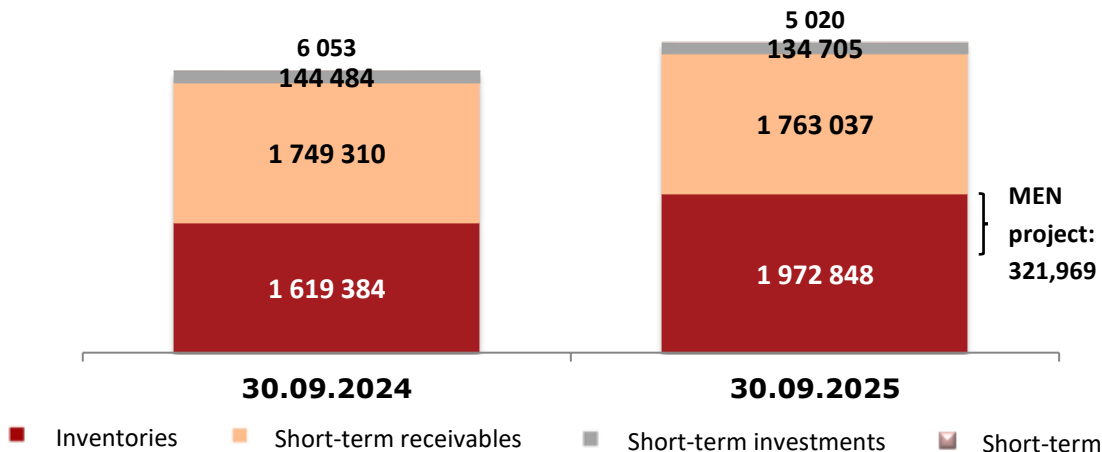


Asset structure

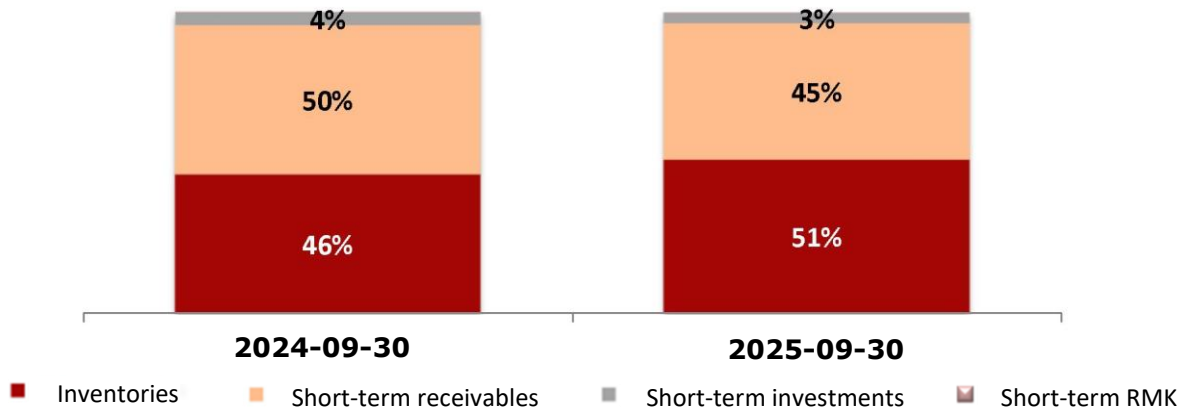


The largest shares of current assets at the end of the financial year were inventories (51%) and receivables (45%). Maintenance of the turnover of receivable and inventories at an optimal level is one of the basic goals of management at both an operational and strategic level in the Group.

Current assets (PLN'000)



Current asset structure

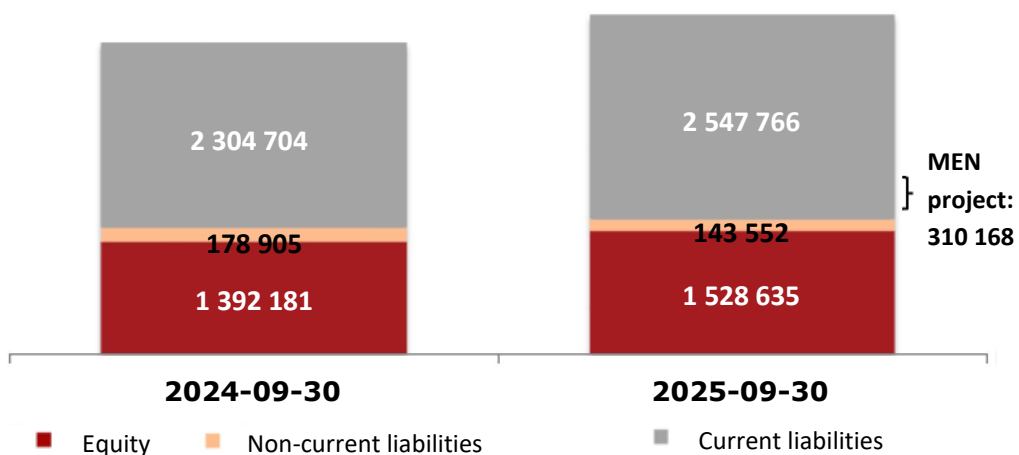


3.4 Equity and liabilities

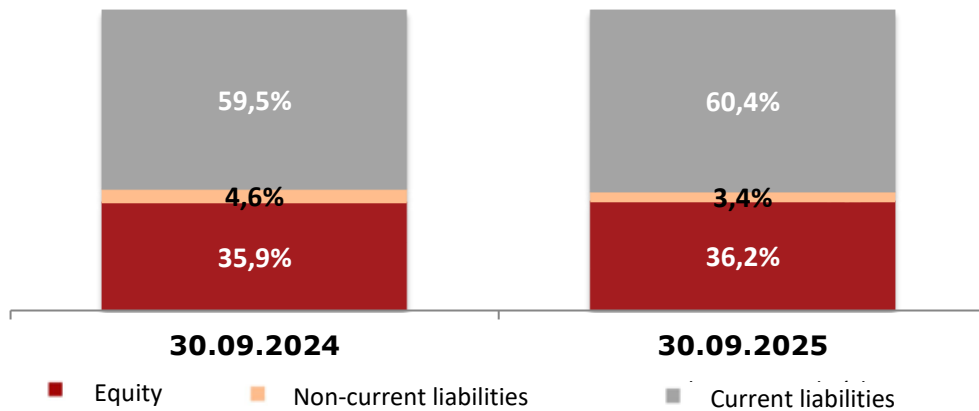
At the end of the reported financial period, the Group recorded an increase in equity of PLN 136.4 million compared to the end of the 2023/24 financial year, while the share of equity in the financing of assets increased from 35.91% at the end of the 2023/2024 financial year to 36.2% at the end of the 2024/2025 financial year, despite an increase in the level of trade payables.

A much larger portion of the current assets was financed by the Group with external funding – both with an interest-free trade credit, as well as bank loans and bonds. The total amount of bank debts contracted by the AB Group was PLN 60.9 million, which accounted for about 1.4% of all sources of funding. The nominal value of the bonds amounted to PLN 110 million, representing 2.6% of liabilities. Trade liabilities account for a large share in the Group’s liabilities, reaching at the end of the financial year a 45% level in the total liabilities.

Liabilities (PLN'000)

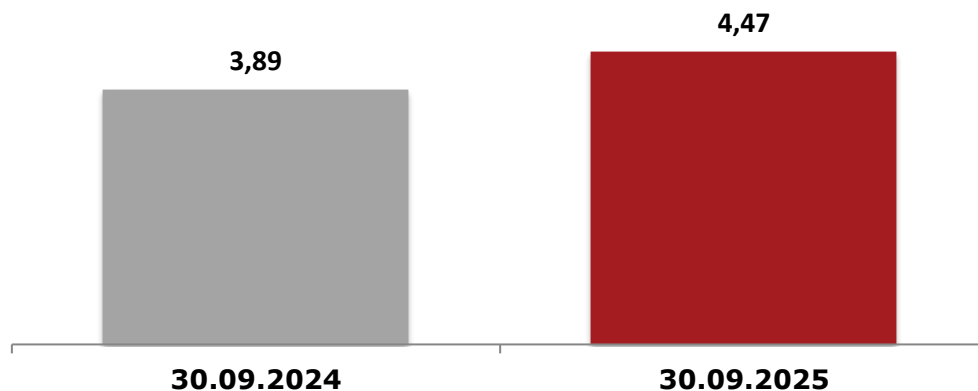


Liability structure



In the reporting period, like in previous years, the Group followed a golden rule defining the percentage of equity in the total sources of funding at a level providing for financing with equity both fixed assets and part of the Group's current assets. The safe proportion of the sources of funding translates into investors' guarantee of their investments in the Group.

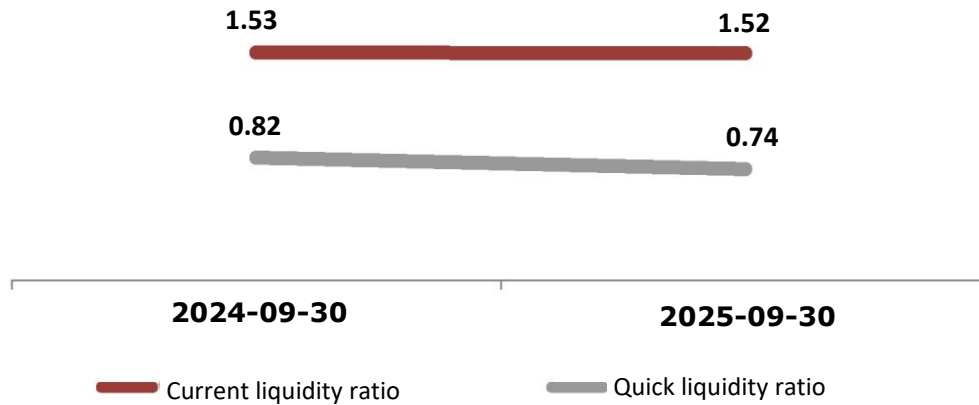
Equity/non-current assets



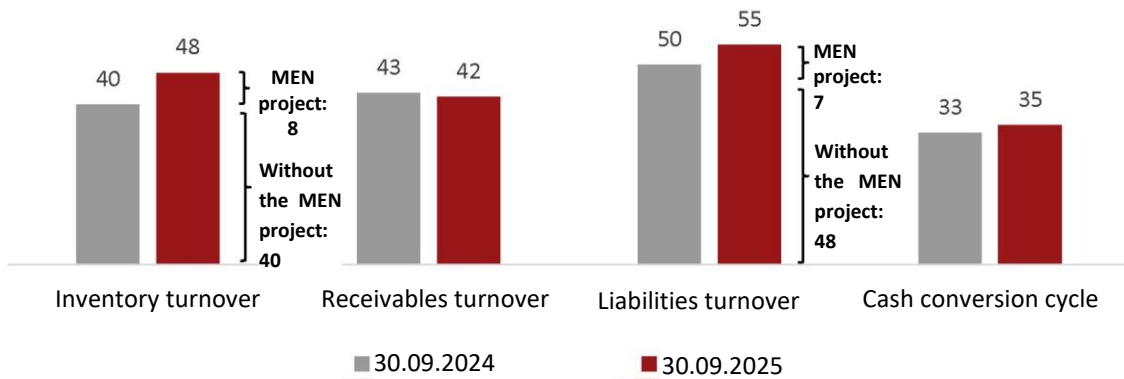
3.5 Liquidity Turnover ratios

The Group is fully able to pay its current obligations when they fall due. As at 30 September 2025, the current and quick liquidity ratios calculated for the Group were at the levels of: 1.52 (current liquidity ratio) and 0.74 (quick liquidity ratio), respectively.

Liquidity ratios



Cash conversion cycle in days



The Group manifests values of operational cycles that are characteristic for distribution companies. A positive cash conversion cycle is a characteristic of the distribution business, where core competencies are based on a broad product offering that is available “off-the-shelf” to a wide range of customers.

The cash conversion cycle in the reporting year was 35 days and consisted of: 48-day inventory turnover (higher by 8 days due to goods purchased to support the Ministry of Education’s Digital Student Project), an accounts receivable cycle of 42 days and a payables turnover cycle of 55 days and was higher by 7 days, due to goods purchased to support the Digital Student Project.

Method of calculating indicators:

Current liquidity: Current assets / Current liabilities

Quick liquidity: (Current assets – inventories) / Current liabilities

Inventory turnover: (Inventories / (Annual sales revenue⁶) x 365

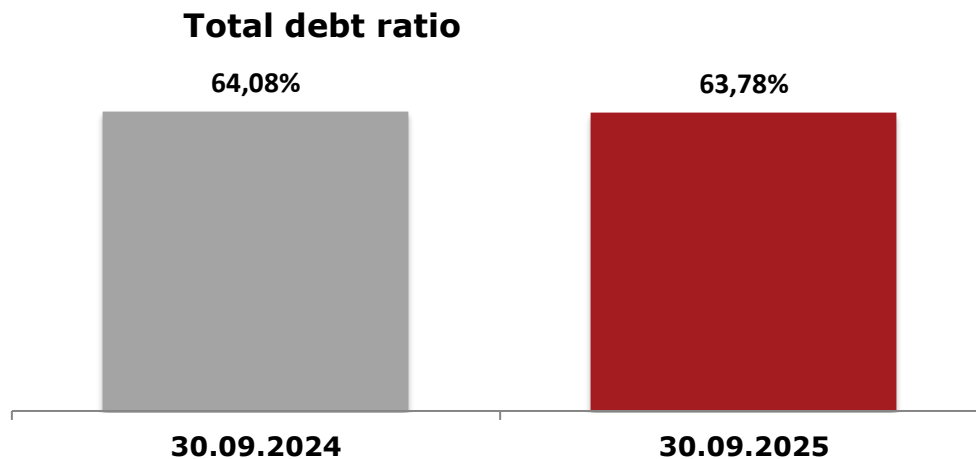
Receivables turnover: (Receivables / (Annual sales revenue⁹) x 365

Liabilities turnover: (Trade payables + payables due to customers) / (Annual sales revenue⁹) x 365

⁶ Annual revenue covering the period from 1 October to 30 September

3.6 Financial debts

As at 30 September 2025, the Group's total debt ratio amounted to 63.8%. This ratio remains at a safe level of less than 70%. The value of the ratio is evidence of the Group's cautious and rational management of its sources of funding. The business financing strategy assumes that assets are financed in the structure of 1/3 equity, 2/3 external capital. The obtained debt level meets the above-mentioned parameters.



The AB Group has been consistently implementing its plan to ensure a long-term capital source for its operations and its investment and development strategy. In previous periods, the Group used issue bonds to diversify the structure of financing and secure financial plans in the forthcoming years. As at 30 September 2025, the nominal value of the issued bonds was PLN 110 million, allowing for a long-term diversification of sources of financing for the further planned increase in the scale of operations.

3.7 Cash flows

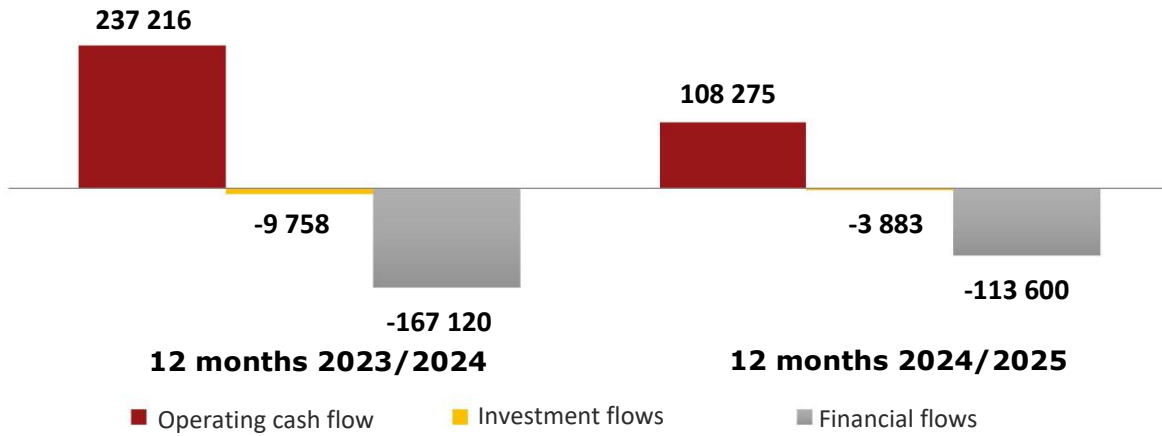
In the financial year 2024/25, a consolidated negative cash flow of TPLN -9,208 was generated, consisting of:

1. positive cash flows from operating activities in the amount of TPLN 108,275,
2. negative cash flows from investing activities in the amount of TPLN -3,883, and
3. negative cash flows from financing activities of TPLN -113,600.

Negative flows from investing activities are mainly due to payments for property, plant and equipment (TPLN -3,815) and intangible assets (TPLN -1,000), while negative flows from financing activities are mainly due to repayments of loans with interest (TPLN -53,932), dividend payments (TPLN -47,362) and share buybacks (TPLN -9,479).

The Group maintains safe solvency levels, the current assets are under full control (insured receivables, inventory turnover).

Cash flows

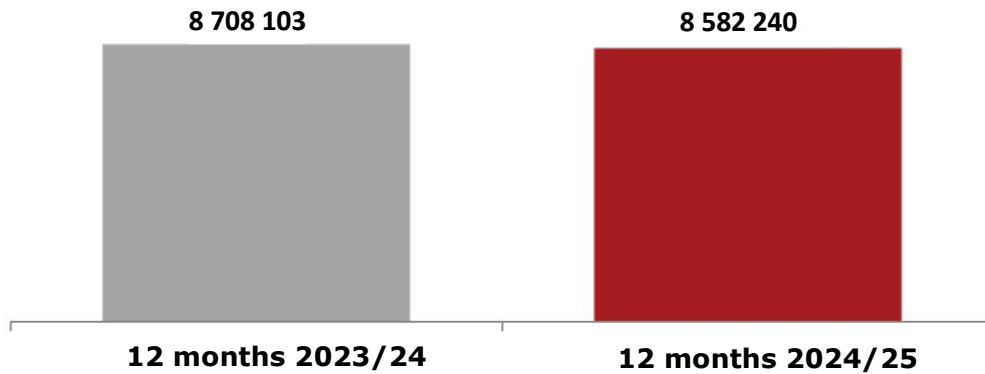


4. ECONOMIC STANDING OF AB S.A.

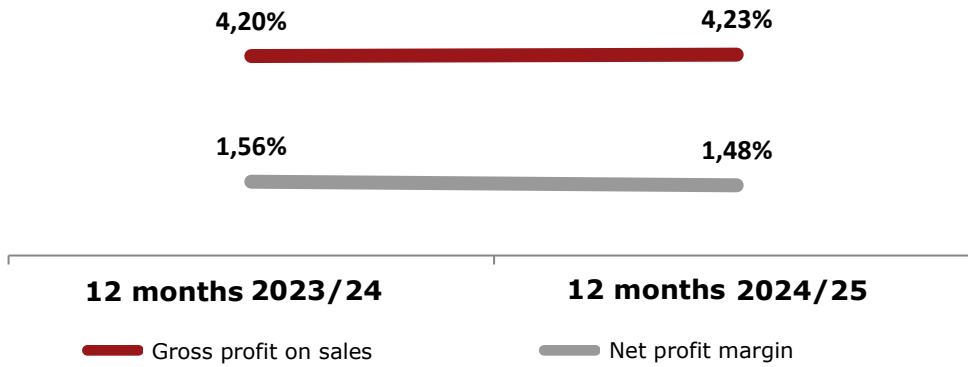
4.1 Financial result and profitability

The economic standing of AB S.A. is very good. In the 2024/2025 financial year, AB S.A. achieved revenue of PLN 8,582 million. The profit margin on sales reached PLN 363.3 million, up from PLN 365.9 million in the same period last year. The gross margin on sales represented 4.23% of turnover (previous year 4.20%).

Sales revenue (PLN'000)



Return on sales

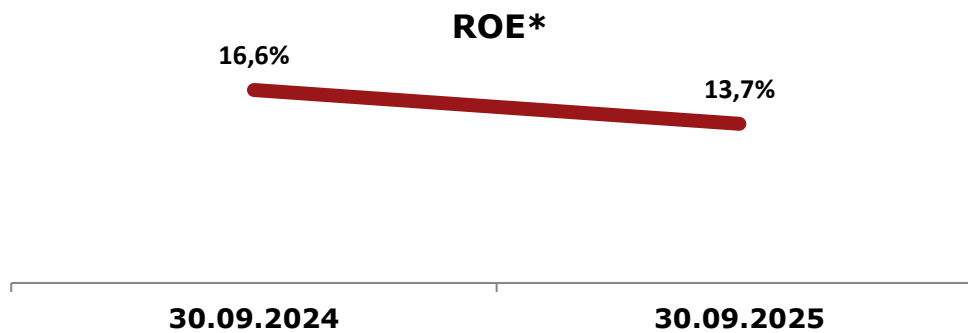
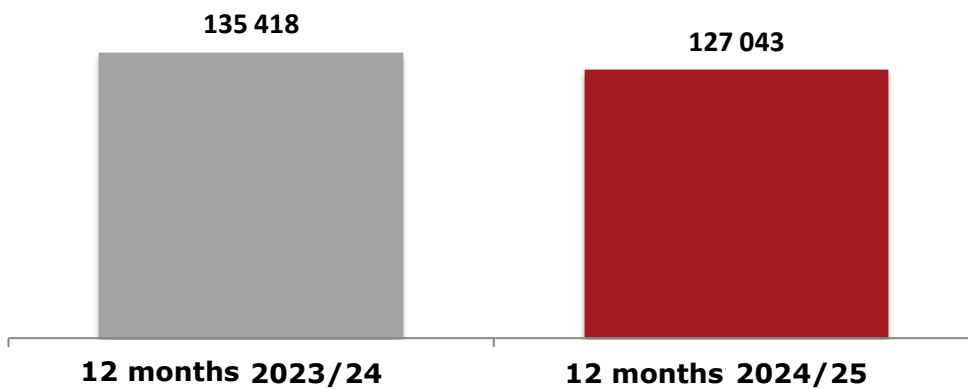


The internal costs of sales amounted to PLN 8,219 million.

Costs of sales and overheads (SG&A) amounted to PLN 198.5 million, i.e. their share amounted to only 2.31% of the Group's total sales revenue.

The company's gross profit amounted to PLN 157.4 million and net profit to PLN 127.0 million (representing 1.48% of turnover), resulting in an annualised ROE of 13.7%.

Net profit (PLN'000)



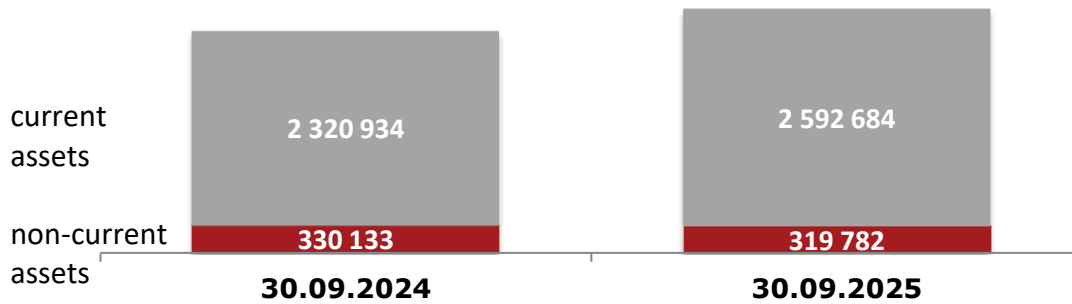
*) ROE calculated on an annual basis for the periods from 1 October to 30 September

4.2 Assets

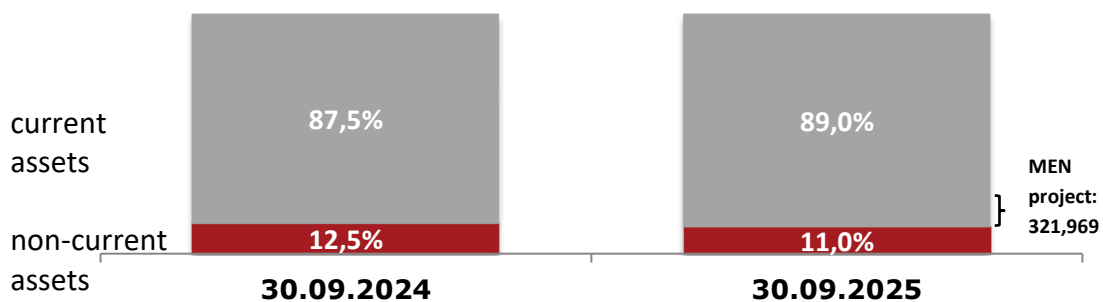
AB S.A. has an asset structure characteristic for a distribution company. The most significant asset is current assets (89%). Non-current assets account for 11% of assets. The dominant item among these is tangible fixed assets, including the logistics centre in Magnice near Wrocław.

As at 30 September 2025, the total assets amounted to PLN 2,912 million

Assets (PLN'000)

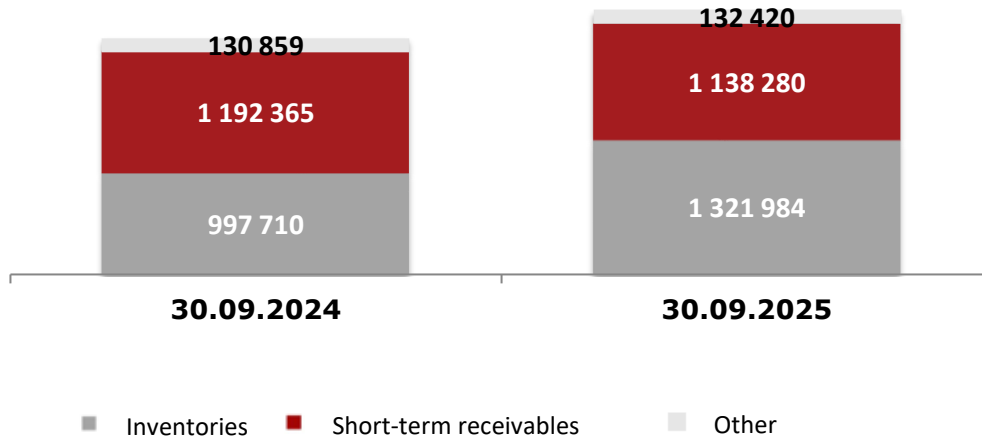


Asset structure

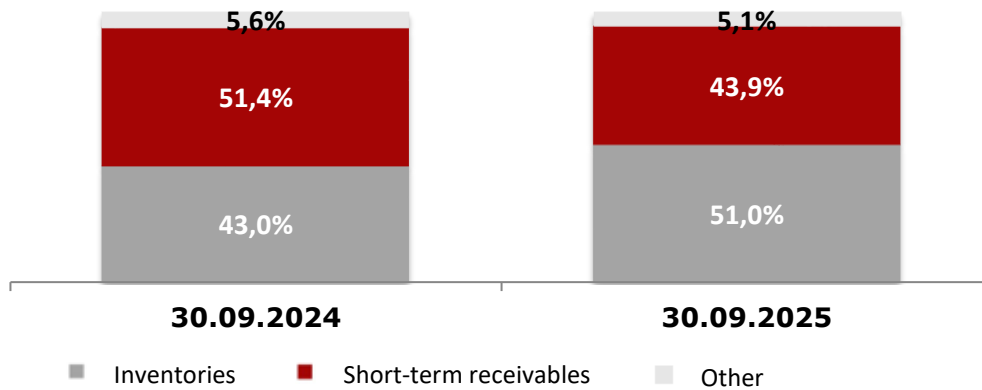


The largest shares of current assets at the end of the financial year were inventories (51%) and receivables (44%). Maintenance of the turnover of receivable and inventories at an optimal level is one of the basic goals of management at both an operational and strategic level.

Current assets (PLN'000)



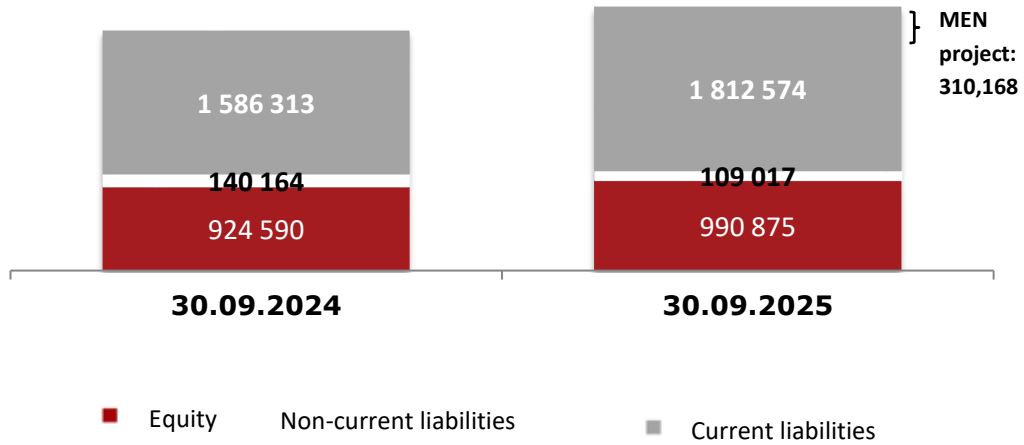
Current asset structure



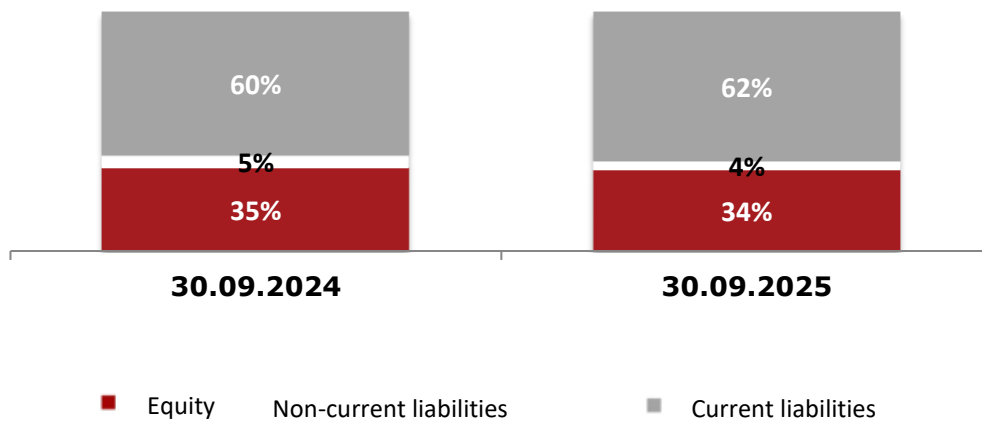
4.3 Equity and liabilities

The Company maintains the share of equity in financing above 30%. By far the majority of current assets have been financed by the Company with external sources – both through interest-free trade credit and bonds. Trade liabilities account for a large proportion of the Company's liabilities, reaching at the end of the financial year a 45% share in the total liabilities.

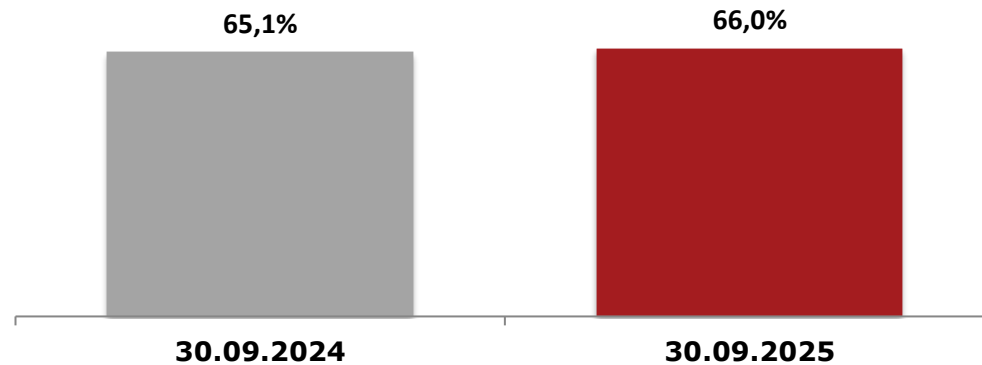
Liabilities (PLN'000)



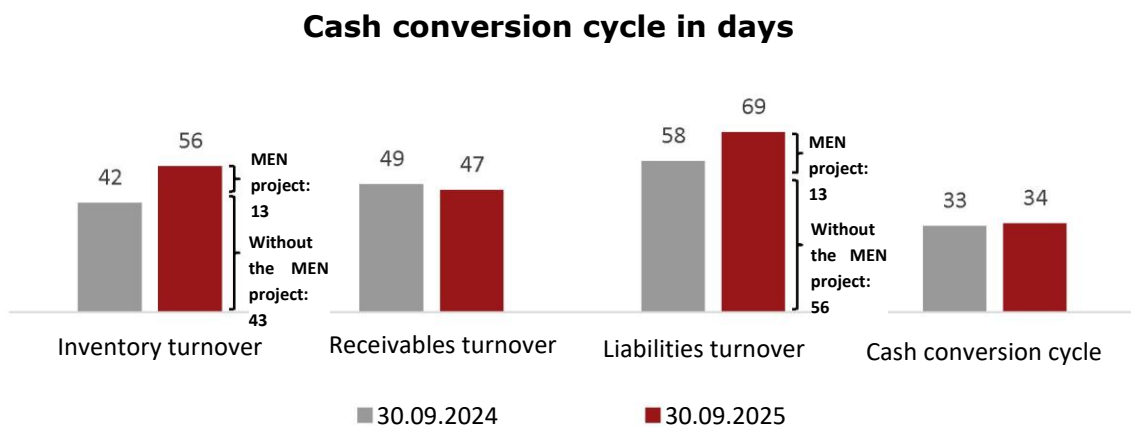
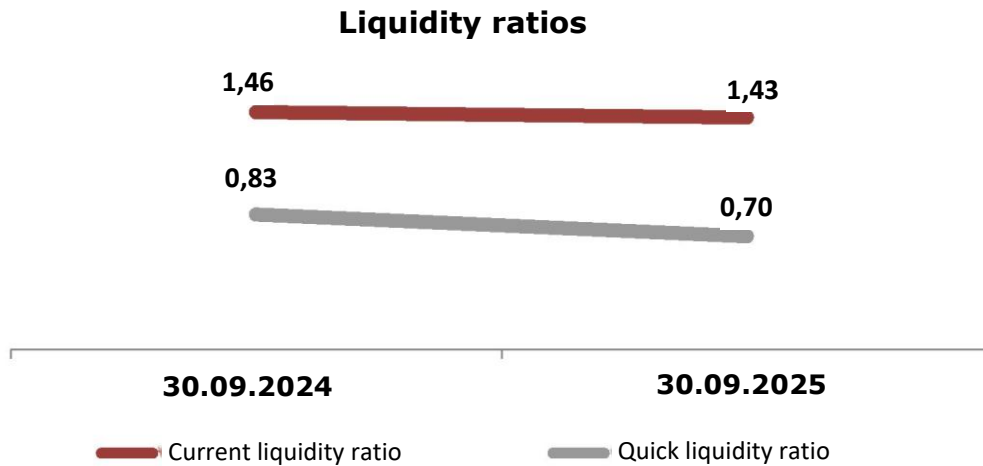
Structure of liabilities



Total debt ratio



The current ratio was 1.43 (previous year: 1.46) and the quick ratio was 0.70 (previous year: 0.83).



The cash conversion cycle in the reporting year was 34 days and consisted of: 56-day inventory turnover (of which 13 days related to inventory held for the Ministry of Education’s Digital Learner project), the accounts receivable cycle reached 47 days, while the accounts payable turnover cycle was 69 days (of which 13 days related to accounts payable arising from the Ministry of Education’s Digital Learner project).

4.4 Cash flows

During the financial year, the company generated negative cash flows of PLN -0.1 million, of which

4. Positive cash flows from operating activities in the amount of PLN 63.5 million,
5. Positive cash flow from investing activities of 12.6 million, including dividend received +14.4 million and payments for acquired property, plant and equipment -2.8 million.
6. Negative cash flow from financing activities of PLN -76.2 million, consisting mainly of PLN -47.4 million dividend payment, repayment of loans of PLN -21.6 million, repurchase of treasury shares of PLN -9.5 million.

IV) DEVELOPMENT STRATEGY OF AB S.A. AND THE AB CAPITAL GROUP

The AB Group and AB S.A. execute a strategy that is based on keeping a leadership position in all three markets on which they operate, while maintaining a safe and stable model of operations with regard to products, territory, the customer base, and business financing.

The strategy of the AB Group and the AB S.A. Company is based on the following pillars:

- strengthening of a position of the largest IT equipment distributor in Poland (AB S.A.) and in the region of Central and Eastern Europe (AB Group). The strategy assumes growth of sales in various channels, both in the Corporate Reseller segment (the largest integrators, international corporations), and also in the distribution segment of retail distributors and, directly, in the e-commerce channel through a chain of partnership stores, and in the retail channel, through own franchise networks.
- the consistent development of additional services in the area of advanced solution offerings, supported by a wide range of training offerings delivered at the company's own training centres,
- maintaining the distributor's leading position in terms of the level of automated services offered available to business partners, developing online platforms, cloud solutions and digital distribution, including successive growth in e-commerce,
- attention to stable growth, while maintaining profitability and keeping administrative expenses as low as possible, the AB Group's SG&A ratio was at 2.15% in the 2024/25 financial year,
- diversification of the business by developing sales of goods outside the high-tech sector, including consumer electronics/appliances, as well as ancillary services,
- increase of competences and business opportunities in terms of logistics. Among other things, the AB Group has a distribution centre in Magnice, which is one of the most modern in the Region, thanks to its state-of-the-art warehouse automation,
- development of a comprehensive offer of value added services that will allow our partners transition from simple transactional operations to expanded business based on a larger number of services, and ensure the increase of sales in the B2B channel in co-operation with partners.

V) STRUCTURE OF MAJOR CAPITAL INVESTMENTS WITHIN THE GROUP

There were no such deposits or investments.

VI) CORPORATE GOVERNANCE RULES

The companies in the AB Group are subject to the provisions of the Code of Commercial Partnerships and Companies and other regulations of the applicable laws, as well as the principles established in the constitution documents of the Parent Entity and its subsidiaries.

The AB S.A. Company has been obliged to comply with a set of corporate governance rules called the “Code of Best Practice of GPW Listed Companies 2021” (hereinafter: “DPSN 2021”), which were adopted by the Board of the Warsaw Stock Exchange by Resolution No. 13/1834/2021 of 29 March 2021 and are effective from 1 July 2021. The full text of the DPSN 2021 is publicly available at the Warsaw Stock Exchange’s website in the Best Practice 2021 section: www.gpw.pl/dobre-praktyki2021.

The Statement on the application of the corporate governance principles of AB S.A. for the period from 1 October 2024 to 30 September 2025 has been presented in a separate document.

VII) MAJOR RISK FACTORS RELATED TO THE GROUP’S BUSINESS, INCLUDING RISKS RELATING TO FINANCIAL INSTRUMENTS

The risks to which the Group is exposed are related to its environment (the risk of macroeconomic situation, the risk related to strong competition, the risk of modifications to the legal environment, and the interpretation and application of regulations) and the nature of its business (FX risk, the risk related to concentration of main suppliers and buyers, the risk of seasonality in sales, the risk related to inventories and receivables, to investment processes, shareholding structure, and the loss of key employees of the Group).

The Group’s activities are primarily strongly influenced by a macroeconomic situation, stiff competition, and risks related to financial instruments (market risk concerning instruments (price risk) in the case of the Group covering the interest rate risk and the FX risk, and the credit risk). The impact of each risk factor and the actions undertaken by the Group in order to mitigate the risk are specified below.

The objectives and methods of risk management for financial instruments for which hedge accounting is applied and the sensitivity analysis for risks relating to financial instruments are presented in Note 32 to the consolidated financial statements.

1. RISK ASSOCIATED WITH THE IMPACT OF THE MACROECONOMIC SITUATION ON THE GROUP’S RESULTS

The economic situation is one of the most important factors influencing the operations of the AB Group. Negative trends in the economy affect the commercial performance of AB Group companies. A major challenge for distribution is also the volatility of demand combined with uncertainty about the continuity of the supply chain. Thanks to the investments made in logistics infrastructure aimed at automating logistics processes, as well as the working capital management expertise developed over the years, the AB Group is able to serve demand efficiently, despite a highly volatile market environment. The AB Group also continues to pursue a prudent cost policy.

2. RISK RELATED TO STRONG COMPETITION

In the industry in which the AB Group operates, there is a strong competition, especially as the subject of sale are mainly products also available in the commercial offer of AB’s competitors. This may have an adverse impact on the level of realized revenue and profits. A possible expansion of the sale channel by the Group’s suppliers by adding new distributors, which may also have an adverse effect on the

financial results. Aggressive sales policy on the part of the largest distributors in the CEE markets may also adversely affect the financial results achieved by the Group.

3. RISK OF CHANGES IN LEGAL REGULATIONS, THEIR INTERPRETATION, AND APPLICATION

Changing legal regulations or its differing interpretations, in particular with respect to tax regulations, regulations affecting business activity, labour and social insurance law, or regulations related to securities, may have negative effects on the AB Group's Companies. Particularly high uncertainty, due to changes in interpretations of the rules, as well as a lack of uniformity in the practices of the tax authorities and in judicial decisions, exists in the area of tax legislation. A tax authority's interpretation of tax regulations that differs from interpretation applied by the AB Group's entities may lead to deterioration of the financial situation, as well as its results and development prospects. The risk associated with changes in the legal requirements further includes any decisions that are unfavourable for the AB Group under potential court or administrative proceedings.

4. RISKS RELATED TO INFLATION AND INTEREST RATE MOVEMENTS

Due to the operating cycle pattern typical of distribution companies, where the time it takes to liquidate inventories and collect receivables exceeds the available payment terms for liabilities, the AB Group has to a large extent to support itself with external sources of financing, including interest sources.

Continued relatively high levels of interest rates affect the level of financing costs and the achieved profitability of the Group's operations.

5. FX RISK

International IT and consumer electronic goods are the main suppliers to the Group. Settlements with these suppliers are predominantly made in foreign currencies (EUR or USD). At the same time, a large portion of sales by the individual Companies in their domestic markets is made in the local currencies. Despite the fact that the Group pursues an active policy of FX risk management using forward transactions, there is a FX risk related to trade payables owed to the Group's suppliers. The volatility of EUR and USD rates makes the Group operate on a market of the FX risk.

Exchange rate volatility is further influenced by the current uncertain political situation related to Russia's aggression against Ukraine.

The Group applies a hedge accounting policy. It is described in detail in the Group's Consolidated Financial Statements in the description of the applied accounting principles and in Note on *FX Risk*.

6. RISK RELATED TO DEPENDENCE ON KEY SUPPLIERS

The Group has been collaborating with the world's leading providers of IT solutions. The risk associated with the dependence on the key suppliers is related to their large share in the Group's supplier structure. Group companies source from suppliers with no capital ties, the share of the largest supplier (Apple) in the period's deliveries was 31%. The shares of other suppliers do not exceed 10%.

Loss of one of the larger suppliers could in a short term reduce sales results in specific product groups and adversely affect the generated financial results.

7. RISK RELATED TO DEPENDENCE ON KEY BUYERS

The Group has a diversified portfolio of buyers. However, some of the Group's customers may be interested in shortening the supply chain. Large retail networks may, for example, try to be supplied directly by manufacturers without using distributors such as AB. Small and medium-sized retail buyers may, in turn, try to combine their purchase potential in order to obtain more attractive delivery terms. This may lead to customer loss, which may adversely affect sales volumes and the financial results generated by the Group. To mitigate that risk, the AB Group has been intensively developing its franchise network. In Poland, these are the Alsen and Kakto networks. In the Czech Republic and Slovakia they include: Triline, Comfor, Digimax, Premio, and XPLAY.

8. RISK RELATED TO SEASONALITY IN SALES

Similarly to that of other entities operating in the IT sector, the Group's sales volume is subject to seasonal demand fluctuations. The demand is usually the highest in the last calendar quarter, when the sales may account for as much as 35% of the annual sales. As a result, an accurate assessment of the Group's position and estimation of its results for a financial year is difficult on the basis of quarterly results.

9. INVENTORY AND RECEIVABLES RISK (CREDIT RISK)

Trade receivables account for 41% of the Group's total balance sheet and inventories account for 47%. Their high level is due to the nature of trade activities pursued by the Group. The Group sells products to its buyers under a granted credit limit with a specified payment term. Each credit limit is set individually on the basis of collected financial data, personal or material collateral received and subject to methods of creditworthiness verification that are available on the market. The condition of each customer is closely monitored and if there are any signals that a customer may have problems repaying their debt, collection actions are immediately initiated. Despite monitoring of receivables and a good system of creditworthiness assessment, there still may be the insolvency risk arising from transactions with individual counterparties, and consequently, the Group may suffer a financial loss.

In order to significantly reduce the risk of losses due to insolvency and protracted delay in payment for purchased goods, Group companies insured trade receivables during the reporting period. With regard to selected customers, the Group has concluded full factoring agreements with the assumption of risk by the financial institution concerned (non-recourse). Based on the concluded agreements, the counterparty's credit risk is transferred to the financial partner. Receivables sold to and paid by a factor under the full (non-recourse) factoring facility are not shown on the Group's balance sheet, as the risk associated with these receivables is predominantly transferred to the buyer of the receivables (the factor).

10. RISK RELATED TO THE FUNDING STRUCTURE

The Group uses external sources of funding in the form of bank loans, bank credit facilities, bonds, and factoring.

Based on the existing agreements, the Group's companies have completely secured financing of their operations and investments over a short- and medium-term period. In order to mitigate the risk related to financing, the Group has executed agreements with many banks, however, pursuant to the financing policy the Group has been co-operating with banks with high ratings.

In order to secure long-term sources of funding, AB S.A. finances itself with bonds, which provides a stable basis for planning investments and business development over several years. As at 30 September 2025, the nominal value of the bonds was PLN 110.0 million.

The Group continuously monitors the level of debts to ensure its optimum level in terms of financing security and an expected return for shareholders.

11. RISK RELATED TO DISTURBANCES IN CASH FLOWS AND LIQUIDITY LOSS

This risk is understood as the loss of ability to timely repay liabilities and obtain funds for financing activities due to no extension of short-term loans for subsequent periods.

The Group has been pursuing an open and transparent communication policy with the funding banks in order to mitigate the above risks. All short-term loans are renewed when they become due.

On the basis of the factoring agreements entered into, the Group companies raise funds, in addition to the transfer of risk described in point 9, when the receivables portfolio is sold and financed. The Group incurs costs associated with the sale of invoices, including interest costs. Receivables acquired by the factor that have not been paid by the factor at the balance sheet date are presented as trade receivables measured at fair value.

The Group also has the option of reverse factoring. Reverse factoring liabilities, given their nature, are shown under trade payables in the Group's balance sheet. As at 30 September 2025, the Group did not use reverse factoring.

The Group's Companies has specialised units responsible for daily monitoring of inflows of receivables and their structure.

12. RISK RELATED TO AN INVESTMENT PROCESS

The Group follows an overriding rule based on which decisions made by the Group regarding every investment project are taken subject to previous detailed business plans and cash-flow projections in order to minimise any liquidity-related risk or prevent interruptions of ongoing investment activities.

13. RISK OF LOSING KEY EMPLOYEES OF THE GROUP AND PAY RISE PRESSURE

Development prospects of the AB Group depend to a large extent on the stability of employment of highly qualified employees and management. In the case of quick expansion of the AB Group, it is also important to be able to acquire additional employees with an appropriate level of experience and know-how. There is a risk of reduced efficiency of distribution or loss of income, if key employees are lost. In such a situation, it may not be possible to recruit new people with the right skills quickly enough, or it may incur significant costs.

There is a risk that the current labour market situation with low levels of unemployment and difficulties in attracting and retaining skilled workers, coupled with increased inflation, could lead to a significant increase in wage and other employee-related costs for companies.

14. RISK RELATED TO THE IT INFRASTRUCTURE

the complexity of the IT environment has been increasing. IT systems constitute the basis of the business of enterprises, improving their management, information flows, and enhance effectiveness and competitiveness. Their correct functioning increasingly impacts business processes, as well as reliable reporting; on the other hand, incorrect operation of IT systems may contribute to losing essential information of enterprises and customer data. IT services keep expanding the ITC infrastructure and monitor the risk on an ongoing basis and are able to initiate actions to eliminate the hazards related to data archiving and recovery as well as to ensure uninterrupted operation of IT systems. The implemented solutions are aimed at ensuring safety and risk mitigation; however, unexpected incidents may occur (e.g. a long lasting extensive power failure) which over short-term may affect execution of orders or the volumes of executed sales.

15. RISKS ASSOCIATED WITH ARMED CONFLICTS IN THE WORLD

Russia's ongoing war with Ukraine, the conflict in the Middle East and the tense situation between the U.S. and China are having an adverse geopolitical and macroeconomic impact on economies worldwide. Fluctuations in energy commodity prices, the risk of exacerbating continuity problems in supply chains, especially in the commodity market, and the continuing state of uncertainty are translating into sentiment and economic prosperity. This could mean a drop in demand for IT, consumer electronics and household appliances, among other categories. In addition, the uncertain and volatile situation in the geopolitical environment also spills over into the foreign exchange and equity markets, where sharp fluctuations in exchange rates and share prices are observed.

At present, it is difficult to make a reliable assessment of the impact of this situation on the future results realised by AB Group. The AB Group has no operations in Russia, Belarus or Ukraine. In the past period, the AB Group made no deliveries or sales to Russia and Belarus. The Group also made no significant deliveries to the Ukraine. The risks associated with the war mainly relate to impediments to the availability of goods, delays in delivery, and sharp increases in commodity prices, as well as the cost of doing business. The AB Group's activities are based on the distribution of mainly IT, consumer electronics and audio-visual equipment/household appliances based on distribution agreements with manufacturers. On the basis of these, the sales policy pursued is fully coordinated with the actions taken by producers, including, among other things, securing a market price for the products distributed by AB Group.

VIII) PROCEEDINGS PENDING IN COURTS, BEFORE ARBITRATION BODIES, OR PUBLIC ADMINISTRATION BODIES

AB S.A. and also Companies of the AB Group are not subject to any proceedings pending in courts, before a competent arbitration body, or a public administration body concerning liabilities or receivables.

IX) BASIC GOODS AND SERVICES

The core business of the AB Group is distribution of IT equipment, components, accessories, and peripheral devices. At the same time the Group has intensified its actions related to the diversification of its product portfolio by adding products from outside the new technologies segment. Additionally, the Group continues to sell products under its own TB brands: TB Print – consumables for printers, TB Akcesoria – cables and holders for TV, TB Clean – cleaning media for electronic equipment, and computers under the Optimus brand.

X) SALES MARKETS

1. DOMESTIC VS. FOREIGN MARKETS

In the previous year, Poland remained AB S.A.'s main sales market. In addition, the Group made a significant proportion of its sales in the Czech and Slovak markets.

2. SUPPLY SOURCES

The AB Group cooperates with global leaders in IT solutions and has access to state-of-the-art technologies. The closest cooperation is maintained with hardware and software manufacturers. Apple is the Group's largest supplier, accounting for 31% of the Group's supply volume in the 2024/2025 financial year. The Group's other suppliers do not exceed a 10% share of turnover in the 2024/2025 financial year.

Close cooperation with Apple is related to the authorised distribution of iPhone smartphones, Mac computers, iPad tablets, smartwatches and other products of this manufacturer in Poland, the Czech Republic and Slovakia. It should be noted that any of the products purchased from this supplier are interchangeable with products from other manufacturers.

The largest suppliers of AB S.A. (with a share of more than 10%) are Apple and HP Inc. Other suppliers in the 2024/25 financial year did not exceed a 10% share of deliveries.

During the financial year, goods were supplied to the Group by several hundred suppliers. This allows the Group to remain independent from any of its suppliers, thus ensuring safety of its business in the event cooperation with a supplier is ended.

3. MAIN CUSTOMERS

The Group's customer structure is dispersed and diversified. Sales are made up of tens of thousands of transactions per month carried out with a Group-widebase of around 16,000 customers. The vast majority of the Group's and AB S.A.'s customers have a share in sales of less than 1%. In the year 2024/2025, like in the previous years, there were no customers whose share exceeded 10% of the Group's sales revenue.

XI) MATERIAL CONTRACTS CONCLUDED BY THE GROUP

In the reporting period the Group did not conclude any material agreements other than loan agreements described in the section on “Concluded and terminated loan agreements and contracts” and agreements with suppliers and customers described in the section on “Risk related to dependence on major suppliers” and “Risk related to dependence on major customers”.

XII) ORGANISATIONAL OR EQUITY LINKS WITH OTHER ENTITIES AND SPECIFICATION OF MAJOR DOMESTIC AND FOREIGN INVESTMENTS (IN SECURITIES, FINANCIAL INSTRUMENTS AND INTANGIBLE ASSETS)

There are no organisational and capital relations with entities outside the Group of AB S.A. (the Group’s structure is described in section II 1).

XIII) MATERIAL TRANSACTIONS CONCLUDED BY THE COMPANY OR ITS SUBSIDIARIES WITH RELATED ENTITIES ON OTHER TERMS THAN AT ARM’S LENGTH

During the period under report, the Issuer did not conclude any transactions with its related entities apart from the usual course of business subject to the terms other than at arm’s length.

XIV) CONCLUDED AND TERMINATED LOAN AGREEMENTS

- **A multiline agreement between AB S.A. and Santander Bank Polska S.A., latest annex of 14 October 2024.**

The Bank granted AB S.A. a credit limit of up to PLN 128,000,000, which can be used:

- a) as part of a current and foreign currency account overdraft up to the amount of PLN 107,000,000 with a possibility to utilise the overdraft in several currencies (in PLN up to PLN 107,000,000, in EUR up to EUR 12,000,000, and in USD up to USD 10,000,000);
- b) a total limit for letters of credit and bank guarantees of up to PLN 21,000,000 (up to USD 4,000,000 in PLN and USD currencies);

The limit was granted until 31 May 2026.

The collateral of the limit granted is as follows:

- registered pledge on selected commercial owned by AB S.A. with assignment of receivables from the insurance contract for the registered pledge;
- transfer of selected commercial receivables of AB S.A.;
- authorisation to all Issuer’s accounts maintained with the Bank,
- AB S.A.’s declaration of submission to execution pursuant to Article 777.1.5) of the Code of Civil Procedure;
- promissory notes issued by AB S.A., together with a promissory note declaration.

The interest rate is calculated depending on the currency of the loan used, based on the base rate of WIBOR 1M, EURIBOR 1M or SOFR plus the bank’s margin. The other provisions of the agreement do not differ from standard provisions used in agreements of this type.

- **Multi-product agreement concluded with ING Bank Śląski S.A., Katowice, on 28 November 2013, latest annex of 27 November 2025.**

The Subject of the Agreement is as follows:

- a revolving credit limit of PLN 85,000,000 granted until 30 November 2026.
- a limit for guarantees and letters of credit in the amount of PLN 20,000,000 granted until 30 November 2026.

The repayment date is due not later than on 30 November 2026.

The collateral for the granted loan is as follows:

- a registered pledge on selected inventories together with an assignment of claims under the stock insurance agreement;
- registered pledge on receivables from the selected customers;
- power of attorney to manage funds in the Borrower’s bank account.
- notarised statement on submission to enforcement pursuant to Article 777.1.5 of the Code of Civil Procedure.

Depending on the drawdown currency, the interest rate shall accrue at the base rates: WIBOR 1M for loans in PLN, EURIBOR 1M for loans in EURO, and SOFR for loans in USD, accordingly, plus the Bank’s margin.

- **Line agreement between AB S.A. and Credit Agricole Bank Polska Spółka Akcyjna, Warsaw, on 26.01.2017, last annex of 18.08.2025**

The subject of the amended Agreement covers:

- a loan of PLN 76,000,000 granted until 20 February 2026. The loan is made available in two currencies: EUR, PLN.
- a limit for bank guarantees and L/Cs of PLN 14,000,000 with an availability period until 20 February 2026, the validity terms of guarantees and L/Cs of up to 12 months or up to 72 months in the case of good performance bonds up to PLN 5,000,000, PLN 150,000 for customs guarantees.

The collateral for the granted loan is as follows:

- registered pledge on the selected inventories with an assignment of the rights under an insurance policy covering the inventories;
- an assignment of receivables from the selected customers with the assignment of the rights under an insurance policy covering the receivables;
- notarised statements on submission to enforcement pursuant to Article 777.1.4 and Article 777.1.5 of the Code of Civil Procedure;
- power of attorney for accounts.

Depending on the drawdown currency, the interest rate shall accrue at the base rates: WIBOR O/N for loans in PLN, EONIA for loans in EURO, increased by the Bank’s margin.

The other provisions of the agreement do not differ from standard provisions used in agreements of this type.

- **Non-revolving working capital loan agreement between AB S.A. and Credit Agricole Bank Polska Spółka Akcyjna, Warsaw, concluded on 8 August 2025, annex of 16 January 2026.**

The subject is a loan of PLN 100,000,000 granted to finance and refinance the purchase of equipment as part of the implementation of the orders of AB S.A.'s partners participating in the "Digital Student" and "AI Laboratories" programmes. The loan is available in 2 transactions (respectively to finance the two projects). The first tranche will be available until 28 February 2026 with a repayment deadline of 30 April 2026. The second tranche will be available until 31 August 2026 with a repayment deadline of 31 October 2026. The loan is made available in two currencies EUR, PLN.

The loan is secured by:

The collateral for the granted loan is as follows:

- registered pledge on the selected inventories with an assignment of the rights under an insurance policy covering the inventories;
- an assignment of receivables from the selected customers with the assignment of the rights under an insurance policy covering the receivables;
- notarised statements on submission to enforcement pursuant to Article 777.1.4 and Article 777.1.5 of the Code of Civil Procedure;
- power of attorney for accounts.

The interest rate on the loan is calculated on the basis of the base rate WIBOR 1M for PLN and EURIBOR 1M for EUR, plus the bank's margin.

- **Loan agreement between AB S.A. and the bank Powszechna Kasa Oszczędności Bank Polski Spółka Akcyjna with its registered office in Warsaw on 22.09.2023, annex of 26.09.2025:**

The subject of the Agreement is a multi-purpose credit limit in a credit account in the amount of PLN 20,000,000, available in PLN, EUR and USD. The loan was granted for a period until 30 September 2026. Under the Limit, PKO BP SA grants sub-limits to the Borrower for:

- 1) an overdraft facility of up to PLN 20,000,000 that can be used in PLN, EUR and USD;
- 2) documentary letters of credit in domestic and foreign transactions to be opened in PLN, EUR and USD up to the amount of PLN 20,000,000;
- 3) domestic and foreign bank guarantees up to PLN 20,000,000.

The loan is secured by:

- registered pledge on selected stock together with assignment of insurance;
- transfer of receivables of selected customers together with assignment of insurance;
- a statement on submission to enforcement pursuant to Article 777.1.5) of the Code of Civil Procedure.

The interest rate on the loans is calculated based on the base rate of WIBOR 1M, EURIBOR 1M, SOFR O/N plus the bank's margin.

Other provisions of the agreements do not deviate from standard provisions used in the agreements of this type.

- **Loan agreement between B2B IT Sp. z o.o. and ING Bank Śląski S.A. with its registered office in Katowice Following the merger of B2B IT Sp. z o.o. with AB S.A., the loan liability was transferred to AB S.A.**

The loan of PLN 40,000,000 was granted for the purposes of business operations, including refinancing the investment loan the Company had with ING Bank Śląski S.A. in the amount of PLN 4,422,500. The end of the loan is 31.01.2032.

The loan is secured by:

- a contractual joint mortgage up to PLN 60,000,000 on the real estate in Magnice with assignment of rights under the insurance policy,
- a statement on submission to enforcement pursuant to Article 777.1.5) of the Code of Civil Procedure,
- a civil surety granted by AB S.A. together with a declaration of submission to enforcement pursuant to Article 777.1.5) of the Code of Civil Procedure of AB S.A.

Interest on the loan is calculated on the basis of WIBOR 1M plus the bank's margin.

- **Loan agreement between AT Computers, a.s. and Komerční banka, a.s. entered into on 29 April 2019, latest addendum dated 17 July 2025.**

The Bank granted AT Computers, a.s. a credit limit up to CZK 1,400,000,000 – available until 28 April 2026 in CZK, EUR, and USD. Within the limit the Company may use:

- a credit facility up to CZK 700,000,000 – bearing an interest rate according to PRIBOR ON (for debts in CZK), EURIBOR 1M (for debts in EUR), or SOFR (for debts in USD), respectively, and increased by a margin,
- a short-term loan up to CZK 700,000,000 (for a period from 1 month to 3 months), bearing an interest rate according to PRIBOR, EURIBOR, or LIBOR, respectively, and increased by a margin.

The agreement is secured with a surety by AT Computers Holding a.s., a pledge on receivables and the right to freeze funds in the Company's current account with the Bank.

- **Financing agreement between AT Computers a.s. and Československá obchodní banka, a.s., Prague, Czech Republic, of 23 January 2019, latest annex of 17 March 2025.**

Short-term loan for the amount of CZK 800,000,000 available until 29 May 2026, bearing interest at rates corresponding to the term of the loan: PRIBOR for debts in CZK, €STR for debts in EUR, and SOFR for debts in USD, and increased by a margin.

The collateral for the granted loan is, according to the agreement: declaration of support of AB S.A. for AT Computers in favour of ČSOB a.s.; transfer of commercial receivables of AT Computers, a.s., registered pledge on the inventory of AT Computers, a.s, right to block funds on the current bank account.

- **Credit line, letter of credit and bank guarantee agreement between AT Computers a.s. and Československá obchodní banka, a.s., based in Prague, Czech Republic, of 23 January 2019, latest annex of 17 March 2025.**

The Bank granted AT Computers, a.s. a credit line of up to CZK 700,000,000, -CZK, available in CZK, EUR and USD until 29 May 2026.

The line bears interest at rates corresponding to the term of the loan: PRIBOR for debts in CZK, €STR for debts in EUR, and SOFR for debts in USD, and increased by a margin.

The collateral for the granted loan is, according to the agreement: declaration of support of AB S.A. for AT Computers in favour of ČSOB a.s.; transfer of commercial receivables of AT Computers, a.s., registered pledge on the inventory of AT Computers, a.s, right to block funds on the current bank account.

- **A loan agreement between COMFOR STORES, a.s. and Československá obchodní banka of 6 February 2019, latest annex of 28 March 2025.**

The bank granted COMFOR STORES, a.s. a credit line of up to CZK 10,000,000 – for an indefinite period. The loan is available for 36 months from the agreement execution date and bears interest according to PRIBOR O/N and increased by margin. The loan is secured by a guarantee granted by AT Computers Holding, a.s.

- **Line for bank guarantees from Československá obchodní banka a.s., Prague, Czech Republic, in favour of COMFOR STORES, signed on 6 February 2019, with the last annex of 28 March 2025.**

The bank granted COMFOR STORES, a.s. a line for guarantees up to the value of CZK 4,000,000. for an indefinite period. It is secured by a surety granted by AT Computers a.s.

- **Guarantee line agreement between AT Computers a.s. and Československá obchodní banka, a.s., based in the Czech Republic, concluded on 14 October 2019 , the last annex on 10 December 2019.**

The Bank will issue a bank guarantee to AT Computers up to an amount of CZK 150,000,000. The contract is concluded for an indefinite period.

XV) OFF-BALANCE SHEET ITEMS

The off-balance sheet items have been described in the chapter of “Granted and Received Sureties and Guarantees”.

XVI) BORROWINGS GRANTED

The parent entity AB S.A. did not issue any new loans in the financial year 2024/25. The balance of loans granted in previous periods amounts to TPLN 482.1.

XVII) SURETIES AND GUARANTEES GRANTED AND RECEIVED

As at 30 September 2025, bank guarantees mandated in favour of counterparties as part of the individual companies’ operations totalled TPLN 28,270.

Ordering party	Guarantee issuer	Currency	Amount in currency	Amount in PLN	Validity date
AB S.A.	ING	EUR	3,000,000	12,807,600	28 February 2026
AB S.A.	Credit Agricole	PLN	11,000,000	11,000,000	30 September 2026
AB S.A.	Credit Agricole	PLN	500,000	500,000	perpetual
AT Computers a.s.	ČSOB a.s.	CZK	400,000	70,160	perpetual
AT Computers a.s.	ČSOB a.s.	CZK	100,000	17,540	perpetual
COMFOR STORES a.s.	ČSOB a.s.	EUR	28,788	122,902	1.03.2026
COMFOR STORES a.s.	ČSOB a.s.	EUR	19,662	83,941	31 May 2026
COMFOR STORES a.s.	ČSOB a.s.	EUR	12,491	53,327	14 December 2025
AT Computers a.s.	ČSOB a.s.	USD	440,000	1,878,448	11 May 2026
AT Computers a.s.	ČSOB a.s.	EUR	478,000	1,735,857	10 April 2026
				28,269,774	

The table below shows the nominal amounts of sureties granted in the original currency, granted by AB S.A. and AT Computers Holding a.s. to guarantee loans taken out by subsidiary companies (the PLN equivalent of sureties granted by AB S.A. is TPLN 727,800 and by AT Computers Holding a.s and AT Computers a.s. is a total of TPLN 184,870).

Subsidiary that received a guarantee	Beneficiary	Currency	Amount in currency	Validity date
AT Computers a.s.	Apple*	USD	200,000,000	perpetual
Alsen marketing sp. z o.o.	Samsung	PLN	1,500,000	31 December 2027
AT Computers a.s.	KB a.s.	CZK	1,050,000,000	31 December 2030
COMFOR Stores	ČSOB a.s.	CZK	3,991,007	31 December 2038

*) The guarantee is automatically extended for subsequent annual periods, unless the beneficiary receives a written notice of guarantee termination from the guarantor not later than 60 days before the end of the annual guarantee validity period. Until 30.04.2026, the amount of the guarantee is USD 200,000,000. As of 01.05.2026, the guarantee amount is USD 120,000,000.

XVIII) ISSUE OF SECURITIES DESCRIPTION OF THE COMPANY'S ALLOCATION OF INFLOWS FROM ISSUED CAPITAL UP TO THE DATE OF THE COMPANY'S REPORT ON OPERATIONS

In the financial year 2024/2025, there were no share issues by the Company.

XIX) DIFFERENCES BETWEEN FINANCIAL RESULTS DISCLOSED IN THE ANNUAL REPORT AND THE PREVIOUSLY PUBLISHED PROJECTED RESULTS

The Group did not publish any projections.

XX) ASSESSMENT OF THE MANAGEMENT OF FINANCIAL RESOURCES WITH JUSTIFICATION

The IT product distribution model is based on strong involvement of the distributor that offers material values for the manufacturer. In addition to provision of access to a full spectrum of sales market channels and support for pre- and after-sales services, crediting is one of the most crucial roles of the distributor under this model. The distributor conducts sales largely on the basis of trade credits. Payment terms depend on the customer's creditworthiness, the nature of their activities, sales volumes, and other individually defined parameters. The key role of the distributor is also to maintain the broadest possible product offer.

Working capital management is, in such a model, one of the key competences of a large so-called broadline distributor, which maintains positive working capital by performing the aforementioned credit function. These characteristics of the business, combined with the enormous scale of the operation, determine the amount of receivables, inventories and liabilities, including interest, on the Group's balance sheet. In addition, the sales growth observed in the recent years, as well as the diversification and expansion of the product offer (new distribution agreements) also contribute to a periodic increase in demand for interest-bearing external financing.

Bearing in mind the high cost of financing, the Group continuously monitors operating ratios across all product groups of inventories with a view to optimising the cost of financing the working capital allocated to each product category, with a view to maintaining sales continuity. Inventory management geared towards achieving the highest possible financial effect is producing the desired financial results at Group level in the form of a systematic increase in operating and net profitability. Basic financial results, maintained at optimum levels, reflect a very good financial condition of the Group and effective finance management of the Group's companies.

The Management Board pays special attention to FX risk hedging. The nature of its business exposes the Group to a material risk relating to currency rate fluctuations. The Group's hedge accounting practically eliminates foreign exchange risk. The applied hedging instruments do not generate an additional risk related to a high volatility of market conditions, such as options or option strategies.

The Group manages the credit risk in a structured and responsible manner. It applies a prudential receivables policy, verifies merchant limits granted, and insures receivables. Owing to its credit policy, the Group effectively mitigates the risk related to overdue receivables. At the same time, a

conservative approach to the valuation of these assets minimises the risk of their inappropriate classification.

XXI) ASSESSMENT OF THE COMPANY'S ABILITY TO ACHIEVE INVESTMENT GOALS, INCLUDING CAPITAL INVESTMENTS, COMPARED TO THE AMOUNT OF AVAILABLE FUNDS

Capital undertakings planned by the Management Board have funding sources that are fully secured. The planned outlays are primarily connected with the replacement of worn-out elements. At the same time, the Group's total indebtedness during the year at less than 70% (at the end of the 2024/2025 financial year it was 63.8%, of which long-term liabilities accounted for around 3%) is a strong indication of the AB Group's significant financial stability

XXII) NON-TYPICAL FACTORS AND EVENTS AFFECTING THE RESULT OF OPERATIONS IN THE FINANCIAL YEAR

Ongoing conflicts and the associated negative sentiment in economies and high levels of uncertainty are an important factor affecting business.

There has been some increased volatility and fluctuations in the exchange rate of the zloty as a result, among other things, of the current uncertain political situation associated with Russia's confrontational attitude, manifested not only in a full-scale war in Ukraine, but also in hostile statements towards other European countries. Russia and Belarus are also waging what is known as a "hybrid war" through, among other things, an influx of immigrants previously brought from Asian and African countries to Poland's eastern border. The number of cyber-attacks, which can also be a form of hybrid warfare, has increased significantly in the last year.

The largest economies of the European Union are experiencing very serious problems, which are also spilling over into the economies of Poland, the Czech Republic and Slovakia. Lower investment activity by companies is recorded.

The intensity of negative factors, with consequences that are difficult to assess, negatively affects the activity of economic actors who, in the face of macroeconomic and geopolitical uncertainties, may reduce spending to the minimum necessary. There is also a risk of a return to higher levels of inflation, due to the high level of public spending and the high indebtedness of the State budget.

XXIII) CHARACTERISTICS OF EXTERNAL AND INTERNAL FACTORS MATERIAL TO THE GROUP'S DEVELOPMENT AND DEVELOPMENT PROSPECTS OF THE COMPANY

The 2024/2025 financial year was marked by moderate growth in the dynamics of the economies in Poland and the Region. Poland's GDP dynamics in Q1, Q2 and Q3 2024 were +3.2%, +3.4%, +3.7% respectively. The forecasts for 2025 are as follows: Poland +3.2%, the Czech Republic +2.4%. Slovakia +0.8%⁷.

⁷ European Economic Forecast. Autumn 2025. European Commission. November 2025.

The AB Group's business is also affected by volatility of exchange rates, among others, relating to the strong sensitivity of the Polish and Czech currencies to information originating from other European and non-European capitals. The volatility of exchange rates affects the AB Group's business in terms of changes in product prices and demand for goods, too.

The Group hedges the currency risk associated with sales indexed to the EUR and USD exchange rates using monetary currency positions, i.e. trade payables, bank loan payables, trade receivables, cash and FX spot, FX forward, FX swap contracts. Due to the application of hedge accounting with respect to the FX risk, the Group recognises the effective portion of foreign exchange differences in operating result instead of finance result.

The Group constantly monitors the financing structure of its operations, adapting it to the current situation and ensuring that, on the one hand, the further development of its activities is secure and, on the other hand, financing costs are kept at an optimum level.

According to macroeconomic forecasts for the Polish, Czech and Slovak economies, GDP in these countries is expected to grow by 3.2%, 2.4% and 0.8% respectively in 2025. According to forecasts, investment levels in Poland are set to increase significantly in 2025 due to the expected economic recovery and digital transformation.

EXTERNAL FACTORS

The business climate and demand in the economies of the world and the Region, the further course of the ongoing war in Ukraine and the conflict in the Middle East and their impact on the economies of the world and the Region.
Potential risk of further supply chain disruptions, possible constraints on the availability of raw materials, materials and products. High volatility in commodity prices. The need to adapt stock levels to higher demand-supply volatility.
Volatility on FX markets, primarily the following exchange rates: EUR/PLN and USD/PLN, as well as EUR/CZK and USD/CZK – impact on the weakening of local currencies on product prices for end customers.
The level of interest rates translating into funding costs for companies and also impacting the growth of consumer loans. The possibility of a return to higher levels of inflation due to increased spending in the public sector.
The dynamic growth and evolution of the IT hardware sector, the increasing digitalisation, including the digital transformation of the public sector, the development of the areas of cyber-security and data centres, 5G technologies, the further development of the application of AI technologies as well as the smart home sector and the circular economy.
Progressing market consolidation in the IT distribution market.

INTERNAL FACTORS

The market position and also the financial condition of the Group in the last period was affected by the following internal factors. They will continue to affect the Group in the coming reporting period:

Further development of the product portfolio – as part of the adopted market strategy, aimed at increasing sales and improving partners' loyalty,

Continuous efforts to optimise management of inventories, working capital, and logistics, resulting in maintaining an optimal ratio of operating expenses in relation to revenue.
Geographical diversification of operations: The Group operates in the Poland, Czech Republic and Slovakia regions. This enables the risks of the business to be dispersed and the potentials of individual markets to be better exploited.
A stable position of the Group in the IT distribution market in the Region and an opportunity to use economies of scale.
Parallel development in multiple distribution channels: resellers, e-commerce, large retail networks, public administration, corporate customers, integrators, the franchise network, and export sales.
Hedge accounting applied to eliminate FX risk, and an effective hedging policy against FX risk.
Offering additional services to partners (e.g. training, certifications, outsourcing of logistic processes, sales platforms, joint marketing initiatives), which allow the Company obtaining their loyalty and generating higher margins,
Maintaining an appropriate level of indebtedness ensuring financial stability on the one hand and enabling stable growth amid increasing scale of operations on the other,
Ensuring stable long-term funding sources,
Responsible receivables management policy guaranteeing maintenance of a high level of the Group's liquidity.
Expanding the product portfolio with new distribution agreements and business partners.
Diversification of product groups with new categories from outside the new technologies segment (such as audio-visual equipment/household appliances, office articles and consumables).
Execution of projects aimed at integration and standardisation in the entire AB Group, while keeping an appropriate level of independence of actions on individual markets.
Close collaboration among the Group Companies bringing about results in the form of a knowledge base and know-how sharing.

XXIV) CHANGES TO THE KEY RULES OF BUSINESS MANAGEMENT OF THE ISSUER AND ITS GROUP

During the reporting period there were no material changes to business management rules of the AB Group.

XXV) CONTRACTS BETWEEN THE ISSUER AND MANAGING PERSONS PROVIDING FOR COMPENSATION IF THEY RESIGN OR ARE DISMISSED FROM THEIR POSITIONS WITHOUT A VALID REASON OR WHEN SUCH RESIGNATION OR DISMISSAL RESULTS FROM A MERGER OF THE ISSUER BY TAKE-OVER

As at the date hereof, no such contracts were concluded.

XXVI) VALUE OF SALARIES, BONUSES OR BENEFITS, INCLUDING RESULTING FROM INCENTIVE OR BONUS PROGRAMMES BASED ON THE ISSUER'S CAPITAL

Gross (PLN'000)	2024/2025	2023/2024
Management Board		
Andrzej Przybyło	5,310	6,516
Krzysztof Kucharski	2,709	3,113
Zbigniew Mądry	3,611	4,150
Grzegorz Ochędzan	2,658	3,113
Total	14,288	16,892
Supervisory Board⁸		
Iwona Przybyło	57	33
Jacek Łapiński	57	33
Jakub Bieguński (until 30.07.2025)	46	42
Wojciech Niesyto (until 17.06.2025)	26	33
Jerzy Baranowski (until 31.07.2025)	46	42
Marek Ćwir (until 30.07.2025)	46	42
Jan Wozniak (from 31.07.2025)	30	-
Michał Wnorowski (from 31.07.2025)	26	-
Tomasz Mazurczak (from 31.07.2025)	28	-
Robert Jasiński (from 31.07.2025)	28	-
Total	390	225

XXVII) LIABILITIES UNDER PENSION AND SIMILAR BENEFITS FOR FORMER MANAGING, SUPERVISING PERSONS, OR FORMER MEMBERS OF ADMINISTRATIVE AUTHORITIES

The Group has no liabilities under pensions and similar benefits towards former managing, supervising persons, or former members of administrative authorities and no liabilities taken out further to such pensions.

⁸ As of 31 July 2025, the Extraordinary General Meeting of the Company appointed Mr Michał Wnorowski, Mr Tomasz Mazurczak, Mr Robert Jasiński and Mr Jan Wozniak to the Supervisory Board, as announced by the Company in current report RB 30/2025

XXVIII) NUMBER AND NOMINAL VALUE OF ALL SHARES OF THE ISSUER

Shares held by managing and supervising persons

Ownership of the issuer's shares or entitlements to shares by the issuer's management and supervisory personnel as at the date of approval of the annual report (20.01.2026) :

As at 20 January 2026 ⁹	Number of shares	Shareholding structure by the number of shares	Number of votes	Shareholding structure by the number of votes
Management Board				
Andrzej Przybyło	0	0.00%	0	0.00%
Krzysztof Kucharski	25,000	0.15%	25,000	0.14%
Zbigniew Mądry	0	0.00%	0	0.00%
Grzegorz Ochędzan	0	0.00%	0	0.00%
Supervisory Board				
Jan Woźniak	0	0.00%	0	0.00%
Iwona Przybyło	0	0.00%	0	0.00%
Jacek Łapiński	0	0.00%	0	0.00%
Michał Wnorowski	0	0.00%	0	0.00%
Tomasz Mazurczak	0	0.00%	0	0.00%
Robert Jasiński	0	0.00%	0	0.00%

Restrictions in exercising the rights attached to shares

As at the balance sheet date and as at the date hereof, there were no restrictions in exercising the rights attached to shares.

The table below presents specification of issued shares by series:

Series/ Issue	Type of shares	Type of preferential rights attached to shares	Par value	Number of shares	Share in the total number of shares	Number of votes	Share in the total number of votes
Series B1	ordinary bearer	none	PLN 1	1,313,000	8.11%	2,626,000	15.01%
Series C3	ordinary bearer	none	PLN 1	1,674,771	10.35%	1,674,771	9.57%
Series C1	Ordinary bearer	none	PLN 1	1,069,294	6.61%	1,069,294	6.11%
Series C2	Ordinary bearer	none	PLN 1	1,199,987	7.41%	1,199,987	6.86%
Series D	ordinary bearer	none	PLN 1	202,000	1.25%	202,000	1.15%
Series E	Ordinary bearer	none	PLN 1	1,764,621	10.90%	1,764,621	10.08%
Series F	ordinary bearer	none	PLN 1	1,600,000	9.88%	1,600,000	9.14%
Series G	Ordinary bearer	none	PLN 1	269,000	1.66%	269,000	1.54%
Series I	ordinary bearer	none	PLN 1	4,250,000	26.26%	4,250,000	24.28%
Series K	Ordinary bearer	none	PLN 1	115,000	0.71%	115,000	0.66%

⁹ On 11 September 2025, shareholders Andrzej Przybyło, holding 1,316,200 shares in the Company's share capital, representing an 8.13% interest in the Company's share capital, and Iwona Przybyło, holding 1,749,052 shares in the Company's share capital, representing a 10.80% interest in the Company's share capital, concluded a transaction for the sale of the shares held (a total of 3,065,252 shares, representing an 18.93% interest in the Company's share capital).

TOTAL:	16,187,644	100.00%	17,500,644	100.00%
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Shareholding structure

Shareholders holding over 5% of the total number of votes at the General Meeting of the Shareholders of AB S.A. as at 30 September 2025.¹⁰:

Shareholders	number of shares	% of shares	number of votes	% votes
Nationale-Nederlanden OFE (*)	2,734,339	16.89%	2,734,339	16.89%
Allianz Polska OFE	1,935,054	11.95%	1,935,054	11.95%
Vienna OFE	1,105,972	6.83%	1,105,972	6.83%
OFE PZU	995,549	6.15%	995,549	6.15%
PKO BP Bankowy OFE	931,014	5.75%	931,014	5.75%
Uniqa OFE	856,327	5.29%	856,327	5.29%
Others	7,629,389	47.13%	7,629,389	47.13%
Total	16,187,644	100.00%	16,187,644	100.00%

On 11 September 2025, shareholders Andrzej Przybyło, holding 1,316,200 shares in the Company's share capital, representing an 8.13% interest in the Company's share capital, and Iwona Przybyło, holding 1,749,052 shares in the Company's share capital, representing a 10.80% interest in the Company's share capital, concluded a transaction for the sale of the shares held (a total of 3,065,252 shares, representing an 18.93% interest in the Company's share capital).

XXIX) INFORMATION ON CONTRACTS KNOWN TO THE ISSUER (ALSO AFTER THE BALANCE SHEET DATE) AS A RESULT OF WHICH CHANGES MAY OCCUR TO THE SHAREHOLDING OR BOND HOLDING STRUCTURE

The Management Board is not aware of any contracts as specified above.

XXX) INFORMATION ON PURCHASE OF TREASURY INTERESTS (SHARES)

On 06 August 2024, the Management Board of AB S.A. adopted another Issuer's Share Buyback Programme.

The subject of the purchase is fully paid-up bearer Shares of the Issuer, dematerialised, admitted to trading on the regulated market operated by the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) and designated with the following code ISIN: PLAB00000019. Shares are acquired by AB S.A. for the purpose of redemption or to finance the price of acquisitions of other entities by the Company. The maximum amount earmarked for the Programme (funding of the acquisition of Shares together with their acquisition costs) is PLN 100,000,000.00. The maximum number of Shares to be acquired under the Programme is 3,165,442.

The minimum purchase price of the shares may not be less than PLN 1 per share and may not be more than PLN 114.50 per share.

The Programme commenced on 28 August 2024 will continue until 04 March 2027 or until the above-indicated Maximum Amount has been utilised. The Management Board of AB S.A. may

¹⁰ on the basis of notifications received, in accordance with the Act on Offering

terminate the Programme before this date. The rules for the acquisition of shares are described in current report No. RB 17/2024 of 6 August 2024 and No. RB 21/2024 of 30 August 2024.

The funds earmarked for the acquisition of the Shares will come from the reserve capital created for this purpose under Resolution No. 18/ZWZA/2024 of the Ordinary General Meeting of Shareholders of AB S.A. of 6 March 2024. The Shares will be redeemed by way of a reduction in the share capital or earmarked to finance the price of acquisitions by AB S.A. of other entities.

Under this Programme, AB S.A. repurchased 109,799 shares for TPLN 10,567. The share price was between PLN 85.6 and PLN 110.6.

As at 30 September 2025, the number of shares repurchased (taking into account the Issuer's previous Share Repurchase Programmes) is 470,232 with a value of TPLN 29,121. Treasury shares represented 2.90% of the share capital and gave 2.90% of the total number of votes at the General Meeting.

XXXI) INFORMATION ON THE CONTROL SYSTEM OF EMPLOYEE SHARE SCHEMES

The Supervisory Board is entitled to determine the parameters and the rules for allotting shares to employees pursuant to the authorisation granted by the General Meeting; the Supervisory Board determines financial parameters for the period and subsequently controls and verifies the way they are implemented.

XXXII) INFORMATION ON THE AUDIT FIRM

1. DETAILS OF THE AUDIT FIRM

UHY ECA Audyt Spółka z ograniczoną odpowiedzialnością, ul. Połczyńska 31A, 01-377 Warsaw, entered in the register of entrepreneurs of the National Court Register kept by the District Court for the Capital City of Warsaw, 12th Commercial Division of the National Court Register under Registration number (KRS): NIP 0000487588 675-14-92-461, REGON: 122994138, entered in the list of audit firms kept by the Polish Agency for Audit Supervision under number 3886.

2. INDICATION OF THE AUTHORITY THAT HAS SELECTED THE AUDIT FIRM

The Supervisory Board of AB S.A. was the authority that had selected the audit firm.

3. DATE OF THE AUDIT CONTRACT

The agreement concluded on 16 November 2022 includes:

- carrying out a review of the separate and consolidated financial statements for the six-month period ending 31 December 2022 and 31 March 2024 and 31 March 2025,
- auditing the separate and consolidated financial statements for the 15-month period of the financial year ending 30 September 2023 and the 12-month period of the financial year ending 30 September 2024 and the financial year ending 30 September 2025, including an assessment of the compliance of the consolidated financial statements with the ESEF,
- evaluation of the remuneration report.

On 30 September 2024, an annex to the agreement amending the audit firm's remuneration was concluded in connection with the merger of Rekman Sp. z o.o. and B2B IT Sp. z o.o. with AB S.A. At the same time, the contracts for auditing the financial statements of Rekman Sp. z o.o. and B2B IT Sp. z o.o. were terminated.

On 11 June 2025, an agreement for auditor attestation services was concluded Group sustainability reports for the financial year ending 30.09.2025.

4. REMUNERATION OF THE AUDIT FIRM

Net remuneration (payable or paid) to the audit firm for the audit of the financial statements under existing contracts relating to the financial years 2023/2024 and 2024/2025 is presented in the table below:

Type of services	2024/2025 PLN'000	2023/2024 PLN'000
Audit firm	UHY ECA	UHY ECA
Mandatory audit of the annual financial statements (1)	168	198
Review of the financial statements (2)	85	66
Evaluation of the remuneration report	8	8
Assessment of compliance with the ESEF	8	8
Attestation of the sustainability report	90	-
TOTAL	358	280

- 1) Audit fees for the separate and consolidated financial statements for the financial year covering the 15-month period ending 30 September 2024 and the 12-month period ending 30 September 2025.
- 2) Remuneration for the review of the separate and consolidated financial statements for the first half of the financial year covering a period of 6 months ending on 31 March 2024 and 31 March 2025.

XXXIII) SUSTAINABILITY REPORT

1. GENERAL DISCLOSURES

1.1. BASIS FOR PREPARATION

1.1.1. BP-1 GENERAL BASIS FOR PREPARATION OF SUSTAINABILITY STATEMENTS

The basis for the preparation of this Sustainability Report (hereinafter: "Report") is the Accounting Act of 29 September 1994 and the European Sustainability Reporting Standards (ESRS).

The Report has been prepared in consolidated form.

The same entity scope for consolidation was adopted as for the consolidated financial statements for the financial year 2024/2025.

In the financial year 2024/2025, none of the consolidated subsidiaries are exempt from individual or consolidated sustainability reporting.

The Report applies to the upstream and downstream value chain of the AB Group in the explicit disclosures indicated.

The Company has not taken the opportunity to omit specific information relating to intellectual property, know-how or innovation results.

The Company has not taken advantage of the exemption to disclose information on expected events or matters under negotiation.

1.1.2. BP-2 DISCLOSURE IN RELATION TO SPECIFIC CIRCUMSTANCES

Time perspectives

The Company did not adopt its own definitions of medium- and long-term time horizons.

Value chain estimation

Measures involving upstream or downstream value chain data were partly estimated using indirect sources such as sector average data or other proxies.

The estimation included measures for direct and indirect carbon footprint emissions, where emission factors available from public and non-commercial databases were taken into account. In calculating the carbon footprint of the value chain, the Company relied on databases such as:

- KOBiZE – National Balancing and Management Centre
- DEFRA – Department for Environmental, Food & Rural Affairs, AIB – Association of Issuing Bodies
- ADEME – The French Agency for Ecological Transition
- MPO.GOV.CZ – Ministry of Industry and Trade of the Czech Republic

The approach described in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Appendix to the GHG Protocol Corporate Accounting and Reporting Standard) was used to assess the level of accuracy obtained. The Company assesses that the achieved level of accuracy of the indicators is good. This assessment was based on an analysis of data availability, reliability and replicability of the estimation methods used.

The Company assumes that in future years it will be possible to source emission factors directly from suppliers, so as to reduce the proportion of factors used in calculations and derived from databases.

Sources of estimates and uncertainty of results

Areas subject to a high level of measurement uncertainty, particularly in the context of future period forecasts, include the measurement of the likely scale of the financial impact of sustainability risks and opportunities.

Sources of measurement uncertainty arise from the use of an expert approach in estimating financial impact in the process of assessing risks and opportunities.

In the process of assessing risks and opportunities, the Company refers to future and uncertain events while relying on the experience of past events. The valuation was carried out by teams comprising relevant professionals and members of management.

Changes in the preparation or presentation of information on sustainable development

This Report is the first sustainability report prepared in accordance with the ESRS and therefore:

- a) there are no changes in the preparation or presentation of sustainability information,
- b) no reporting errors were identified in previous periods.

Use of progressively implemented regulations in accordance with Appendix C of ESRS 1

The AB Group has taken advantage of the transitional provision in the phased-in disclosure requirements, which provide that selected disclosures can be omitted in the first year of reporting. This applies to the following disclosures:

- a) ESRS 2 SBM-3 paragraph 48(e)
- b) E5-6 Anticipated financial impacts from risks and opportunities related to resource use and the circular economy.

Note: An entity can comply with ESRS E5-6 by only making qualitative disclosures for the first three years of the sustainability statement.

- c) S1-7 – Characteristics of non-employees constituting the entity's own workforce
- d) S1-11 – Social protection
- e) S1-14 – Health and safety at work

Disclosure by reference

Within this Report, the Company has incorporated the ESRS disclosure by reference for the following matters:

ESRS 2 SBM-1 paragraph 40 – information on product offerings, markets served, including sales and supply markets.

1.2. CORPORATE GOVERNANCE

1.2.1. GOV-1 THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

This disclosure has been prepared at the level of the Company as parent entity and includes a description of the composition, competence and role of the Company's management and supervisory bodies in overseeing sustainability issues across the AB Group.

The parent company exercises control over its subsidiaries primarily through full ownership (100% of shares) and direct corporate governance, exercised through the sitting of the Company's representatives on the management and supervisory bodies of the subsidiaries. This model provides the ability to make strategic decisions and control key areas of the business, including the implementation of group policies.

There are no separate controls dedicated to sustainability issues within the AB Group; oversight of these issues takes place within the overall corporate governance and ownership structure. The parent company is responsible for approving group-level strategies, policies and reporting, and the subsidiaries implement these guidelines in accordance with accepted group standards.

The Company has a Management Board as the governing body and a Supervisory Board as the supervisory body.

Management Board – 4 members

ANDRZEJ PRZYBYŁO – President of the Management Board

Graduate of the University of Wrocław. He has pursued a career in IT and business. Founder and, until 2025, one of the main shareholders of the Company, where he has been President of the Management Board since 1998. He has more than 30 years of experience in the industry in which the AB Group operates. As President of the Management Board, he represents the Company externally, directs the work of the Management Board, presides at meetings of the Management Board and coordinates its work.

KRZYSZTOF KUCHARSKI – Vice-President of the Management Board, Head of Corporate and Legal Affairs

Legal counsel, graduated from the Faculty of Law and Administration at the University of Wrocław and completed his legal training at the Regional Chamber of Legal Counsels in Wrocław. His professional experience includes academic work at the University of Wrocław and at an international law firm. He has 30 years of experience in independent provision of services to large business entities. He also advised entities in the banking sector. He has been with the AB Group since 1998 and has been on the Management Board since 2010. His remit includes managing corporate affairs and leading the legal and human resources division.

ZBIGNIEW MAJDRY – Vice-President of the Management Board, Commercial Director

Graduate of the University of Management (The Polish Open University – Oxford Brookes University) and the Academy of Physical Education in Wrocław at the Faculty of Physical Recreation. He holds an MBA degree. He has been with the AB Group since 1992, starting as a salesman and working his way up to Commercial Director. He has served on the Company's Management Board since 1998. He is currently responsible for all purchasing policy, sales, logistics and marketing.

GRZEGORZ OCHĘDZAN – Vice-President of the Management Board, Chief Financial Officer

Graduate of the Faculty of Information Technology and Management at the Wrocław University of Technology and of the Tax Studies Program at the Modzelewski and Partners Institute for Tax Studies. Additionally, he has completed a series of courses in finance, accounting, management and psychology of negotiation. He is a co-author of books on the safety of foreign exchange transactions and a series of scientific publications. He has more than 20 years of experience in financial management, which he has gained, among others, at PKO BP S.A., IT companies JTT Computer or TETA S.A. and while working as an economic and financial director at RUCH S.A. (2006-2007), Economic and Financial Director at the energy concern EnergiaPro S.A. (2006-2007) and at ADe Line S.A. (2004-2008). He has been on the Company's Management Board since 2009 and serves as Chief Financial Officer. His scope of action includes the management of the administrative and financial division of the Company.

Supervisory Board – 6 members

Jan Woźniak – Chair of the Supervisory Board, Member of the Nomination and Remuneration Committee (appointed to the Supervisory Board on 31.07.2025)

Graduate of the Warsaw School of Economics (Foreign Trade, Banking and Finance), licensed stockbroker. He has been involved in the financial sector for more than 30 years and has served on the supervisory boards of WSE-listed companies for 17 years, including sectors similar to those of the AB Group: IT, commerce, manufacturing and finance. Experience includes companies operating in Poland and Central and Eastern Europe, including Ferro, Tarczynski, MLP Group, Luneos Green Energy and previously Sanok Rubber, Mennica Polska, Polimex-Mostostal and Sygnity. He runs a consultancy firm specialising in VC/PE investments and M&A advisory. According to the declaration submitted, Mr Jan Woźniak meets the independence criteria referred to in Article 12.5 of the Company's Articles of Association, has knowledge and skills in accounting or auditing, and has knowledge and skills in the industry in which the Company operates.

Iwona Przybyło – Deputy Chair of the Supervisory Board, Member of the Nomination and Remuneration Committee

Founder and, until 2025, one of the main shareholders of the Company. She has served on the Supervisory Board since the Company's incorporation in 1998, and thus has many years of experience overseeing its activities and the sectors, products and territories of the AB Group.

Tomasz Mazurczak – Member of the Supervisory Board, Chair of the Audit Committee (appointed to the Supervisory Board on 31.07.2025)

Graduate of the Poznań University of Economics (Foreign Trade), for more than 30 years associated with investment banking and the capital market, licensed investment advisor. He has extensive experience in sectors of relevance to the AB Group, such as trade, manufacturing and financial services, with a particular focus on Central and Eastern European markets. He has served on the supervisory boards of companies listed on the WSE, including Sanok Rubber, GTC, Warimpex, Elektrobudowa, OEX and currently Ferro S.A., Comp S.A. and chairs the audit committee of Odlewnie Polskie S.A. According to the statement submitted, Mr Tomasz Mazurczak meets the independence criteria referred to in Article 12.5 of the AB S.A. Articles of Association and has knowledge and skills in accounting or auditing.

Robert Jasiński – Member of the Supervisory Board, Chair of the Nomination and Remuneration Committee (appointed to the Supervisory Board on 31.07.2025)

Graduate of the University of Lodz (Economic Cybernetics and Computer Science) with international certificates CGMA and ACCA. He has more than 30 years of experience in financial management and controlling in AB Group S.A.'s key sectors such as IT, telecommunications, infrastructure and industry, with a strong focus on Central and Eastern European markets. He has held management and supervisory positions in international companies, including PKN Orlen (Poland, Germany, Lithuania, Czech Republic), Netia, COMARCH, Seco-Warwick, as well as in strategic and transactional consulting. Experience includes asset integration, restructuring and business development in the CEE region. According to the statement submitted, Mr Robert Jasiński meets the independence criteria referred to in Article 12.5 of the AB S.A. Articles of Association, has knowledge and skills in accounting or auditing, and has knowledge and skills in the industry in which AB S.A. operates.

Michał Wnorowski – Member of the Supervisory Board, Member of the Audit Committee (appointed to the Supervisory Board on 31.07.2025)

Capital market expert with 30 years of experience in investment management and corporate governance, with a particular focus on companies in the trade, manufacturing, services and new technology sectors – key for AB Group. He has extensive practice in the analysis and development of companies operating in Poland and in the markets of Central and Eastern Europe. He has served on the supervisory boards of a number of listed companies, including those in the industrial, real estate, e-

commerce and technology sectors, which provides in-depth knowledge of the products and business models material to AB Group's operations. According to the statement submitted, Mr Michał Wnorowski meets the independence criteria referred to in Article 12.5 of the AB S.A. Articles of Association and has knowledge and skills in accounting or auditing.

Jacek Łapiński – Member of the Supervisory Board, Member of the Audit Committee

A graduate of the Wrocław University of Economics (Management and Marketing), he has been involved in the IT industry and the distribution of computer hardware for years – operating under the Vobis Microcomputer brand. Since 1999, he has continuously served on the Supervisory Board of AB S.A., providing in-depth knowledge of the technology distribution market in Poland and Central and Eastern Europe and experience in overseeing product development and strategy in the IT sector.

In addition, during the reporting period, the Supervisory Board also comprised:

Marek Ćwir – Member of the Supervisory Board, Chair of the Audit Committee (mandate expired on 30 July 2025)

Graduate of the Warsaw School of Economics (Production Economics), licensed stockbroker with 30 years of experience in capital markets. He specialises in public offerings, mergers and acquisitions and financial advisory projects, supporting the development of companies in the trade, technology and services sectors – key for AB Group. Currently Managing Director at Pekao Investment Banking S.A., with experience of working for companies operating in Poland and the CEE region. He served on the Company's Supervisory Board from 2015 to 2025 while also being Chair of the Audit Committee functioning within the Board.

Jakub Bieguński – Member of the Supervisory Board, Member of the Audit Committee (mandate expired on 30 July 2025)

Graduate of the Warsaw School of Economics (Finance and Banking) with almost 20 years of experience in private equity, venture capital, strategic consulting and investment banking. He specialises in M&A projects, restructuring and corporate governance, supporting the development of companies in the technology, services and manufacturing sectors – key to AB Group. He gained experience at BRE Corporate Finance, Roland Berger and Santander Bank Polska, where he is a member of the Management Board of Santander Inwestycje. He has served on the supervisory boards of Polish companies operating in Central and Eastern European markets. He served on the Supervisory Board of the Company from 2015 to 2025, also being a member of the Audit Committee functioning within this Board.

Jerzy Baranowski – Member of the Supervisory Board, Member of the Audit Committee (mandate expired on 31 July 2025)

Entrepreneur with many years of experience in IT, hardware distribution and open source solutions and cloud technologies – key areas for AB Group. Founder and leader of the companies Commpol, B2B, Linux Polska and EuroLinux, which provide products and services for the largest entities in the banking, telecommunications, public and IT sectors in Poland and Central and Eastern Europe. It specialises in the development of innovative platforms and systems, supporting digital transformation and technology integration in the CEE region. He served on the Company's Supervisory Board from 2015 to 2025, while also being a member of the Audit Committee operating within it.

Wojciech Niesyto – Member of the Supervisory Board (mandate expired on 17 June 2025)

Graduate of the Warsaw School of Economics and foreign universities (Norwegian School of Economics, Vienna University of Economics), with more than 20 years of experience in investment banking, equity portfolio management and business development in international markets. He specialises in strategic projects and product expansion in the financial, technology and services sectors – key sectors for AB

Group. He gained experience at UBS Investment Bank in London, Aviva, Nordea and Adiuvo Investments, among others, with responsibility for sales development in foreign markets. Currently Partner at Kogito Ventures, supporting innovative ventures in the CEE region. He served on the Company's Supervisory Board from 2020 to 2025.

No member of the Company's Management Board or Supervisory Board has been appointed as a workers' representative or other persons providing labour.

The average ratio of women to men among members of the bodies is:

- a) Management Board: 0%
- b) Supervisory Board: $1/5 = 20\%$
- c) Management Board and Supervisory Board combined: $1/9 = 11.11\%$

The Company has not developed or applies a diversity policy for the members of the bodies; hence other aspects of diversity are not taken into account with regard to the composition of these bodies.

The percentage of independent members of the Supervisory Board is: $4/6 = 66.67\%$

The Management Board is the management (executive) body of the Company. The Company's Management Board operates on the basis of the provisions of the Code of Commercial Partnerships and Companies and the Company's Articles of Association. The detailed operating procedure is set out in the Regulations of the Management Board approved by the Supervisory Board.

The Management Board manages the Company's ongoing business and represents it in external relations. It also ensures transparency and effectiveness of the Company's management system and that its affairs are managed in line with the law and good practice. The Management Board operates as a collegiate body, however, the Regulations of the Management Board define the scope of action of the individual Board members (i.e. the areas which the individual Management Board members are in charge of). There are no separate roles and responsibilities for sustainability reporting within the Management Board, including oversight of impacts, risks and opportunities. Each member of the Management Board performs such roles and responsibilities in the areas assigned to him/her competently, under the direction and coordination of the President of the Management Board.

The Supervisory Board is a supervisory body and acts on the basis of the Rules of Procedure of the Supervisory Board approved by the General Meeting and within the limits arising from the provisions of the Code of Commercial Partnerships and Companies, the Articles of Association and resolutions of the General Meeting. The following standing committees function within the Supervisory Board:

- a) The Audit Committee, whose remit is defined by the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision and which includes, in particular, the monitoring of the financial reporting and sustainability process and the effectiveness of internal control and risk management systems and internal audit, in particular with regard to financial reporting and sustainability
- b) The Nomination and Remuneration Committee (established on 12 August 2025), whose tasks include, in particular, giving its opinion and monitoring the remuneration policy adopted and supporting the Company's bodies in supervising, shaping and implementing the policy, its timeliness, its compliance with the Company's practices and processes.

The Company has not entrusted any senior executive or committee with a leadership role in the corporate governance processes, controls and procedures used to monitor, manage and oversee impacts, risks and opportunities. Reporting in this area is embedded in the roles and tasks of the

various divisions of the Company, in accordance with their substantive areas of responsibility. There are no specific controls and procedures in place to manage impacts, risks and opportunities. The process of managing sustainability risks is embedded in the Company's overall risk management and control system, governed by the Risk Management and Control Policy and Procedure. Under this system, risk owners (those who manage the processes in which risks are generated) are responsible for identifying, assessing and controlling risks, the Management Board approves policies and procedures, appoints risk owners and the Risk Manager, decides on deviations, approves acceptable risk levels and reports, the Audit Committee monitors and evaluates the effectiveness of this system, and the Risk Manager is responsible for the aggregation and reporting of data, the substantive support of risk owners, the coordination of solutions adopted in individual processes, and the compliance of the system with the state of the art and formal requirements.

During the reporting period, the AB Group did not set targets related to material impacts, risks and opportunities, hence it is not possible to describe how the Company's bodies and senior management oversee their setting and monitor progress towards their achievement.

The skills and expertise of the members of the Company's bodies are cited in their biographical notes. The members of the bodies have the relevant skills and expertise through many years of experience in managing the Company (applies to the members of the Management Board) and many years of experience in supervising public interest entities (applies to the members of the Supervisory Board). In addition, the Company, and thus the members of its bodies within the scope of their assigned tasks, used the services of experts in the area of specific sustainability issues, in particular in the area of identification of material impacts, risks and opportunities and management of environmental issues, including the identified material impacts, risks and opportunities in this area. The Company is also consistently building its own competence in sustainability issues, through the training of its own workforce, particularly those involved in the sustainability reporting process. These trainings ranged from workshops for senior management to training individually for individual employees involved in reporting.

GOV-1 – G1

The Management Board and the Supervisory Board create an organisational culture based on integrity, transparency and accountability. The Management Board promotes ethical principles in the Company's day-to-day operations, while the Supervisory Board exercises control to ensure that these principles are respected and that the Company's actions are in line with its values. Cooperation between the two bodies is key to building a sustainable reputation and trust among stakeholders.

The Management Board defines the organisation's ethical values and communicates them to employees, in particular through the codes and policies it adopts, which will set standards of conduct for all employees. The Management Board also creates an environment conducive to the safe reporting of irregularities and concerns, including those of an ethical nature. An important task of the Management Board is also to transparently inform stakeholders about the company's ethics and social responsibility actions.

As part of its supervision of the Company's activities, the Supervisory Board monitors whether the Management Board complies with the law, the Company's Articles of Association and internal regulations. Its role is to assess the adequacy and effectiveness of the Company's systems of internal control, risk management and regulatory compliance.

The achievement of these targets is possible thanks to the broad knowledge and diverse competences of the members of both bodies, and the effectiveness of the actions taken is guaranteed by their many years of experience gained in managing the Company and in other business entities.

1.2.2. GOV-2 INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Sustainability issues are part of the areas of responsibility of the Company's various organisational divisions. Hence, the Company's bodies are informed of these issues in the course of day-to-day operations within their respective areas of responsibility. The persons in charge of the various departments set apart in the organisational structure of the Company and the AB Group report within the scope of their competence to the members of the Management Board to whom they report. The Management Board, in turn, presents material issues to the Supervisory Board, including the Audit Committee operating within it, in the course of the ongoing cooperation between these bodies, as part of the Management Board's exercise of its disclosure obligations towards the Supervisory Board. During the reporting period, this information related in particular to the policies and procedures adopted by the Management Board, including the 'Health and Safety Policy' and the 'Climate and Environmental Policy', as well as issues related to cyber-security, an issue that was addressed by the Audit Committee. The identified impacts, risks and opportunities were not taken into account during the reporting period when overseeing the Company's strategy, major transaction decisions and risk management processes, nor were the trade-offs associated with these impacts, risks and opportunities considered.

During the reporting period, the Management Board and Supervisory Board dealt in particular with the following impacts, risks and opportunities:

1. Overview of the results of the double materiality assessment
2. Cyber security
3. Adequate pay
4. Occupational health and safety
5. Employment security and workplace violence prevention measures
6. Climate change mitigation, energy and the circular economy

1.2.3. GOV-3 INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE INTO INCENTIVE SCHEMES

Members of the Management Board and Supervisory Board are not offered incentive schemes linked to sustainability issues.

GOV-3 E1

Climate-related issues are not included in the remuneration of the members of the Management Board and Supervisory Board.

1.2.4. GOV-4 STATEMENT ON DUE DILIGENCE

Policies and procedures are successively being implemented in the AB Group, one of the objectives of which is to exercise due diligence in the area of sustainability. The table below summarises the points in this Report where elements relating to the due diligence process are discussed:

BASIC ELEMENTS OF THE DUE DILIGENCE PROCESS	POINTS IN THE SUSTAINABILITY REPORT
(a) Integrating due diligence into corporate governance, strategy and business model	1.2.2. (GOV-2), 1.3.3. (SBM-3)
(b) Engagement with affected stakeholders at all key stages of the due diligence process	1.3.2. (SBM-2), 1.4.1. (IRO-1); 3.1.2. (S1-2), 3.1.3. (S1-3)
(c) Identification and assessment of adverse impacts	1.4.1. (IRO-1), 1.3.3. (SBM-3)
d) Taking action to reduce identified adverse impacts	2.2.3. (E1-3), 2.3.2. (E5-2), 3.1.4. (S1-4), 3.2.4. (S2-4), 3.3.4. (S4-4)
(e) Monitoring the effectiveness of these efforts and providing relevant information in this regard	2.2.4. (E1-4); 2.2.5. (E1-5); 2.2.6. (E1-6); 2.3.3. (E5-3); 2.3.4. (E5-4); 2.3.5. (E5-5); 3.1.4. (S1-4); 3.1.12. (S1-5); 3.1.13. (S1-9, S1-14, S1-17); 3.2.5. (S2-5); 3.3.4. (S4-4); 3.3.5. (S4-5)

1.2.5. GOV-5 RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

Scope, main features and elements of processes and systems:

The Company has a system of risk management and internal control in place that covers all stages of the preparation of a sustainability report that complies with the requirements of the CSRD and ESRS standards. This system is embedded in the overall system of intra-corporate communication and internal control and includes:

- identifying and assessing the risks associated with sustainability reporting,
- data quality control mechanisms,
- verification of the report's compliance with regulations.

The Management Board is responsible for putting in place and ensuring the operation of an effective internal control system. The Audit Committee is responsible for monitoring the sustainability reporting process and the effectiveness of the internal control systems and reporting its findings to the Supervisory Board, which oversees the effectiveness and adequacy of the internal control system.

Risk assessment approach

The Company's risk assessment is based on an analysis of the materiality of the risk, an analysis of the likelihood of its occurrence and its potential impact. In the risk assessment, the highest priority is given to risks with a high likelihood and a material impact on compliance with legal requirements and the quality of disclosures.

However, with regard to the risks identified in terms of the sustainability reporting process, the Company has not prioritised them, due to the fact that sustainability reporting is being carried out for the first time for 2024/2025, thus it will only be possible to fully assess and prioritise these risks once the first full process of this reporting has been carried out, as well as to verify the risks already identified for their adequacy and completeness.

Main risks identified and mitigation strategies

- Incomplete or inconsistent data – verification of data sources and reconciliations between systems
- Non-compliance with ESRS/CSRD – continuous regulatory monitoring and training for reporting teams.
- Indicator calculation errors – use of automated checks and double verification by dedicated entities, including use of external experts.

Integration of findings into internal processes

Risk assessment and controls for sustainability reporting are fully integrated into the entity's financial reporting processes. There are no separate risk assessment systems or separate controls in place for this reporting – the existing performance standards of the organisational units involved in the reporting process cover both financial and non-financial data. The coordination of the sustainability reporting process is the responsibility of the finance division, which is in charge of financial reporting to ensure consistency in the procedures, controls and schedules used. As a result, the internal control system and risk management processes that are in place for the preparation of financial statements naturally extend to sustainability reporting.

Periodic reporting of findings to supervisory authorities

The Management Board, the Supervisory Board and the Audit Committee functioning within the Supervisory Board are involved in and monitor the reporting processes on an ongoing basis as an integral part of the Company's and the AB Group's reporting. There are no separate schedules or controls dedicated solely to sustainability reporting – these actions are carried out together as part of the overall reporting process, which includes both financial and sustainability reporting. Information on risks, controls and the findings of their assessment are communicated to supervisors as part of standard reporting procedures, ensuring consistency and effectiveness of supervision.

1.3. STRATEGY

1.3.1. SBM-1 STRATEGY, BUSINESS MODEL AND VALUE CHAIN

The AB Group operates in the IT, consumer electronics, software, consumer electronics/appliances and toys markets. The AB Group's offer is addressed predominantly to B2B customers, nevertheless, there are also online shops within the AB Group whose offer is addressed to the general public – including consumers (within the activities of the subsidiaries Alsen Marketing sp. z o.o. in Poland and Comfor Stores a.s in the Czech Republic).

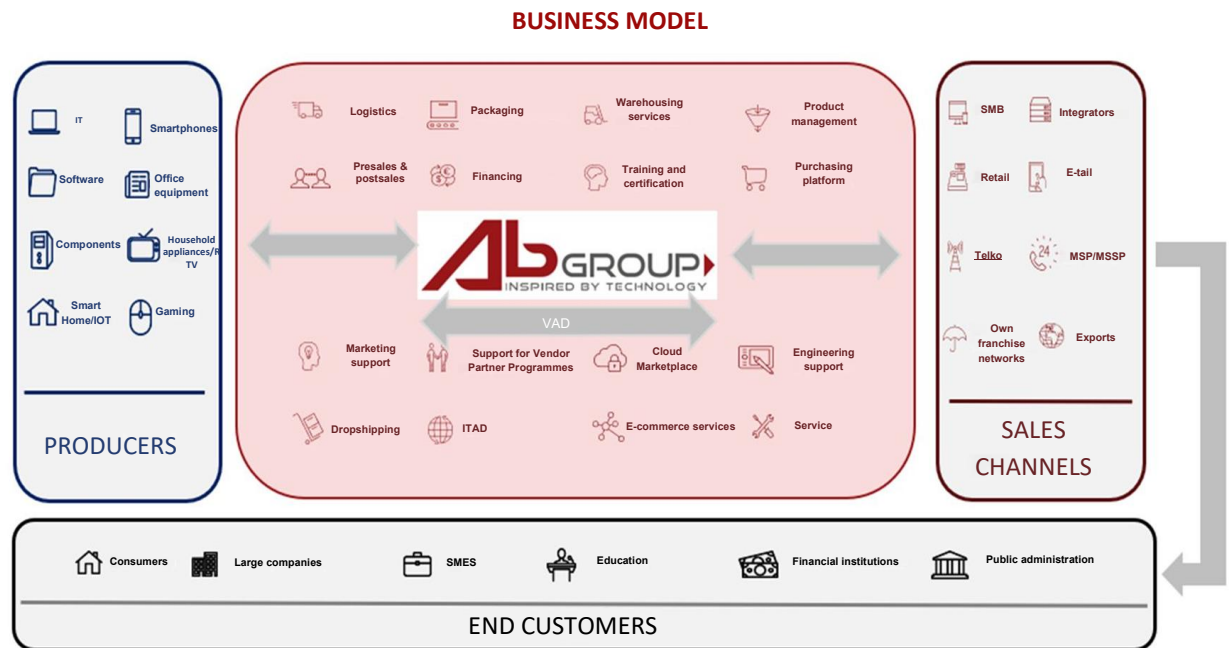
Information on the product range and the markets served, including sales and supply markets, is provided in the sections: IX and X of the AB Group Management Report.

At the end of the reporting period, the AB Group had 1137 employees. Of the above employees, 706 were employed in Poland, 399 in the Czech Republic and 32 in Slovakia.

During the reporting period, the AB Group did not set sustainability targets.

The AB Group implements a strategy that is based on keeping a leadership position on all three markets on which it operates, while maintaining a safe and stable model of operations with regard to products, territory, the customer base, and business financing. However, in implementing its strategy, the AB Group pays attention to ensure that its development is sustainable, understood as caring for the environment, the local community and its employees, appropriate waste management, as well as taking measures to reduce the adverse impact on the environment (such as reducing energy

consumption and emissions by investing in photovoltaic installations or modernising lighting systems through the implementation of energy-efficient LED technology). One of the projects consistently pursued and developed by the Company is the investment in a photovoltaic plant, for which a target of expansion to 1 MW by 2027 has been set.



The AB Group, as one of the largest distributors of IT, consumer electronics and e-commerce solutions in Central and Eastern Europe, operates on the basis of a broad product portfolio (over 100,000 items), modern logistics facilities and developed B2B and B2C sales platforms. The Group’s business model is based on value-added distribution (VAD), cloud services, logistics, service and technical and educational support for partners.

In implementing the adopted business model, the AB Group systematically invests in the resources necessary to conduct its own operations, incurring expenditure in the form of financial resources that provide access to key elements such as employees, technical infrastructure and IT solutions supporting purchasing processes and sales support, so as to guarantee the highest quality of cooperation with counterparties and customer service.

The Company assesses that its financial resources enable it to implement its business plans, including capital investments, safely and in line with its objectives. Details of the AB Group’s results for 2024/2025 can be found in section III, subsections 3 and 4 of the Report of the Management Board on the Operations. Stable financial results are an added value for all stakeholders, strengthening the sustainability of cooperation and the image of the AB Group as a reliable business partner – both in relations with suppliers, customers and investors.

The AB Group’s value chain encompasses business relationships from the sourcing of raw materials, through its own operations, to the use and utilisation of its products by customers.

Upstream – pre-operational supply chain

In the upstream segment, a group of Tier 1 counterparties in the value chain has been identified as key, which includes:

- **Goods manufacturers** – producing final products such as ICT equipment, software, household appliances/consumer electronics, toys, components and parts.

- **Service providers** – supporting our operations through transport, supplying energy for our own use and providing marketing services.
- **Financial institutions** – providing financing and insurance services.

Relationships with these entities are key to ensuring operational continuity.

Own operations – actions controlled by the organisation

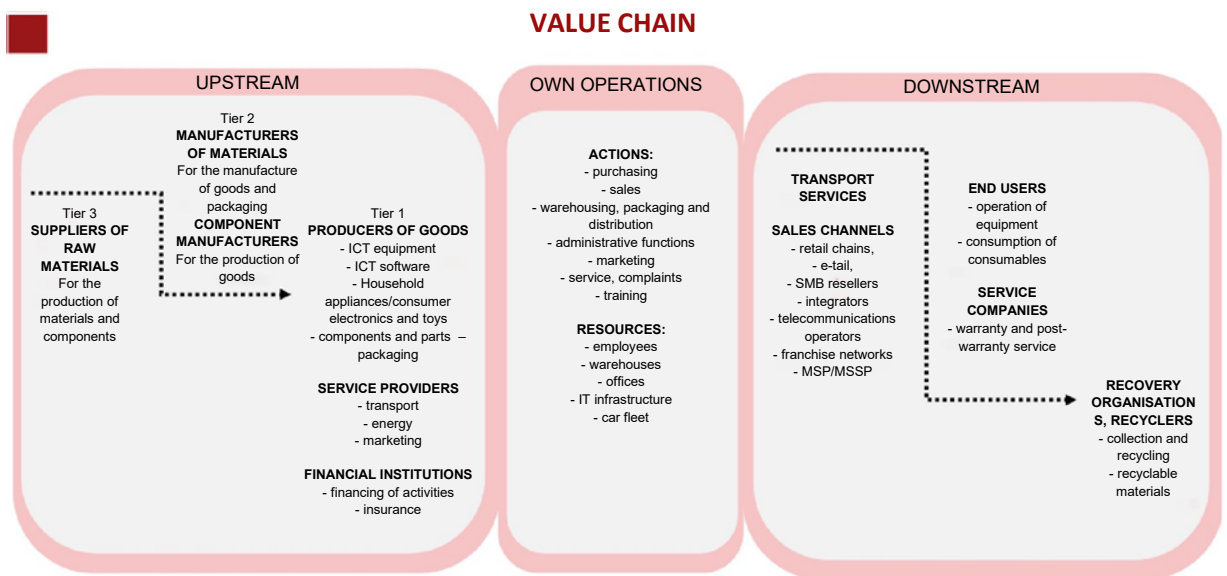
The AB Group’s own operations comprise all processes carried out directly by the organisation. They include:

- **Operational actions** such as purchasing, sales, warehousing, packaging, shipping, customer service, marketing, administrative and training actions.
- **Resource management**, including personnel, IT infrastructure, vehicle fleet, offices and warehouses.

Downstream – post-operational value chain

The products and services distributed by the AB Group reach end customers through a variety of distribution channels. The downstream segment includes:

- **Transport services** – enabling the delivery of products to points of sale and end users.
- **Sales channels** such as retail chains, e-commerce, SMB resellers, integrators, telecom operators and financial networks.
- **End users** who operate our products and use consumables.
- **Service companies**, responsible for repairs and warranty service.
- **Recovery and recycling organisations** that collect used products, recycle them and recover secondary raw materials.



1.3.2. SBM-2 INTERESTS AND VIEWS OF STAKEHOLDERS

The AB Group has a stakeholder identification and engagement process as part of its sustainability reporting, integrated into its overall reporting and communication processes. The AB Group identified stakeholder groups for the double materiality assessment.

i) Key stakeholders of the AB Group

The AB Group has identified key stakeholders in two main circles:

- The first circle – employees, as the people towards whom the most sustainability and environmental impacts were recorded.
- The second circle – customers and suppliers (due to business interdependencies in the value chain) and shareholders, banks, insurers and bondholders (due to financial and decision-making importance).
- The third circle – stakeholders in the business orbit – consumers and end users of products and employees in the value chain.

Additional stakeholders (affected communities, including the local community, as well as schools, universities, competitors, industry organisations, community organisations, media, government, regulator) have not been labelled as key due to the AB Group's limited influence on these stakeholders.

(ii) The AB Group works directly with the following key stakeholders in the first and second circles.

- With employees – through ongoing communication, consultation with workers' representatives, particularly on working conditions and safety.
- With customers and suppliers – as part of purchasing processes, quality audits, exchange of product information and market expectations.
- With shareholders, banks, insurers and bondholders – through financial and non-financial reporting, as well as briefings.

With regard to the environment, the AB Group takes into account scientific reports and studies (including climate standards or scenario analyses).

(iii) Stakeholder engagement is integrated into the AB Group's operational and reporting processes.

Mechanisms include:

- periodic customer surveys,
- ongoing contacts with suppliers and customers along the value chain,
- financial and non-financial reporting, which primarily benefits financial institutions and shareholders.

In addition, as part of the double materiality assessment, the AB Group engaged key stakeholders in a survey process to find out their views on sustainability issues, to identify and assess AB Group's impacts and, in some cases, to obtain information about their own organisations. The results of the survey were used in the materiality analysis and in defining priorities for sustainability reporting. The surveys were addressed to representatives of the following stakeholder groups: own workforce, customers, suppliers, financial institutions and shareholders.

(iv) The purpose of stakeholder engagement is:

- the identification and assessment of the AB Group's impacts on key stakeholders,
- obtaining the information necessary for reporting,
- incorporate stakeholder expectations into the strategy and product offering where possible.

(v) Conclusions from stakeholder engagement are used in:

- materiality assessment process,
- identifying possible sustainable development measures, including pro-environmental ones, and defining their implementation priorities,
- adapting the offer to market expectations (e.g. facilitating access to product eco-labels),
- improving working conditions and HR policies.

As part of the AB Group's double materiality assessment, one of the main additional criteria for AB Group's self-assessment was the results of surveys conducted among key stakeholders. They provided an in-depth understanding of how stakeholders perceive the AB Group's potential impacts – both adverse and positive – in the environmental, social and corporate governance areas.

The opinions collected were primarily used to identify topics that may involve material impacts of the AB Group. This process did not focus on defining strategic objectives, but on identifying areas where AB Group's actions could have a material impact on the environment and stakeholders.

In addition, the AB Group continually analyses and incorporates into its own operations the sustainability requirements of its counterparties, as communicated through the counterparties' policies and codes, queries and surveys addressed to the AB Group, and audits – both by its own counterparties and by external certification bodies such as EcoVadis¹¹. On this basis, the AB Group continuously improves its policies and procedures and identifies and prioritises possible sustainability measures.

The Management Board and the Supervisory Board are informed of the opinions and interests of the various stakeholder groups through the usual channels of communication and information transfer between the subordinate organisational units and the Management Board, which communicates with the Supervisory Board. This information is provided both at the notification stage of documents submitted by contractors, information provided to contractors (as part of responses to questionnaires and queries sent), through the presentation of the results of audits and external evaluation processes, as well as through the double materiality assessment and the results of stakeholder surveys. In addition, the Company's bodies have direct contact with shareholders, primarily through regular investor meetings.

SBM-2-S1

The interests, views and rights of the AB Group's own workforce are central to its strategy and business model. Direct communication within individual divisions plays a key role, supported by general communication – the internal intranet and email. An important role is played by workers' representatives, who are consulted as required by law on employee issues, in particular health and safety, social benefits or whistleblower protection. Although the opinions and views of its own

¹¹ <https://ecovadis.com/about-us/>

workforce do not directly influence the formation of the AB Group's strategy or business model, its activities have always been conducted with respect for their rights and interests. Taking employees' needs into account is an enduring part of the organisational culture and approach to social responsibility.

As part of the process of assessing materiality and identifying material impacts, the entity has included the results of employee surveys as one additional criterion to support the identification of areas where activities may affect the well-being, safety and development of its employees.

SBM-2-S2

As a general rule, the AB Group does not have a direct relationship with the human resources of external parties in its value chain, such as suppliers, subcontractors or other business partners. Nevertheless, as part of the materiality and due diligence assessment process, the entity considers the potential impacts of its activities on the rights and working conditions of those employed by third parties. In particular, employees in the value chain but working in facilities under the control of the AB Group are provided with safe and hygienic working conditions on the same basis as the company's own workforce.

Given the limited opportunity for direct dialogue with these groups, the entity relies on available secondary sources, published audit results, supplier declarations and general industry risk analyses. In doing so, it seeks to identify areas where its activities may indirectly affect employment conditions, respect for human rights and labour standards in the supply chain.

SBM-2-S4

The AB Group's business model is primarily based on sales through indirect distribution channels. Hence, in the course of its business, the opinions of consumers and end users are passed on to it indirectly through reseller contractors and manufacturers. Occasionally, the AB Group receives direct submissions in the context of complaint handling. Nevertheless, as part of the materiality and due diligence assessment process, the entity has considered the potential impacts of its activities on the rights, safety and interests of consumers and end-users, also taking into account the scale of its operations.

The identification of the expectations and needs of this stakeholder group is therefore primarily based on secondary data analysis, market research results, information from business partners and complaints. This approach allows AB Group to identify areas of importance to this stakeholder group.

1.3.3. SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The table below presents a summary of the sustainability impacts, risks and opportunities that were identified and assessed as material in the double materiality assessment process.

ESRS – Topic	Sub-topic/smaller thematic unit	Name of impact/risk/opportunity	Impact Risk Opportunity	Time perspective	Element of the value chain	Commitment (activities/business relations)	Description of impact/risk/opportunity
E1 climate change	Climate change mitigation	GHG emissions	actual adverse impact	short-term	own operations; value chain	own operations/business relations	<p>- The Group has an actual impact on the environment in the area of climate change as a direct result of its business model, manifested in Scope 1 greenhouse gas (GHG) emissions, i.e. from sources it owns or controls, and in Scope 2, i.e. related to the production of energy consumed by the Group that has been purchased by the Group.</p> <p>- The value chain in which the Group participates has an actual impact on the environment in the area of climate change as a direct result of its business model, manifesting itself in Scope 3 GHG emissions, arising, inter alia, through the products distributed (their production and use) or during the Group's outsourced transport of distributed goods.</p>
E1 climate change	Climate change mitigation	GHG emissions	potential positive impact	medium-term; long-term	value chain	own operations/business relations	The Group is making a positive impact in the area of climate change, through the sale of photovoltaic panels, smart home systems, devices and components used as a devices and components enabling energy and heat management software.
E1 climate change	Energy	Energy mix and GHG emissions	actual adverse impact	short-term	own operations; value chain	own operations/business relations	The Group's dependence on fossil fuels is a direct result of its operations and Scope 1 and 2 gas emissions, including energy use.
E5 Resource use and	Resources introduced,	Resources introduced from non-renewable	actual adverse impact	short-term	own operatio	own operations/business relations	- The Group has an actual impact on the environment directly in its operations through the resources and raw materials used.

the circular economy	including use of resources	sources, some of which are recycled			ns; value chain		- The value chain in which the Group participates has an impact on the environment through the raw materials consumed. Within the value chain, critical raw materials are used: in the composition and manufacturing process of electronic, electrical and battery products.
E5 Resource use and the circular economy	Waste	Waste generation	actual adverse impact	short-term	own operations; value chain	own operations	- The Group has an actual impact on the environment directly as part of its own operations through the generation of packaging, e-waste and other waste. - Indirectly downstream in the value chain, the Group affects the generation of waste in the form of used, and previously marketed, electrical and electronic equipment, batteries, consumables, waste product and transport packaging in which the aforementioned equipment was delivered to users.
E5 Resource use and the circular economy	Resources introduced, including use of resources	- Extending the product life cycle affects the decline in the number of new devices coming to market - The occurrence of additional taxes or costs that increase the cost of sales.	risk	short-term	own operations; value chain	own operations/business relations	- Decrease in sales volumes due to the extension of the life cycle of the products offered by the Group. - Additional taxes or obligations that increase the cost of sales to stimulate or finance the implementation of life extension, equipment servicing, refurbishment and re-sale (recommerce) projects.

E5 Resource use and the circular economy	Resources introduced, including use of resources	Opportunity for market share in second-hand products	opportunity short-term		own operations; value chain	own operations/business relations	- Taking advantage of market changes – shifting to products with a longer product life – offering maintenance services, spare parts and consumables, and changing customers’ shopping basket towards more expensive products with a longer product life. - Refurbishment services and the sale of refurbished equipment (recommerce)
S1 Own workforce	Working conditions – Job security	Employment stability and low turnover by employing the majority of employees on indefinite contracts and extending the social benefits package	actual positive impact	short-term	own operations	own operations	The Group has an actual impact on the employment security of its employees resulting directly from the Group’s activities, manifested through the shaping of the model and the forms of employment adopted (employment contracts as the primary form of employment) and the social benefits offered (a number of non-wage benefits and additional social protection).
S1 Own workforce	Working conditions – Adequate pay	Possible mismatch between salary levels and rising market expectations	risk	short-term	own operations	own operations	Risk factors: - rising wage costs – volatility of employee costs; - the need to create competitive jobs; - the need to invest in process automation; - limited availability of candidates on the labour market; - loss of talent
S1 Own workforce	Working conditions – Work-life balance	Supporting working parents through remote work and well-being initiatives.	actual positive impact	short-term	own operations	own operations	The Group has an actual impact on work-life balance with regard to its employees as a direct result of the Group’s actions, manifested by shaping an organisational culture that promotes work-life balance, as well as implementing measures to ensure the well-being and welfare of its employees and their families.

S1 Own workforce	Working conditions – Health and safety at work	Appropriate working conditions, employee health and safety training, preventive measures	potential adverse impact	medium-term	own operations	own operations	The Group has a potential impact on the health and safety of its own workforce resulting directly from the Group's operations manifested through the implementation of appropriate management systems and employee training as well as conducting audits, monitoring incidents and implementing improvements.
S1 Own workforce	Equal treatment and equal opportunities for all – Measures to prevent violence and harassment in the workplace	Implementing appropriate procedures, enabling employees to report irregularities	potential adverse impact	short-term	own operations	own operations	The Group has a potential impact on the occurrence of violence and harassment in the workplace resulting directly from the Group's activities manifested through the implementation of compliance procedures and the building of an appropriate organisational culture to guarantee comfortable working conditions and promote an atmosphere of mutual respect and cooperation.
S1 Own workforce	Equal treatment and equal opportunities for all – Diversity	Building diverse teams, an organisational culture focused on non-discrimination.	actual adverse impact	short-term	own operations	own operations	The Group has an actual impact on diversity in the workplace resulting directly from the Group's activities manifested through the hiring policies applied, the preparation of job offers and the final decision on whom to hire and on what basis.
S2 Employees in the value chain	Working conditions – Health and safety at work	Health and safety of persons performing work at AB Group locations but not belonging to its own workforce	potential adverse impact	short-term	value chain (upstream)	business relations	The potential impact related to health and safety relates to people employed by third-party service providers to the AB Group, posted to work at its facilities. Potentially hazardous working conditions can lead to accidents, which can affect the health and lives of workers
S4 Consumers and	Information-related impacts on	Processing of personal data of	potential adverse impact	short-term	own operations	own operations	Potential impact on the privacy of consumers and end-users related to the processing of their personal data, as part of B2C

end-users	consumers or end-users – Privacy	consumers and end users					activities and as part of the dropshipping model, and the use of cookies.
S4 Consumers and end-users	Information-related impacts on consumers or end-users – Access to information (high quality)	Provision of reliable product information	actual positive impact	short-term	own operations/value chain (downstream)	own operations/business relations	actual impact by providing quality information on B2C and B2B platforms in a way that goes beyond regulation. The AB Group provides product information, including environmental and social information on the B2B platform, through the implementation of TCO certification information. In addition, product training is offered to customers and their representatives as part of the Competence Centre run by the Company, which translates into their knowledge and information passed on to consumers and end users.
S4 Consumers and end-users	Personal safety of consumers or end-users – Safety and health	Product safety	potential positive impact	Short-term	value chain (upstream/downstream)	business relations	The AB Group influences the personal safety of consumers or end users through the products it offers by providing products that are safe to use. The AB Group influences this area by offering products that meet the relevant safety standards.
S4 Consumers and end-users	Social inclusion of consumers or end-users – Access to products and services	Shaping product availability	actual positive impact	short-term	own operations	business relations	The AB Group is influential in shaping the availability of products by working with local resellers in franchise cooperation in smaller towns (outside provincial cities), thereby shaping the availability of products to consumers in such areas.
G1 Business conduct	Corporate culture	Being guided by universal values and ethical principles in the conduct of business	actual positive impact	short-term	own operations	own operations	The AB Group makes an actual positive impact on corporate culture by being guided by universal values and ethical principles in the conduct of its business. The impact is to foster a sense of security, trust and belonging among own workforce. Clear values and ethical principles foster a healthy working environment, aim to reduce conflict and promote motivation. It is also aimed at building AB Group’s reputation as a reliable partner and, consequently, also at building stable business relationships.

G1 Business conduct	Corporate culture - Cybersecurity /entity-specific impact/	Data and information processing in IT systems	potential adverse impact	medium-term	own operations/value chain (downstream)	own operations/business relations	Potential adverse impact in the area of cyber security directly within its own operations and within its downstream business relationships, through the execution of a very large proportion of transactions online and the high dependence of its operations on IT infrastructure. The AB Group influences this area due to the processing of large volumes of data in IT systems. This impact can affect own workforce in that the potential failure of IT systems can impede their work, generate stress and reduce their efficiency.
G1 Business conduct	Protection of whistleblowers	Whistleblowing system	actual positive impact	short-term	own operations	own operations	The AB Group is having a positive impact in terms of whistleblower protection by implementing a comprehensive system that also includes anonymous reporting of legal and ethical violations and a ban on retaliation. It also aims to increase the sense of justice and psychological safety among its own workforce and others who are covered by the scheme.
G1 Business conduct	Supplier relationship management – Payment practices	Payment practices	actual positive impact	short-term	own operations	own operations	The AB Group positively influences supplier relationships in terms of payment practices by respecting payment terms and fair commercial conditions, with a particular focus on suppliers with a weaker market position than AB (in particular SMEs). This builds trust and long-term cooperation.
G1 Business conduct	Corruption and bribery – Prevention and detection, including training, and incidents	Potential corruption incidents	potential adverse impact	medium-term	own operations	own operations	The AB Group has a potential impact in the area of corruption and bribery that can affect employees, colleagues, customers and suppliers and occur directly within its own operations through the specific nature of its business manifested in a multitude of high-value transactions in both the purchasing and sales areas. This could potentially result in a sense of pressure among own workforce and the risk of them becoming entangled in unethical practices.

The AB Group does not identify or anticipate the effects of the impacts identified on the issues covered by the Business Conduct on its business model, strategy and decision-making process. The AB Group has not made or plans to make any changes to its strategy or business model as a result of these impacts. These impacts are linked to the business model in that they result from the fact that the business is large-scale, based on high-volume transactions, and based on cooperation with most of the leading manufacturers of high-tech products, which enforces the AB Group to maintain high standards in the area of business conduct.

The Group has not identified the ongoing financial impact of material risks and opportunities on its financial position, financial performance and cash flows in 2024/2025. No material adjustment is expected in the next annual reporting period to the carrying amounts of assets and liabilities shown in the related financial statements.

The AB Group has not carried out a formalised analysis of the resilience of its strategy and business model in terms of its ability to counter all its material impacts and risks and to take advantage of material opportunities. Despite the lack of formal resilience testing, the AB Group assesses that its strategy and business model are resilient in outlook:

- short-term (up to 1 year) – thanks to a stable financial position and proven operational risk management procedures,
- medium-term (1-5 years) – based on diversification of revenue sources and markets and operational flexibility to adapt to regulatory and technological changes,
- long-term (more than 5 years) – by investing in innovation, digitalisation and sustainability projects that increase resilience to economic and climate transition risks.

The assessment of resilience is based on the following considerations:

1. Diversification of operations – the AB Group operates in several segments and regions, which limits the impact of local disruptions.
2. Operational flexibility – organisational structure and processes enable rapid adaptation to changes in the legal and technological environment.
3. Financial stability – a high level of liquidity and a low debt ratio make it possible to absorb potential market shocks.
4. Experience in risk management – the AB Group is able to respond to crisis events, as previous periods of instability (notably the COVID-19 pandemic period or the outbreak of war in Ukraine) have confirmed.
5. Investment – ongoing projects in the area of energy efficiency (photovoltaics) or digitalisation strengthen resilience to climate and economic transition risks.

SBM-3 E1

The AB Group identified climate-related risks, but none of the mapped risks exceeded the adopted materiality threshold, thus AB Group did not identify material physical risks, transition risks and climate-related opportunities.

The AB Group 2025 conducted an analysis of the resilience of its business model in the context of climate change. This process included the identification of key assets, operational processes and elements of the supply chain that may be exposed to the direct effects of climate change, as well as its

potential market and regulatory implications. The entire catalogue of potential climate-related risks (according to ESRS E1 AR 11 d) and climate-related transition events (according to ESRS E1 AR 12 d) was analysed thus no material physical and transition risks were excluded from the analysis.

The AB Group used an analysis of the current climate conditions based on the 1991-2020 Climate Standards table provided by the Institute of Meteorology and Water Management National Research Institute, as well as a scenario analysis taking into account the Representative Concentrations Pathways (RCP) scenarios including the medium GHG emissions scenario RCP 4.5 and the very high GHG emissions scenario RCP 8.5, to carry out the physical risk analysis. The AB Group used climate scenarios developed within the Klimada database (<https://klimada2.ios.gov.pl/klimat-scenariusze-portal/>) for the district of Wroclaw for AB S.A., the district of Chorzow for Alsen sp. z o.o. and Alsen Marketing Sp. z o.o., and the district of Racibórz for ATC. Based on the physical risk assessment carried out, it was concluded that AB Group companies are located in areas exposed to climate-related hazards, but as a result of certain adaptation solutions already in place, the impact of the hazards is low and was assessed as negligible.

However, it should be borne in mind that it is not possible to fully protect against the effects of climate change. This is due to the nature of the occurrence of extreme phenomena and the uncertainty of their forecasting, but also often to the lack of technical feasibility of adaptive solutions. Even with the implementation of optimal adaptive measures, the undertaking may still be subject to adverse impacts from climate events. Thus, for the key risks, the risk assessment was found to be indicative.

In order to assess the material transition risks and opportunities, the AB Group has identified transition events within its own operations and in its own upstream and downstream value chain by category:

- political and legal: e.g. increased emissions reporting obligations, regulation of existing products;
- technological: e.g. replacement of existing products with lower carbon variants, failure to invest in new technologies;
- market: e.g. changing customer behaviour, rising raw material costs; and
- reputational: e.g. changes in consumer preferences;

For the identification of transitional risks, the AB Group has taken into account a scenario that is in line with the Paris Agreement and assumes that climate change is limited to 1.5 °C – the International Energy Agency’s scenario (net zero emissions by 2050), which are focused on moving towards decarbonisation and achieving climate neutrality.

The AB Group’s business model and operations are not materially exposed to climate risks. The analysis did not reveal any financially material risks to the business in the medium or long term. Nevertheless, the Group will continue to monitor potential regulatory changes, energy costs, environmental costs, counterparty requirements and the availability of technologies to support decarbonisation in order to maintain operational and business model resilience.

SBM-3 S1

The AB Group works with both contract and other forms of employment, adapting the type of employment to the specific nature of the work and market needs. The primary form of employment throughout the AB Group is the employment contract. Due to the variety of tasks entrusted, the AB Group also uses civil law contracts and service contracts. In the area of logistics, AB Group companies also use temporary workers. All persons belonging to the AB Group’s own workforce who may be materially affected by it are included in the scope of disclosure. As far as its own workforce are concerned, the AB Group does not operate in countries or geographical areas where there is a risk of forced or compulsory labour and child labour.

Material adverse impacts relating to own workforce are related to:

- health and safety at work (potential impact) – possibility of accidents at work; impact related to individual cases.
- use of violence and harassment prevention measures in the workplace (potential impact) – possibility of violations and adverse actions; impact related to individual cases.
- ensuring diversity and inclusiveness (actual impact) – applying equal treatment policies, non-discrimination and equal access to promotion; widespread impact.

Material positive impacts arise from the following actions:

- guaranteeing employment security understood as stability in the workplace (actual impact – ensuring stable working conditions and transparent employment rules, using the employment contract as the basic form of employment),
- aiming to achieve a work-life balance for employees by promoting a working environment that is supportive of particular occupational groups, including, in particular, working parents (actual impact – use of flexible forms of employment, possibility of hybrid working, health-promoting benefits to support well-being).

Identified risks:

The AB Group has identified one risk related to its own workforce in the area of ensuring adequate remuneration related to the availability of employees in the labour market, rising costs of employee retention or loss of talent. This is mainly due to changes in labour law (costs associated with increasing the minimum wage, introducing additional days off), as well as employees' expectations in terms of salary levels and obtaining additional benefits.

At the date of publication of this Report, the AB Group has not identified opportunities related to its own workforce.

The AB Group has not identified impacts or risks to its own workforce from transition plans or other actions related to achieving climate neutrality, as the Group does not have a transition plan.

The AB Group was not aware of any greater exposure to harm for people with particular characteristics, working in particular contexts or undertaking particular actions.

Linking material social issues to the strategy and business model

Despite the lack of a formalised strategy, the AB Group assumes that a stable, secure and inclusive working environment is a key factor in ensuring operational efficiency and the long-term ability to compete in the IT distribution market.

The provision of such an environment consists of:

- **Job security** is part of a business model based on building long-term relationships with employees and business partners. The stability of the team enables a high level of customer service and quality of logistics processes to be maintained,
- **Adequate pay** has been identified as a strategic factor in reducing the risk of losing skilled workers,
- **Work-life balance** supports the strategy of increasing engagement and productivity and reduces absenteeism and turnover,
- **Health and safety** is linked to business continuity – preventive procedures and health and safety incident reporting systems are in place to minimise the risk of occupational accidents,
- **Diversity and inclusion** is part of the organisational culture development plan; practices are in place within the HR team to increase diversity in recruitment,

- **Prevention of violence and harassment** is part of the ethics and compliance policy – important for building the AB Group’s reputation as a responsible employer.

Management of social impacts and risks

The AB Group manages impacts and risks through the following actions:

- applying equality and anti-discrimination policies,
- carrying out health and safety training and preventive inspections,
- conducting monitoring of remuneration levels in relation to the market,
- at AB, the Group’s largest employer, a cyclical review of HR risks is conducted, including analysis of turnover data, absenteeism and whistleblower mechanisms.

These actions are the responsibility of the Human Resources Department together with the heads of the various units and the Risk Management Manager. The results of these analyses are reported directly to the Management Board and, on this basis, key impact areas and preventive actions are identified.

SBM-3 S2

As part of the Company’s double materiality analysis, a material potential adverse impact of the AB Group related to occupational health and safety (OH&S) was identified in relation to individuals performing work at AB Group locations but who are not part of the Company’s own workforce. This applies to people employed by external entities providing services to the AB Group, posted to work at its facilities. This impact is concentrated upstream in the value chain and results from the use of contractors in operations. The Company does not currently identify or anticipate in the future the effects of this impact on its business model, value chain, strategy or decision-making process, nor does it plan to make changes to its strategy or business model in view of such potential impact.

The impact described can affect people in such a way that potentially hazardous working conditions can lead to accidents, which can affect the health and lives of workers. This is a short-term impact and is due to the general working conditions at the AB Group locations and the nature of the operational processes, which require continuous management of health and safety risks, while being linked to potential individual incidents. The AB Group has no plans to change its business model in response to the impact of this potential impact.

The Company has identified that some people working at the AB Group locations may be at greater risk of harm in the area of health and safety. This applies in particular to those carrying out work in high-risk areas such as warehouses or work at height, as well as those operating machinery. The Company has gained an understanding of the increased risk through an analysis of its operational processes and a health and safety risk assessment.

SBM-3 S4

The Company’s double materiality analysis identified that:

1. The AB Group has a potential adverse impact on the privacy of consumers and end-users in its own operations through the processing of information about them and their personal data, through its B2C operations and through its dropshipping model, the use of cookies, and the widespread existence of risks in connection with the aforementioned aspects (leaks, hacking attacks, among others), which may lead to violations of data subjects’ rights and freedoms. The materiality of this impact was determined based on the scale of the AB Group’s operations

and also the stakeholder views taken into account in the double materiality testing process. This impact is systemic and is due to the scale of the AB Group's operations.

2. The AB Group has an actual positive impact on consumers' and end-users' access to (quality) information, directly within its business and downstream business relationships, by providing reliable product information, by providing quality information on B2C and B2B platforms in a way that goes beyond regulation. The AB Group provides product information, including environmental and social information on a B2B platform, which recipients can directly synchronise with their sales platforms (which target end users and consumers) by implementing TCO Certified information. In addition, product training is offered to customers and their representatives as part of the Competence Centre run by the Company, which translates into their knowledge and information passed on to consumers and end users.
3. The AB Group has a potential positive impact on the personal safety of consumers or end-users indirectly through the value chain both upstream and downstream through the products offered (often electronic or toys) of providing products that are safe to use. The AB Group influences this area by offering products that meet the relevant safety standards.
4. The AB Group has an actual positive impact on shaping the availability of IT products through its own operations, in which significant emphasis is placed on working with local resellers in cooperation under a soft franchise model in smaller towns (outside provincial cities), thereby shaping the availability of products for consumers in such areas. The so-called soft franchise model consists of cooperation in which the franchisor provides the franchisee mainly with know-how, brand and general support – without rigid standards concerning, for example, the product range, the appearance of the premises or operating procedures.

The identified impacts result from the AB Group's business model. However, the Company has no plans to change its strategy and business model as part of its efforts to counteract potential adverse impacts. The material impacts described above are linked to the AB Group's business model, as they are related to the fact that it markets equipment that is required to meet certain safety requirements, operates in both B2B and B2C markets and conducts large-scale operations.

Disclosures cover all consumers and end-users who can be significantly influenced by the AB Group. These include consumers who purchase products from the AB Group's B2C entities, as well as consumers and end users who purchase products distributed by AB Group from entities downstream in its value chain. At the same time, these are not consumers and end-users of products that are intrinsically harmful to people or increase the risk of chronic diseases; services that have a potentially adverse impact on their right to privacy, data protection, freedom of expression and non-discrimination; or people who are particularly vulnerable to health or privacy impacts or the influence of marketing and sales strategies. At the same time, these are consumers and end-users who need to have accurate and accessible information about the products in order to be able to avoid potentially harmful use of the products, as a result of the fact that the AB Group's business model is predominantly based on the distribution of products that, in principle, require such instructions.

Among consumers and end-users, no categories of people have been identified who may be at greater risk of harm. The issue of children's use of toys from the Company's range is not one of the areas with a key contribution to the scale of the AB Group's business, although it remains important in its context.

1.4. IMPACT, RISKS AND OPPORTUNITY MANAGEMENT

1.4.1. IRO-1 DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Description of processes for identifying and assessing material impacts, risks and opportunities.

The purpose of this disclosure is to set out the process by which AB Group identifies its impacts, risks and opportunities (IROs) and assesses their materiality as a basis for selecting the information presented in the Report.

The AB Group used a double materiality approach in accordance with ESRS 1 (impact materiality and financial materiality) and the process was designed based on ESRS 1 guidelines and corresponding application requirements. A review of internal information (strategy, business model, policies, financial data, ESG processes), interviews and workshops, stakeholder surveys and external analyses (SASB Materiality Map, EFRAG SEC1 project, rating survey requirements, supplier and customer codes, benchmark of companies with similar business focus) were used. For financial materiality, a threshold was determined based on the latest consolidated financial data and the methodology used by the AB Group in auditing its financial statements (calibration against the auditor's threshold). Risks and opportunities were assessed in the short (≤ 1 year), medium (≤ 5 years) and long (> 5 years) horizons, including using scenario analysis for environmental issues.

The analysis focused on distribution activities in the IT/electronics sector and on key links in the value chain: electronics and semiconductor manufacturing and road transport (as the largest items in revenue and cost of external services respectively). Influences resulting from the company's own operations (including B2C sales directly and indirectly through partners) and those resulting from relationships with suppliers, customers and service providers (including contractor requirements and codes of conduct) were assessed. Workshops and additional interviews were conducted with representatives of the various internal divisions, as well as surveys with three groups: employees, customers/suppliers/service providers and financial stakeholders (shareholders, banks, insurers, bondholders). In prioritising impacts, the criteria used were: scale, extent, irreversibility (for adverse impacts) and likelihood (for potential impacts); thresholds and qualitative-quantitative criteria were established in line with the ESRS 1 for assessing the materiality of impacts.

The identified impacts and dependencies (e.g. dependence on transport services, consumer trends, circular economy) were translated into financial risks and opportunities in a financial materiality matrix. A [value \times likelihood] matrix with a uniform materiality threshold was used, with results assessed for short-, medium- and long-term horizons; for environmental topics, scenario analysis was used (including the enhanced pro-circular economy regulation -and decarbonisation scenarios). Risks were prioritised based on an assessment method consistent with the financial process (matrix and materiality threshold), which allows comparison with other risk categories at AB Group level.

The results of the process (materiality matrices and lists of issues) were presented at the debriefing workshop and approved by the Management Board, ensuring oversight of the criteria and results adopted.

The IRO process has been linked to the AB Group's financial materiality assessment practices (materiality thresholds and matrices used in financial processes), enabling the results to be used to assess the risk profile at the AB Group level. Opportunity findings (e.g. the development of maintenance services, spare parts and refurbished/recommerce products as a response to the extension of product life cycles) are used in the offer management process and the development of revenue models.

Key input parameters included data sources (internal financial documents and data, supplier/customer surveys and codes, surveys of financial institutions), the operating model (companies in Poland as representative of the Group with subsequent validation of process results in the Czech Republic and Slovakia) and analytical assumptions (e.g. regulatory scenarios 1.5 °C). In areas where there is currently a lack of access to counterparty data, an approach based on internal and public information has been adopted with a plan to expand the scope in future years as data becomes available.

IRO-1 G1

In the process of identifying the issues material under thematic standard G1 “Business Conduct”, the location of the business (Poland, the Czech Republic and Slovakia), the type of business (distribution, wholesale and e-commerce, i.e. areas where there is intensive interaction with counterparties), the sector (trading activities) and the structure of transactions (activities based on framework agreements with global hardware and software suppliers and wholesale customers, including e-commerce; transactions carried out by the AB Group are high-volume in nature, with a large number of counterparties in Poland, the Czech Republic and Slovakia). Apart from the above, no specific, additional assessment criteria were adopted for the individual issues included in area G1.

IRO-1 E1

Description of processes for identifying and assessing material impacts, risks and opportunities associated with climate change

1. Assessment of materiality in terms of actual and potential climate change impacts – climate change mitigation and energy

At the initial stage of the climate change impact assessment, the Group analysed its activities to identify areas of climate impact in accordance with ESRS 2 E1 IRO-1. The review of operations covered both the locations used and the Group’s own processes as well as those in the value chain, looking at climate change mitigation as well as energy issues. For the assessment of climate change mitigation materiality, GHG emissions were estimated and the current energy mix was analysed.

As a result of the review, areas of influence included:

- Scope 1 GHG emissions, i.e. from sources that are owned or controlled by the Group, and Scope 2 GHG emissions, i.e. emissions related to the production of energy consumed by the Group that has been purchased by the Group. The Group influences this area through the use of electricity in its operations and through initiatives implemented to reduce electricity consumption;
- Scope 3 GHG emissions arising from, among other things, distributed products, their production and use;
- energy – the Group has an actual environmental impact in the area of climate change as a direct result of its business model, manifested through the use of energy, including electricity;
- a positive impact resulting directly from its business model, manifested in the sale of photovoltaic panels, smart home systems and dual-use devices and components – consumer electronics/IT, which is also used as an infrastructure for monitoring and planning the reduction of heat and electricity consumption;

The above areas have been identified taking into account:

- the specific nature of the Group’s business and the processes implemented by the Group;
- observed trends in the Group’s environment related to the climate area, including customer preferences and market demand;

- the Group’s climate and environmental policies and actions to reduce its adverse impact on the environment;
- applicable national regulations and international guidelines.

Based on its analysis, the Group assesses that the sub-topics: Climate change mitigation and Energy are material to the AB Group from an impact materiality perspective. The Group’s energy mix is presented in Disclosure E1-5, while Scope 1, 2 and 3 GHG emissions and total GHG emissions are presented in Disclosure E1-6.

2. Physical climate risks within its own operations and across the upstream and downstream value chain

As a next step, the Group assessed the physical risks associated with the climate (in line with the ESRS E1 standard’s ESRS 2 IRO disclosure requirement – 1 paragraph 20(b)). In assessing materiality, the Group used a climate-related scenario analysis, in line with the ESRS E1 standard ESRS 2 IRO disclosure requirement – 1 paragraph 21.

In conducting the scenario analysis, the entity considered the following guidelines:

- Task Force on Climate-Related Financial Disclosures, Technical Appendix, “The Use of Scenario Analysis in Disclosure of Climate-Related Risks and Opportunities” (2017);
- Task Force on Climate-Related Financial Disclosures, “Guidance on Scenario Analysis for Non-Financial Companies” (2020);
- ISO 14091:2021 “Adaptation to climate change – Guidance on vulnerability, impacts and risk assessment”;
- and EU, national, regional and local regulations.

Climate risks (Table 6) were selected from the minimum catalogue of climate risks presented in the Corrigendum to Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability reporting standards. Next, a characterisation of climatic phenomena and their derivatives, characterising selected climate-related hazards, was carried out for each identified AB Group location. This characterisation involves presenting current climate conditions based on historical data, followed by projected climate conditions based on projections – climate-related scenarios.

Table 6. Classification of climate-related hazards

	Temperature-related	Wind-related	Water-related	Earthbound
Long-term	Temperature changes (air, fresh water, sea water)	Changes in wind circulation	Changes in precipitation patterns and types (rain, hail, snow/ice)	Erosion of coastal areas
	Thermal stress		Precipitation variability or hydrological variability	Soil degradation
	Temperature variability		Ocean acidification	Soil erosion
	Permafrost melting		Seawater intrusion	Solifluction
			Rising sea levels	
			Water deficit	

Sudden	Heat wave	Cyclone, hurricane, typhoon	Drought	Avalanche
	Cold wave/frost	Storm (including snowstorms, dust storms and sandstorms)	Heavy precipitation (rain, hail, snow/ice)	Landslide
	Spontaneous fire	Tornado	Flooding (coastal, fluvial, precipitation, from groundwater)	Landslide
			Glacial lake upwelling	

The tables “Climatic norms 1991-2020” presented by the Institute of Meteorology and Water Management, National Research Institute were used as a starting material for the current climatic conditions: https://klimat.imgw.pl/pl/climate-normals/TSR_AV.

Soil moisture data was also used for the areas where the Group’s key sites are located: <https://stopsuszy.imgw.pl/wilgotnosc>.

As an aid to the long-term perspective and to visualise the scenarios, NGFS Scenarios Portal data for the Polish area was used.

In the process of analysing and identifying the physical risks associated with climate change for its own operations and assets, the AB Group used climate scenarios developed as part of the Klimada database (<https://klimada2.ios.gov.pl/klimat-scenariusze-portal/>) for the Wroclaw district for AB S.A., the Chorzow district for Alsen sp. z o.o. and Alsen Marketing Sp. z o.o. In order to characterise the climate scenarios for Ostrava, data for the district of Racibórz was taken into account (Ostrava is located only about 10-15 km from the Polish-Czech border and the nearest town on the Polish side is Krzanowice, located in the district of Racibórz), which is representative of the projected climate conditions in the area.

RCP 4.5 and RCP 8.5 scenarios were used to assess physical risks. Climate scenarios were considered in the short to medium term (scenarios for 2021-2030) and in the medium to long term (scenario for 2031-2040).

The tables “Climatic norms 1991-2020”, Institute of Meteorology and Water Management, National Research Institute: https://klimat.imgw.pl/pl/climate-normals/TSR_AVE were used to establish the starting point of the selected data.

Both scenarios RCP 4.5 and RCP 8.5, for the period 2021-2040 combined, predict a gradual increase in mean temperature and mean maximum temperature, a significant increase in the number of hot days with temperatures for the warmest month above 25°C and an increase in the number of hot days with temperatures above 30°C. The scenarios predict a slight increase in precipitation intensity and a slight decrease in the number of days without precipitation. It should be noted that these scenarios have been developed on the basis of specific statistical models and do not represent a forecast of the future, but only a possible (and relatively likely) course of climate change.

In terms of assessing physical risks for the value chain, climate scenarios cover virtually the whole world (production of goods takes place in different parts of the world, most often in Asia) and include the following aspects: a gradual increase in average temperatures and average maximum temperatures, an increase in the number of days with extreme temperatures. Scenarios predict an increase in rainfall intensity. An increase in the frequency and severity of extreme climatic events is to be expected: extreme heat, very intense rainfall leading to flooding or waterlogging and periods of drought, an

increase in the frequency of violent storms and gales and even tornadoes and cyclones. Such extreme weather events may involve temporary difficulties in the supply of goods or in accessing certain resources needed in the production process. The Group assumes that by diversifying its suppliers (around 200 entities) as well as dispersing the production locations of its suppliers, it will be possible to minimise the risks to the value chain resulting from climate change and extreme climate events.

The Group has assessed the extent to which its assets and business activities may be exposed and vulnerable to identified climate-related risks, taking into account the likelihood, magnitude and timing of the risks, as well as geospatial coordinates, identification of climate-related risks and assessment of exposure and vulnerability. Opportunities relating to each scenario were also assessed.

For all locations where the Group operates, the physical risks associated with climate change have been assessed as low or marginal.

In terms of the value chain, the scenario of sudden weather phenomena (fires, floods, hurricanes), the consequences of which, would jeopardise the continuity of production processes at goods suppliers or the continuity of goods supply, affected the prices of goods, as well as transport costs, which could have an adverse impact on the ability to purchase and supply these goods and, consequently, on sales and financial performance. However, given the likelihood of occurrence, scale and extent of the risk, it has been assessed at a low level.

3. Climate-related transition risks and opportunities within its own operations and across the upstream and downstream value chain

The Group then assessed the climate-related transition risks and transition opportunities (in line with the ESRS E1 standard's ESRS 2 IRO disclosure requirement – 1 paragraph 20(c). In assessing materiality, the Group used a climate-related scenario analysis, in line with the ESRS E1 standard ESRS 2 IRO disclosure requirement – 1 paragraph 21.

As defined in ESRS Annex II, Table 2, 'Climate change transition risk is the risk arising from the transition to a low-carbon and climate-resilient economy. It typically includes political risk, legal risk, technological risk, market risk and reputational risk.'

For the purpose of the materiality assessment, transition events were identified in the short, medium and long term and whether assets and business activities may be exposed to them were analysed. In identifying transition events and assessing exposure, a climate-related scenario analysis was considered, taking into account the scenario of limiting global warming to 1.5 °C (zero net emissions by 2050, sustainable development scenario).

This scenario is based on the assumption that humanity will take decisive and coordinated action to neutralise GHG emissions, i.e. achieve a balance between emissions and their uptake by ecosystems, technologies or other mechanisms. This scenario also includes the likely risks and uncertainties associated with the technological and economic system. The RCP scenarios are material to an entity because they assume different increases in emissions, while the NET Zero 2050 scenario involves coordinated action to neutralise GHG emissions. These scenarios are material to the company, due to policy assumptions, macroeconomic trends and technological assumptions.

The Group assesses that the transition risks and opportunities associated with the transition relating to the business are at a low level, thus the Group has not identified financial materiality in terms of standard E1, and thus these are not included in the financial statements.

Description of processes for identification and assessment of material impacts, risks and opportunities E2 – E5

For ESRS E2 “Pollution”, ESRS E3 “Water and marine resources”, ESRS E4 “Biodiversity and ecosystems” and ESRS E5 “Resource use and the circular economy” – The LEAP (Locate-Evaluate-Assess-Prepare) methodology was used, which is based on guidance from TNFD (The Taskforce on Nature-related Financial Disclosures), a taskforce on nature-related financial disclosures. the methodology is further described in the *Guidance on the identification and assessment of nature-related issues: The LEAP approach*. The LEAP approach involves analysis in the following four stages:

Stage 1: Locating the common ground for interaction with nature

As part of Stage 1, the Group analysed the locations where the direct assets are located and the operations and processes taking place in and outside these locations, including the value chain, taking into account the specific nature of the sector in which it operates. In addition, as part of the materiality analysis process, documents and information functioning in the Group were analysed, workshops and individual interviews were conducted with Group representatives from dedicated areas, materiality matrices of entities with a similar business profile to AB Group were analysed, additional sources, sustainability guidelines of other international sector standards, Ecovadis ranking requirements, requirements of suppliers and contractors were analysed.

Stage 2: assessing dependencies and impacts

As part of Stage 2, the Group assessed the impacts and dependencies of locations and processes in terms of environmental and human health impacts within its own operations and in the value chain. As part of the analysis, the Group assessed the impacts identified in the earlier stages in terms of severity (materiality of impact).

Stage 3: Assessment of material risks and opportunities

The materiality of risks and opportunities was assessed based on a combination of the likelihood of occurrence and the potential scale of the financial impact.

Stage 4: Results of the materiality assessment

To assess the upstream and downstream value chain, estimates were made using all reasonable and documentable information, such as sector average data, proxies and publicly available information sources.

IRO-1 E2

The analysis shows that the AB Group has not identified any material impacts, risks or opportunities under the E2 “Pollution” standard, either from its own operations or from the upstream and downstream value chain. Thus:

- The Group has not identified locations where material emissions of water, soil and air pollution occur,
- The Group has not identified sectors and business units directly related to the production, use, distribution and commercialisation as well as the import and export of microplastics. Although some actors in the value chain may contribute to microplastic emissions from packaging or plastic products, such emissions are considered to be incidental and non-intentional,
- The Group has not identified sectors and business units directly related to the production, use, distribution and commercialisation, as well as the import and export of substances of concern and SVHCs in their own form, mixtures or articles. Some actors within the value chain and on a small scale, use substances of concern and SVHCs, but these substances are mostly captured in recycling processes,

- The Group has therefore not identified locations where pollution is a material issue for the entity's own operations and its upstream and downstream value chain.
- The Group has not identified business activities that relate to material pollution impacts, risks and opportunities.

Area E2 "Pollution" is therefore not a material area for the AB Group from both an impact materiality and financial materiality perspective.

IRO-1 E3

As part of the E3 standard, the materiality analysis process carried out, which included a review of the Group's operations, including the sites owned, showed that the sites owned do not represent a material source of environmental impact in the context of water and marine resources. As a distributor of IT and consumer electronics finished goods, the Group does not identify any direct material dependencies on area E3 "Water and marine resources". The sale of products through the Group's dealers (customers) to the consumer market, determines the Group's dependence on market trends, end-customer attitudes and preferences. Thus:

- The Group has not identified geographical areas where water is a material issue for the Group's own operations and its upstream and downstream value chain,
- The Group has not identified marine resource-related commodities used in its own operations or distributed that are material to the good environmental status of marine waters as well as to the protection of marine resources,
- The Group has not identified sectors or segments of its own operations that are related to material impacts, risks and opportunities related to water and marine resources.

The analysis carried out showed that area E3 "Water and marine resources" is not a material area from both an impact and financial perspective.

IRO-1 E4

Under Standard E4, the analysis carried out showed that AB Group, as a distributor of goods, does not identify any direct material dependencies and influences on the area: E4 "Biodiversity and ecosystems".

The analysis carried out showed that:

- The Group does not have sites located in or near biodiversity sensitive areas thus the Group's activities have not adversely affected such areas, leading to the deterioration of natural habitats and species habitats and to the disturbance of species for which a protected area has been designated;
- It has not been found necessary to implement measures to mitigate the loss of biodiversity, such as those set out in: Directive 2009/147/EC of the European Parliament and of the Council on the conservation of wild birds; Council Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora; Environmental Impact Assessment (EIA) as defined in Art. 1(2)(g) of Directive 2011/92/EU(76) of the European Parliament and of the Council on the assessment of the effects of certain public and private projects on the environment and, for activities in third countries, in accordance with equivalent national legislation or international standards, such as the MKF Performance Measurement Standard No. 6: Biodiversity conservation and sustainable management of living natural resources;
- The Group has not identified its contribution to direct impact factors relating to biodiversity loss;

- The Group does not carry out land use change activities (no artificial land use), nor does it change the use of freshwater or seas;
- The Group does not carry out direct exploitation and is not engaged in activities that may affect the appearance of invasive alien species;
- As part of the Group's operations, air pollutants are emitted from the combustion of gas for the heating of its own locations and from the combustion of fuels to operate its own fleet of passenger vehicles, but these are not material impacts;
- During the materiality analysis, no impacts on the status of specific species including globally threatened species were identified;
- Impacts on the extent and condition of ecosystems, including through land degradation, desertification and soil sealing, have not been identified; the Group's activities are not related to and do not have a material impact on the aforementioned issues;
- Impacts on ecosystem services and dependencies have not been identified.
- The assessment of risks and opportunities was performed according to the methodology described above (LEAP methodology), namely on the basis of a combination of the likelihood of occurrence and the potential scale of the financial impact. The analysis did not reveal any material transition risks and opportunities, physical risks and opportunities or systemic risks, which is also linked to the lack of material impacts and dependencies within biodiversity and ecosystem issues.

The analysis carried out showed that area E4 "Biodiversity and ecosystems" is not a material area from both an impact and financial perspective.

IRO-1 E5

In terms of Standard E5, the analysis showed that the AB Group significantly influences resource use and the circular economy through its purchases of goods and services that are the subject of its distribution activities. There is no material direct impact on the use of resources within the circular economy, as the Group has no manufacturing activities, there are only limited activities related to the assembly of computers from finished components and servicing of equipment.

The Group has identified its environmental impact in terms of:

- resource impact:
 - The Group has an actual impact on the environment directly in its operations through the resources and raw materials it introduces and uses, such as cardboard, pallets, films and adhesives,
 - within the value chain, input resources include: product packaging, transport packaging, supplier-produced equipment, spare parts and consumables. Critical raw materials are used in the composition and manufacturing process of electronic and electrical products and in batteries. The sale of these products, is the Group's commercial activity;
- waste management:
 - within the Group's own operations, packaging waste (cardboard and waste paper, pallet wood, plastic), used electrical and electronic equipment is generated,
 - indirectly downstream in the value chain, the Group influences the generation of waste in the form of used and previously marketed by the Group, electrical and electronic equipment, batteries, consumables, waste product packaging and transport packaging in which the aforementioned equipment was delivered to users.

The materiality analysis of the impacts carried out as part of Stages 1 and 2 showed that the AB Group has a material impact on Area E5 “Resource Use and Circular Economy” both as a result of its own operations and within the value chain.

As part of the assessment of materiality of impact, the topic of input resources, including resource use and waste, was considered as material to the Group’s own operations and value chain.

Receipts within the value chain, translate into the Group’s direct responsibility under the so-called Extended Producer Responsibility under which the entity that places equipment or packaging on the market, pays environmental charges to co-finance the collection and recycling system for packaging, electrical and electronic equipment and batteries.

In terms of financial materiality, the following material risks were identified in area E5:

- potential decline in sales of new equipment as a result of longer product life cycles;
- additional taxes or obligations that increase marketing or sales costs to stimulate life-cycle extension projects and finance recycling.

In terms of financial materiality, the following material opportunity was identified:

- an increase in revenue from the sale of maintenance services, spare parts and refurbished products (recommerce),
- an increase in average product price and margin volume due to a shift in customers’ shopping basket towards more expensive, longer-lasting or sustainable certified products.

The analysis carried out showed that area E5 “Resource use and the circular economy” is a material area from both an impact materiality and financial materiality perspective.

Stakeholder consultation

As part of its materiality analysis, the AB Group has identified its internal and external stakeholder groups. A set of questionnaires, individual for each stakeholder group, was prepared to identify the level of materiality for stakeholders of particular impacts, risks and opportunities.

As part of this process, dedicated and tailored survey content was prepared for key stakeholder groups. The AB Group conducted face-to-face surveys of stakeholders, established criteria for evaluating survey results and set materiality thresholds.

The AB Group did not identify affected communities with whom further consultation should be carried out for Area E1-E5.

1.4.2. IRO-2 DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING’S SUSTAINABILITY STATEMENT

The following table provides a list of the disclosure requirements for the preparation of this Report following the materiality assessment and the places in the Report where the material disclosures can be found.

Table of compliance with ESRS standards

Disclosure symbol	Disclosure	Point in the Sustainability Report
ESRS 2 General disclosures		
BP-1	General basis for making sustainability statements	1.1.1.
BP-2	Disclosure in relation to special circumstances	1.1.2.
GOV-1	The role of the administrative, management and supervisory bodies	1.2.1.
GOV-2	Information provided to the entity's administrative, management and supervisory bodies and the sustainability issues they undertake	1.2.2.
GOV-3	Mainstreaming sustainability performance into incentive schemes	1.2.3.
GOV-4	Due diligence statement	1.2.4.
GOV-5	Risk management and internal controls over sustainability reporting	1.2.5.
SBM-1	Strategy, business model and value chain	1.3.1.
SBM-2	Stakeholder interests and opinions	1.3.2.
SBM-3	material impacts, risks and opportunities and their interrelationship with the strategy and business model	1.3.3.
IRO-1	Description of the process for identifying and assessing material impacts, risks and opportunities	1.4.1.
IRO -2	ESRS disclosure requirements covered by the entity's sustainability statement	1.4.2.
ESRS E1 Climate change		
E1-1	Transition plan for climate change mitigation	2.2.1.
E1-2	Policies related to climate change mitigation and adaptation	2.2.2.
E1-3	Action and resources in relation to climate policy	2.2.3.
E1-4	Climate change mitigation and adaptation objectives	2.2.4.
E1-5	Energy consumption and energy mix	2.2.5.
E1-6	Gross Scope 1, 2 and 3 GHG emissions and total GHG emissions	2.2.6.
E1-7	Greenhouse gas removal and mitigation projects financed through carbon credits	2.2.7.
E1-8	Internal carbon pricing	2.2.8.
ESRS E5 Resource use and the circular economy		
E5-1	Policies related to resource use and the circular economy	2.3.1.
E5-2	Activities and resources related to resource use and the circular economy	2.3.2.
E5-3	Targets related to resource use and the circular economy	2.3.3.
E5-4	Resources introduced	2.3.4.
E5-5	Discharged resources	2.3.5.
E5-6	Anticipated financial impacts from material physical risks and opportunities related to resource use and the circular economy	2.3.6.
ESRS S1 Own workforce		
S1-1	Policies related to own workforce	3.1.1.
S1-2	Procedures for engagement with our own workforce and employee representatives on impact-related matters	3.1.2.
S1-3	Processes for remedying adverse impacts and channels for raising concerns by our own workforce	3.1.3.
S1-4	Addressing the material impacts on its own workforce and applying approaches to manage material risks and opportunities related to its own workforce, and the effectiveness of these actions	3.1.4.
S1-5	Targets related to managing material adverse impacts, enhancing positive impacts and managing material risks and opportunities	3.1.12.

S1-6	Characteristics of the entity's employees	3.1.13.
S1-7	Characteristics of non-employees forming the entity's own workforce	3.1.13.
S1-14	Health and safety measures	3.1.13.
S1-17	Incidents, complaints and serious human rights impacts	3.1.13.
ESRS S2 Those working in the value chain		
S2-1	Policies related to people working in the value chain	3.2.1.
S2-2	Collaborative processes with those doing the work in the value chain	3.2.2.
S2-3	Processes for remediation of adverse impacts and channels for reporting concerns by those doing work in the value chain	3.2.3.
S2-4	Addressing material impacts on value chain performers and applying approaches to manage material risks and opportunities related to value chain performers and the effectiveness of these actions	3.2.4.
S2-5	Targets related to managing material adverse impacts, enhancing positive impacts and managing material risks and opportunities	3.2.5.
ESRS S4 Consumers and end-users		
S4-1	Policies related to consumers and end-users	3.3.1.
S4-2	Collaborative influencing processes with consumers and end-users	3.3.2.
S4-3	Remediation processes and channels for consumers and end-users to raise concerns	3.3.3.
S4-4	Addressing material impacts on consumers and end-users and applying approaches to manage material risk risks and opportunities related to consumers and end-users, and the effectiveness of these actions	3.3.4.
S4-5	Targets related to managing material adverse impacts, enhancing positive impacts and managing material risks and opportunities	3.3.5.
ESRS G1 Business conduct		
G1-1	Business conduct policies and corporate culture	4.1.
G1-2	Supplier relationship management	n/a
G1-3	Prevention and detection of corruption and bribery	4.2.
G1-4	Incidents of corruption or bribery	4.3.
G1-6	Payment practices	4.4.

In accordance with ESRS 2 IRO-2, the entity is required to include a table taking into account all data points that arise from other EU legislation, based on Appendix B of the ESRS 2 standard.

List of data points contained in cross-cutting and thematic standards which stem from other EU legislation

Disclosure requirement and associated data point	Reference to other EU regulations*	Point in the Sustainability Report
ESRS 2 GOV-1 Gender diversity of board members paragraph 21(d)	SFRD, BRR	1.2.1.
ESRS 2 GOV-1 Percentage of body members that are independent paragraph 21(e)	BRR	1.2.1.
ESRS 2 GOV-4 Due diligence statement paragraph 30	SFDR	1.2.4.
ESRS 2 SBM-1 Participation in fossil fuel actions paragraph 40(d)(i)	SFDR, 3P, BRR	Not material
ESRS 2 SBM-1 Participation in chemical production actions paragraph 40(d)(ii)	SFDR, BRR	Not material
ESRS 2 SBM-1 Participation in controversial weapons activities paragraph 40(d)(iii)	SFDR, BRR	Not material
ESRS 2 SBM-1 Participation in tobacco cultivation and production actions paragraph 40(d)(iv)	BRR	Not material

ESRS E1-1 Transition plan to achieve climate neutrality by 2050 paragraph 14	EUCL	2.2.1.
ESRS E1-1 Entities excluded from the scope of the Paris Agreement-adapted benchmarks paragraph 16(g)	3P, BRR	2.2.1.
ESRS E1-4 GHG emission reduction targets paragraph 34	SFDR,3P,BRR	2.2.4.
ESRS E1-5 Fossil energy consumption disaggregated by source (only for sectors with material climate impacts) paragraph 38	SFDR	2.2.5.
ESRS E1-5 Energy consumption and energy mix paragraph 37	SFDR	2.2.5.
ESRS E1-5 Energy intensity linked to actions undertaken in sectors with material climate impact paragraphs 40-43	SFDR	2.2.5.
ESRS E1-6 Gross Scope 1, 2, 3 GHG emissions and total GHG emissions paragraph 44	SFDR, 3P,BRR	2.2.6.
ESRS E1-6 Gross greenhouse gas intensity paragraphs 53-55	SFDR, 3P,BRR	2.2.6.
ESRS E1-7 Greenhouse gas removal and carbon credits paragraph 56	EUCL	2.2.7.
ESRS E1-9 Reference portfolio exposure to physical climate-related risks paragraph 66	BRR	Not material
ESRS E1-9 Disaggregation of monetary amounts by sudden and prolonged physical risk paragraph 66(a)	3P	Not material
ESRS E1-9 Location of significant physical risk assets paragraph 66(c)	3P	Not material
ESRS E1-9 Breakdown of the book value of property by energy efficiency class paragraph 67(c)	3P	Not material
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69	BRR	Not material
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR (European Pollutant Release and Transfer Register) Regulation emitted to air, water and land, paragraph 28	SFDR	Not material
ESRS E3-1 Water and marine resources paragraph 9	SFDR	Not material
ESRS E3-1 Special policy paragraph 13	SFDR	Not material
ESRS E3-1 Sustainable seas and oceans practices paragraph 14	SFDR	Not material
ESRS E3-4 Total amount of water recycled and reused paragraph 28(c)	SFDR	Not material
ESRS E3-4 Total water consumption in m3 per net income from own operations paragraph 29	SFDR	Not material
ESRS 2 SBM 3-E4(16)(a)(i)	SFDR	Not material
ESRS 2 SBM 3-E4 point 16(b)	SFDR	Not material
ESRS 2 SBM 3-E4 point 16(c)	SFDR	Not material
ESRS E4-2 Sustainable land/agriculture practices or policies paragraph 24(b)	SFDR	Not material
ESRS E4-2 Sustainable ocean/sea practices or policies paragraph 24(c)	SFDR	Not material
ESRS E4-2 Policies to tackle deforestation paragraph 24(d)	SFDR	Not material
ESRS E5-5 Non-recycled waste paragraph 37(d)	SFDR	2.3.5.
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	SFDR	2.3.5.
ESRS 2 SBM-3-S1 Risk of incidents of forced labour paragraph 14(f)	SFDR	1.3.3.
ESRS 2 SBM-3-S1 Risk of incidents of child labour paragraph 14(g)	SFDR	1.3.3.
ESRS S1-1 Commitments on human rights policy paragraph 20	SFDR	3.1.1.

ESRS S1-1 Due diligence strategies for issues covered by ILO Core Conventions 1 – 8, paragraph 21	BRR	3.1.1.
ESRS S1-1 Procedures and measures to prevent trafficking in human beings paragraph 22	SFDR	3.1.1.
ESRS S1-1 Policy or management system for the prevention of accidents at work paragraph 23	SFDR	3.1.1.
ESRS S1-3 Complaint Mechanisms paragraph 32(c)	SFDR	3.1.3.
ESRS S1-14 Number of work-related deaths and number and rate of work-related accidents paragraph 88(b) and (c)	SFDR, BRR	3.1.13.
ESRS S1-14 Number of days lost due to injuries, accidents, fatalities or illnesses paragraph 88(e)	SFRD	3.1.13.
ESRS S1-16 Unadjusted gender pay gap paragraph 97(a)	SFRD, BRR	Not material
ESRS S1-16 Excessive level of remuneration of the chief executive officer paragraph 97(b)	SFRD	Not material
ESRS S1-17 Cases of discrimination paragraph 103(a)	SFRD	3.1.13.
ESRS S1-17 Non-compliance with the UN Guiding Principles on Business and Human Rights and OECD Guiding Principles paragraph 104(a)	SFRD, BRR	3.1.13.
ESRS 2 SBM-3-S2 Significant risk of incidents of child or forced labour in the value chain paragraph 11(b)	SFRD	Not material
ESRS S2-1 Commitments on human rights policy paragraph 17	SFRD	3.2.1.
ESRS S2-1 Policies related to persons performing work in the value chain paragraph 18	SFDR	3.2.1.
ESRS S2-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and OECD Guidelines paragraph 19	SFRD, BRR	3.2.1.
ESRS S2-1 Due diligence strategies for issues covered by ILO Core Conventions 1- 8, paragraph 19	BRR	3.2.1.
ESRS S2-4 Human rights issues and incidents related to upstream and downstream value chains paragraph 36	SFDR	3.2.4.
ESRS S3-1 Human rights policy commitments, paragraph 16	SFDR	Not material
ESRS S3-1 Failure to comply with UN Guiding Principles on Business and Human Rights, ILO Principles or OECD Guidelines paragraph 17	SFDR, BRR	Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	SFDR	Not material
ESRS S4-1 Policy relating to consumers and end-users paragraph 16	SFDR	3.3.1.
ESRS S4-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and OECD Guidelines paragraph 17	SFDR, BRR	3.3.1.
ESRS S4-4 Human rights issues and incidents paragraph 35	SFDR	3.3.4.
ESRS G1-1 United Nations Convention against Corruption paragraph 10(b)	SFDR	4.1.
ESRS G1-1 Protection of whistleblowers paragraph 10(d)	SFDR	4.1.
ESRS G1-4 Fines for breaches of anti-corruption and anti-bribery legislation paragraph 24(a)	SFDR, BRR	4.3.
ESRS G1-4 Standards on anti-corruption and bribery paragraph 24(b)	SFDR	4.3.

***SFDR Sustainable Finance Disclosure Regulation** – reference to Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on disclosure of information related to sustainable development in the financial services sector,

3P – reference to the third pillar. EBA Pillar 3 disclosure requirements),

BRR – Reference to the Reference Indicators Regulation. Climate Benchmark Standards Regulation,

EUCL – European Climate Law Reference. EU Climate Law)

2. ENVIRONMENTAL INFORMATION

2.1. TAXONOMY

2.1.1. REGULATORY FRAMEWORK

The following disclosures have been prepared on the basis of the following European regulations (“EU Taxonomy”):

- REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 establishing a framework to facilitate sustainable investment, amending Regulation (EU) 2019/2088 (hereinafter: Regulation 2020/852).

- COMMISSION DELEGATED REGULATION (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing technical qualification criteria for determining the conditions under which an economic activity qualifies as making a significant contribution to climate change mitigation or adaptation and whether that economic activity does not cause significant harm to any other environmental objective (hereinafter: Regulation 2021/2139).

- COMMISSION DELEGATED REGULATION (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by clarifying the content and presentation of the information on environmentally sustainable business activities to be disclosed by companies subject to Article 19a or 29a of Directive 2013/34/EU and specifying the method for fulfilling this disclosure obligation (hereinafter: Regulation 2021/2178).

- COMMISSION DELEGATED REGULATION (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards the public disclosure of specific information in relation to those economic activities.

- COMMISSION DELEGATED REGULATION (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139 laying down additional technical eligibility criteria for determining the conditions under which certain economic activities qualify as making a significant contribution to climate change mitigation or adaptation and whether those activities do not cause significant damage to any other environmental objective.

- COMMISSION DELEGATED REGULATION (EU) 2023/2486 of 27 June 2023. supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing technical qualification criteria for defining the conditions under which an economic activity qualifies as making a significant contribution to the sustainable use and conservation of water and marine resources, to the transition towards a circular economy to the prevention and control of pollution, or to the protection and restoration of biodiversity and ecosystems, and whether that economic activity does not cause serious harm to any other environmental objective, and amending Commission Delegated Regulation (EU) 2021/2178 as regards the public disclosure of specific information in relation to those economic activities

2.1.2. PROCESS FOR QUALIFYING TURNOVER, CAPITAL EXPENDITURE AND OPERATING EXPENSES AND ACCOUNTING PRINCIPLES

The Group’s qualification process begins by identifying a list of core business processes that correspond to the revenue generated by the Group.

At this stage, the Group has detailed the following processes:

- purchase of goods (electrical and electronic equipment, toys),
- storage,
- sale of goods (electrical and electronic equipment, toys),
- freight transport,
- purchase and sale of licences including cloud services,
- servicing of goods (electrical and electronic equipment),
- lease of own buildings,
- marketing services,
- training services,
- photovoltaic installation services (Alsen Sp. z o.o.).

In the next step, the AB Group qualifies the processes for Taxonomy accordingly, based on the activity descriptions contained in the delegated regulations of European Commission Regulation 2020/852¹², using the NACE codes contained therein in a subsidiary manner.

The activities performed in the various Group companies are assessed in a uniform manner. Taxonomy-eligible activities are assigned to Section A of the Taxonomy report, while Taxonomy-non-eligible activities are assigned to Section B.

The Group then assesses the extent to which the individual Taxonomy-eligible processes meet the technical criteria in the delegated acts to Regulation (EU) 2020/852. Activities that meet the technical criteria are assigned to section A1, activities that do not meet or partly meet the technical criteria (non-Taxonomy-aligned activities) are assigned to section A2.

AB S.A., as the parent entity, oversees the process of analysing the compliance of activities with technical qualification criteria and the preparation of key indicators.

The numerator of the key result indicators includes, respectively, the value of turnover, inputs and operating expenses directly related to the Taxonomy-eligible activities.

The calculation of the ratios for the Group takes into account, as appropriate, the consolidation exclusions applied in the preparation of the financial statements. The presentation of key indicators excludes intra-group sales.

All data used for the calculation comes from the management reporting systems of the individual companies (AB S.A., Alsen Sp. z o.o., Alsen Marketing Sp. z.o.o. and AT Computers a.s.), which are fed directly from the AB Group's financial and accounting systems. No significant estimates or allocations were made in relation to the reported indicators.

Key performance indicator linked to turnover (KPI turnover)

(percentage of turnover derived from products or services related to economic activities that qualify as environmentally sustainable).

The denominator of the key turnover ratio is the AB Group's consolidated revenue for the period 1.10.2024-30.09.2025 as disclosed in the financial statements within the Consolidated Income Statement under "Sales revenue" and in Note 4 to the Consolidated Financial Statements.

¹² European Commission Delegated Regulation (EU) 2021/2139, European Commission Delegated Regulation (EU) 2023/2485, European Commission Delegated Regulation 2022/1214 and 2023/2486.

The numerator of the indicator is the net revenue from the sale of goods and services related to the AB Group's Taxonomy-eligible business activities that qualify, after eliminating transactions concluded between Group companies.

The key indicator on turnover does not include amounts for Taxonomy-aligned business activity carried out for own consumption.

Key indicators related to turnover include the following activities:

Type of activity	Alignment with Taxonomy	Code concerning purpose
- installation of photovoltaic systems	Yes	CCM 7.6
- electronic equipment maintenance services	No	CE 5.1
- sale of second-hand goods	No	CE 5.4
- rental of office space	No	CCM 7.7
- sales of cloud services	No	CCM 8.1

Key performance indicator related to capital expenditure (capital expenditure KPIs)

(Percentage of capital expenditure associated with activities that qualify as environmentally sustainable)

The key indicator related to capital expenditure is determined by dividing the total capital expenditure related to Taxonomy-eligible activities by the total capital expenditure of the AB Group.

The Group's total capital expenditure (the denominator) is as set out in Notes 9 and 10 to the Consolidated Financial Statements and comprises the additions to property, plant and equipment and intangible assets¹³ during the financial year before depreciation, amortisation and any revaluations, including those arising from revaluations and impairments, for the financial year. Capital expenditure also includes fixed assets taken into use during the financial year from the item of investments in progress.

The denominator of the capital expenditure indicator also shows increases from acquired rights of use under leases, in accordance with IFRS 16.

The key indicator on expenditures does not include additions relating to property, plant and equipment, self-generated intangible assets or related to acquisitions due to business combinations, and does not include additions relating to acquired investment properties.

Key performance indicator related to operational expenditure (KPI for operational expenditure)

(Percentage of capital expenditure associated with activities that qualify as environmentally sustainable)

The Group includes non-capitalised costs relating to building maintenance and refurbishment, short-term leases, maintenance, repairs and any other direct expenditure related to the day-to-day operation of property, plant and equipment in the key performance indicator related to operating expenditure.

The Group has not identified any Taxonomy-eligible operating expenses in the 2024/2025 financial year.

¹³ excluding increase in investments in progress

2.1.3. ASSESSMENT OF COMPLIANCE WITH THE REGULATION WITH CONTEXTUAL INFORMATION

The analysis of turnover, inputs and operating expenses carried out did not show the need for an allocation between several Taxonomy-eligible activities. The individual activities indicated contribute to only one of the objectives. Thus, none of the activities listed in the table above appear twice in the set of key result indicators (the values included in the indicators are not duplicated).

The amounts presented for turnover and capital expenditure related to Taxonomy-eligible activities are uniform in nature and do not represent an aggregation of the various elements and therefore no quantitative breakdown is provided. In the case of the turnover ratio, it is the amount of sales invoices issued by the Group (revenue from contracts with customers), while in the case of the input ratio, it is the amount of purchase invoices issued to the Group.

The Group did not present plans for capital expenditure.

The table below shows the list of activities classified into the Taxonomy on the basis of NACE codes, together with an assessment of compliance with the technical criteria of the Taxonomy.

The AB Group activities identified as Taxonomy-eligible

Key performance indicator	Taxonomy position according to Regulation 2021/2139	Type of activity identified	Assessment of compliance with the Taxonomy and the extent to which the technical criteria are met, in accordance with Regulation 2021/2139 and Regulation 2020/852	The financial year in which the activity occurred	How to include a key performance indicator in the numerator
Share of turnover	CCM 7.6 Installation, maintenance and repair of renewable energy technology systems on site	Installation services of photovoltaic equipment carried out by Alsen Sp. z o.o. for customers.	Environmentally sustainable operations in accordance with the technical criteria of EU Regulation 2021/2139	2023/2024 and 2024/2025	Amount of revenue from sale of photovoltaic installations (revenue from contracts with customers)
Share of turnover	CE 5.1 Repair, upgrade and reconditioning of products	The service is provided by Alsen Sp. z o.o. The Company provides repair services for business partners and end customers of IT equipment and household appliances. Chemistry in the form of fluxes is used for repairs. In addition, plastic cleaning foams and IPA-based substances are used for cleaning. In processes where chemistry is used, no waste is produced; fluxes evaporate just like cleaning agents.	Activities that do not fully meet the technical criteria of EU Regulation 2021/2139	2023/2024 and 2024/2025	Amount of service revenue (revenue from customer contracts)
Share of turnover	CE 5.4 Sale of second-hand goods	The sale of second-hand goods is carried out by Alsen Sp. z o.o. and Alsen Marketing Sp. z o.o. The Alsen network sells post-lease products (mainly PCs and notebooks). Alsen does not import products to the Polish market directly from abroad, but buys goods already in circulation in Poland (purchases from Polish suppliers). In most situations, these are already pieces prepared for resale: each packed separately in a cardboard box, where the equipment is already properly protected for transport. Therefore, no pollution or waste is generated in such a sales process.	Activities that do not fully meet the technical criteria of EU Regulation 2021/2139	2023/2024 and 2024/2025	Amount of revenue from sale of goods (revenue from contracts with customers)
Share of turnover	7.7 Acquisition and ownership of buildings	Rental of own buildings.	Activities that do not fully meet the technical criteria of EU Regulation 2021/2139	2023/2024 and 2024/2025	Amount of income from rental of office space (income from rental contracts)
Share of turnover	CCM 8.1. Data processing; website management (hosting) and related activities	Provision of cloud services.	Activities that do not fully meet the technical criteria of EU Regulation 2021/2139	2023/2024 and 2024/2025	Amount of revenue from sales of cloud services (revenue from contracts with customers)
Share of capital expenditure	CCM 7.6 Installation, maintenance and repair of renewable energy technology systems on site	Installation of photovoltaic equipment for AB S.A. and Alsen Marketing Sp z o.o.'s own needs.	Environmentally sustainable operations in accordance with the technical criteria of EU Regulation 2021/2139	2023/2024 and 2024/2025	Amount of capital expenditure (invoices to Group companies for installation of equipment)

2.1.4. PERCENTAGE OF TURNOVER FROM PRODUCTS OR SERVICES RELATED TO TAXONOMY-ALIGNED BUSINESS ACTIVITIES – DISCLOSURE IS FOR 2024/2025 WITH COMPARATIVE ADJUSTED FIGURES

Economic activity (1)	Financial Year 2024/25			Criteria for significant contribution						Criteria for the DNSH principle ("do no serious harm") (h)							adjusted comparative figures	Supporting activities category (19)	Transition activities category (20)
	code or codes (a) (2)	Turnover (3)	Part of turnover, year 2024/2025 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)			
		TPLN	%	T; N; N/ EL (b)	Y; N; N/ EL (b) (c)	Y; N; N/ EL (b) (c)	Y; N; N/ EL (b) (c)	Y; N; N/ EL (b) (c)	Y; N; N/ EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	Y
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Installation of photovoltaic equipment	CCM 7.6	156	0.001%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.002%		
Turnover from environmentally sustainable activities (Taxonomy-aligned) (A.1)		156	0.001%	0.001%	0.000%	0.000%	0.000%	0.000%	0.000%	Y	Y	Y	Y	Y	Y	Y	0.002%		
Including supporting		-	-	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	E	
Including for the benefit of the transition		-	-							Y	Y	Y	Y	Y	Y	Y	-		Y
A.2 Taxonomy-eligible but environmentally unsustainable activities (non-Taxonomy-aligned activities) (g)																			
Rental of own buildings	CCM 7.7	1,430	0.010%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.009%		
Provision of cloud services	CCM 8.1	280	0.002%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.000%		
Maintenance services	CE 5.1	866	0.006%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.006%		
Sale of second-hand goods	CE 5.4	2,668	0.018%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.010%		
Turnover from Taxonomy-eligible but not environmentally sustainable activities (Taxonomy-aligned activities) (A.2)		5,244	0.035%	0.011%	0.000%	0.000%	0.000%	0.024%	0.000%								0.024%		
A. Turnover from Taxonomy-eligible activities (A.1+A.2)		5,400	0.036%	0.012%	0.000%	0.000%	0.000%	0.024%	0.000%								0.026%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover from Taxonomy non-eligible activities		14,925,751	99.964%																
TOTAL		14,931,151	100%																

2.1.5. PERCENTAGE OF CAPITAL EXPENDITURE FOR PRODUCTS OR SERVICES RELATED TO TAXONOMY-ALIGNED BUSINESS ACTIVITIES – DISCLOSURE IS FOR 2024/2025 WITH COMPARATIVE ADJUSTED FIGURES

Economic activity (1)	Financial Year 2024/25			Criteria for significant contribution						Criteria for the DNSH principle (“do no serious harm”) (h)						adjusted comparative figures	Supporting activities category (19)	Transition activities category (20)	
	code or codes (a) (2)	Capital expenditure (3)	Part of turnover, 2024/2025 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)			Share of Taxonomy-aligned (A.1.) or Taxonomy-eligible (A.2.) activities Turnover, 2023/24
	TPLN	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	Y
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Installation of photovoltaic equipment	CCM 7.6	3,236	24.69%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-		
Investment expenditures for environmentally sustainable activities (Taxonomy-aligned) (A.1)		3,236	24.69%	24.69%	0.00%	0.00%	0.00%	0.00%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.00%		
Including supporting			-	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	E	
Including for the benefit of the transition			-	-						Y	Y	Y	Y	Y	Y	Y	-		Y
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-Taxonomy-aligned activities)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Provision of cloud services	CCM 8.1	35	0.27%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Investment expenditures for Taxonomy-eligible but environmentally unsustainable activities (non-Taxonomy-aligned activities) (A.2)		35	0.27%	0.27%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%		
A. Investment expenditure for Taxonomy-eligible activities (A.1+A.2)		3,271	24.95%	24.95%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Investment expenditure for Taxonomy non-eligible activities		9,836	75.05%																
TOTAL		13,107	100%																

2.1.6. PERCENTAGE OF OPERATING EXPENDITURE ON PRODUCTS OR SERVICES RELATED TO TAXONOMY-ALIGNED BUSINESS ACTIVITIES – DISCLOSURE IS FOR 2023/2024 WITH COMPARATIVES ADJUSTED

Economic activity (1)	Financial Year 2024/2025			Criteria for significant contribution						Criteria for the DNSH principle (“do no serious harm”) (h)						adjusted comparative figures	Supporting activities category (19)	Transition activities category (20)	
	code or codes (a) (2)	Operating expenditure (3)	Part of turnover, 2024/2025 (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)				Minimum safeguards (17)
		TPLN	%	T; N; N/EL (b) (c)	T; N; N/EL (b) (c)	T; N; N/EL (b) (c)	T; N; N/EL (b) (c)	T; N; N/EL (b) (c)	T; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	Y
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Operating expenditure for environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.00%		
Including supporting		-	-	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	E	
Including for the benefit of the transition		-	-	-	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-		Y
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-Taxonomy-aligned activities)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Provision of cloud services	CCM 8.1	18	0.18%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Operating expenditure for Taxonomy-eligible but environmentally unsustainable activities (non-Taxonomy-aligned activities) (A.2)		18	0.18%	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%		
A. Operating expenditure for Taxonomy-eligible activities (A.1+A.2)		18	0.18%	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Operating expenditure for Taxonomy non-eligible activities		9,959	99.82%																
TOTAL		9,977	100%																

Explanation of the codes used:

The code is the abbreviation of the relevant objective for which the business activity is eligible to make a significant contribution to that objective, as well as the section number dedicated to the activity in the relevant objective appendix, i.e.:

- climate change mitigation: CCM
- climate change adaptation: CCA
- water and marine resources: WTR
- circular economy: CE
- pollution prevention and control: PPC
- biodiversity and ecosystems: BIO

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activities for the relevant environmental objective

N – No, Taxonomy-eligible but non-Taxonomy-aligned activities for the relevant environmental objective

N/EL – Not eligible, Taxonomy non-eligible activities for the relevant environmental purpose

EL – Taxonomy-eligible activities for the relevant objective

E – supporting activities

Y – Transition activities

2.1.7. CHANGES MADE SINCE THE PREVIOUS REPORTING PERIOD

The Group made a change to the calculation of capital expenditure amounts relating to the comparative period by excluding increases relating to investments in progress, amounting to TPLN 2,660, from the capital expenditure amount.

The Taxonomy report for the 2024/25 financial year also made the following changes to the classification of activities:

- 1) Revenue from transport services were reclassified from category A2 (Taxonomy-eligible but non-Taxonomy-aligned) to category B (Taxonomy-non-eligible), based on an assessment of the level of control exercised over the subcontractor of these services.
- 2) AB SA's cloud sales turnover was reclassified from category A2 (Taxonomy-eligible but non-Taxonomy-aligned) to category B (Taxonomy-non-eligible), based on an assessment of the level of use of the Data Centre.
- 3) Maintenance services and sales of second-hand goods carried out by Alsen Sp. z o.o. and Alsen Marketing Sp. z o.o. were reclassified from category A1 (Taxonomy-eligible and Taxonomy-aligned) to category A2 (Taxonomy-eligible but non-Taxonomy-aligned).
- 4) Capital expenditure relating to the captive fleet was reclassified from category A2 (Taxonomy-eligible but non-Taxonomy-aligned) to category B (Taxonomy-non-eligible).
- 5) Capital expenditure and operating expenses relating to the refurbishment of own buildings have been reclassified from category A2 (Taxonomy-eligible but non-Taxonomy-aligned) to category B (Taxonomy-non-eligible), as the expenditure relates to buildings that are negligibly used for the Group's Taxonomy-eligible activities.
- 6) Capital expenditure relating to the acquisition of warehouse space has been reclassified from category A2 (Taxonomy-eligible but non-Taxonomy-aligned) to category B (Taxonomy-non-eligible), as the expenditure relates to buildings that are not used for the Group's Taxonomy-eligible activities.

2.1.8. COMPLIANCE WITH MINIMUM SAFEGUARDS

An assessment of compliance with the Minimum safeguards was made for: OECD Guidelines for Multinational Enterprises (<https://www.gov.pl/attachment/1fb2cf11-5c9d-4457-b180-4476a7fd4358>), the UN Guiding Principles on Business and Human Rights (https://pihrb.org/wp-content/uploads/2014/10/Wytyczne-ONZ-UNGPs-BHR-PL_web_PiHRB.pdf), Article 2(17) of Regulation (EU) 2019/2088. The application of the above standards is deeply rooted in the Group's corporate culture. These standards are reflected in a number of internal processes and procedures.

The assessment of compliance with Minimum safeguards was carried out taking into account the areas identified in the EU Final Report on Minimum Guarantees developed by the Sustainable Finance Platform. The analysis included: human rights (including labour and consumer rights), anti-corruption, taxation and fair competition. In addition, with a view to updating the OECD Guidelines for Multinational Enterprises in June 2023, the AB Group has also included the area of science, technology and innovation in its assessment of compliance with the Minimum safeguards.

Based on the analysis of the aforementioned areas, it was concluded that the AB Group operates in accordance with the Minimum safeguards.

2.1.9. DISCLOSURE IN ACCORDANCE WITH ANNEX III OF COMMISSION DELEGATED REGULATION (EU) 2022/1214 SUPPLEMENTING COMMISSION DELEGATED REGULATION (EU) 2021/2178 WITH ANNEX XII ON STANDARD TEMPLATES FOR THE DISCLOSURE OF INFORMATION REFERRED TO IN ARTICLE 8(6) AND (7). – I.E. FOR NUCLEAR AND NATURAL GAS ACTIVITIES.

Nuclear and natural gas activities

No.	Nuclear energy activities	Turnover	Investment expenditure	Operating expenditure
1.	The company conducts, finances or has exposure to the research, development, demonstration and deployment of innovative power generation facilities that produce energy through nuclear processes with minimal fuel cycle waste.	NO	NO	NO
2.	The company constructs, finances or has exposure to the construction and safe operation of new nuclear facilities for the generation of electricity or process heat, including for district heating or industrial processes such as hydrogen production, as well as their safety upgrades using the best available technology.	NO	NO	NO
3.	The company safely operates, finances or has exposure to existing nuclear facilities generating electricity or process heat, including for district heating or industrial processes such as hydrogen production from nuclear power.	NO	NO	NO
Natural gas activities				
4.	The company constructs or operates facilities for the generation of electricity using gaseous fossil fuels, finances this activity or has exposure to it.	NO	NO	NO
5.	The company builds, modernises and operates combined heat/cooling and electricity facilities using gaseous fossil fuels, finances this activity or has exposure to it.	NO	NO	NO

6.	The company constructs, modernises and operates heat/cooling generation facilities using gaseous fossil fuels, finances or has exposure to these activities.	NO	NO	NO
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2.2. ESRS E1 CLIMATE CHANGE

2.2.1. E1-1 TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

The AB Group does not have a formalised transition plan for climate change mitigation. The Group plans to start work on a transition plan for climate change mitigation in the next five years.

2.2.2. E1-2 POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

The AB Group has a Climate and Environmental Policy, which outlines the Group's approach to managing material climate change mitigation and environmental issues. In terms of climate change mitigation, the adopted Policy addresses:

- annual monitoring of GHG emissions by calculating the organisation's carbon footprint (Scope 1, Scope 2 and Scope 3), in accordance with the GHG Protocol.
- the minimisation of Scopes 1, 2 and 3 GHG emissions, and
- education and building climate awareness among Group employees and value chain participants.

The Group's adopted directions for the management of the material climate change mitigation issues are primarily aimed at:

- not using carbon-intensive fossil solid fuels (especially coal) to generate heat at their own locations;
- improving energy efficiency;
- a car policy requiring employees to operate company cars economically with a view to fuel consumption;
- construction and operation of RES installations at own sites, including the use of energy generated by photovoltaic panels;
- reducing GHG emissions associated with packaging and transporting goods;
- educational actions among the Group's employees and business partners, informing them about the impact of human activity on the climate and the benefits of energy conservation, and encouraging informed choices that help reduce the carbon footprint.

In addition, the AB Group Climate and Environmental Policy include the indicators and metrics used to implement the Policy and thus manage the AB Group's material impacts.

The AB Group Climate and Environmental Policy were adopted by the Management Board on dn. 22.09.2025 and immediately implemented in all AB Group Companies.

It is the responsibility of the Group's Management Board to establish specific climate and environmental targets and tasks, to oversee the implementation of the Climate and Environmental Policy and to provide the resources necessary for their implementation.

AB Group's Climate and Environmental Policy will be updated regularly, at a frequency of around every 3 years, to ensure its continuous improvement.

The policy is publicly available to interested parties on the Group's website at the following link:<https://www.ab.pl/o-nas/esg/lad-korporacyjny-2/kodeksy-postepowania-i-etyki/polityka-srodowiskowa/>

2.2.3. E1-3 ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

The AB Group has implemented a number of measures over recent years and in the 2024/2025 financial year to support decarbonisation. The AB Group has taken the following key actions related to climate change mitigation:

- construction of photovoltaic installations at the premises of Alsen Marketing Sp. z o.o. in Chorzów:
 - 9 kW connected to the grid in April 2022, expanded to 14 kW with the addition of 5 kW energy storage in September 2024.
 - 13 kW connected to the grid in April 2022 and expanded to 24 kW in August 2025.
- construction of photovoltaic installations at the premises on ul. Kościerzyńska in Wrocław with a total capacity of 100 kW connected to the grid in October 2022,
- construction of a 751 kW photovoltaic installation at the Magnice site, connected to the grid in March 2025,
- retrofitting the car fleet with hybrid and electric models,
- replacement of lighting with LEDs on work platforms and in service cubicles,
- continuous improvement of energy efficiency in the company's warehouses.

The table below shows the total capacity of the AB Group's own photovoltaic installations.

Location	Installation capacity [kW]
AB, ul. Europejska 4, Magnice	751
AB, ul. Koscierzyńska 32, Wrocław	100
Alsen Marketing, ul. Katowicka 146, Chorzów	39
Total	890

The above actions have an impact on the reduction of Scope 1 and 2 GHG emissions, but the Company does not have calculations in terms of GHG emission reductions from the above actions. This is due to the fact that the above actions implemented by the Group are continuous and multi-year in nature, and attempting to estimate these figures may be subject to a large error. These actions are closely linked to the Group's Climate and Environmental Policy, which sets out directions and examples of actions to support the management of the Group's material climate impacts.

In the years to come, the AB Group plans to take further actions related to managing its impact on climate change in line with the targets and assumptions of the AB Group's Climate and Environmental Policy. In 2025/2026, the Group plans to further replace the lighting with energy-efficient (LED) lighting, build charging stations for electric cars in Magnice and Chorzów, further replace the car fleet with hybrid and electric models. Further investments in reducing GHG emissions require further technical analysis to identify further material areas of opportunity for decarbonisation leverage.

The capital expenditure for the photovoltaic installations was incurred between 2023 and 2025. The investments were financed from the AB Group's own resources. The Group did not use sustainable financing instruments or subsidies. The expenditure on the photovoltaic plant is shown in the AB

Group's balance sheet under "Property, plant and equipment" and in Note 10 to the Consolidated Financial Statements. These expenditures are included in the key performance indicator on capital expenditure required under Commission Delegated Regulation (EU) 2021/2178. In 2023/2024, the amount of expenditure was £2,666k and in the 2024/2025 financial year it was £943k.

The Group does not anticipate any further significant capital expenditure or significant operating expenditure related to these facilities and beyond the resources included in the business budgeting process. The remaining mitigation actions implemented in the 2024/2025 financial year were also financed from own resources, while the amount of these expenses is not significant in the scale of the AB Group's operations and did not exceed the resources included in the business budgeting process.

In addition to actions related to its own assets, the AB Group continues to expand its portfolio of distributed products and solutions to enable energy transition and decarbonisation, including the transition to renewable sources of electricity and heat. The AB Group's portfolio includes :

- battery/uninterruptible power supply (UPS) equipment, which is used, among other things, as renewable energy storage,
- equipment for the adaptation of renewable energy to the power system in businesses and households, e.g. inverters,
- environmental sensors, e.g. temperature, twilight, movement, to optimise energy management,
- photovoltaic panels and installations [Alsen],
- dedicated energy storage [Alsen].

During the reporting period, the Group expanded its offering with new models of energy transformation equipment and added a new manufacturer of uninterruptible power supplies and battery modules to its authorised distribution portfolio. Technological advances and the spread of decarbonisation measures, are leading to an increase in efficiency and a reduction in the energy intensity of new appliance models being introduced, replacing models previously distributed.

2.2.4. E1-4 TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

For the purpose of managing material climate-related impacts, the AB Group has, for the next reporting periods, set a target linked to increasing the share of renewable energy in the total electricity consumption of its own operations. The target will be achieved through the development of in-house photovoltaic installations at the Magnice location. The Group has assumed that photovoltaic installations with a total capacity of 1 MW will be built in the Distribution Centre in Magnice by 2027.

The climate-related target adopted by the AB Group fulfils the Group's commitments adopted in the Climate and Environmental Policy, primarily with regard to the reduction of GHG emissions resulting from electricity consumption in its own operations. Meeting the target will also indirectly contribute to minimising Scope 2 GHG emissions – i.e. indirect emissions related to electricity consumption.

The Group aims to build and operate a photovoltaic plant with a total capacity of 1 MW for its own use by 2027, which will translate into an increased percentage of renewable energy consumption from in-house generation.

The monitoring of the effectiveness of the measures taken will be carried out in accordance with the provisions of the adopted Climate Policy, namely, for the purpose of assessing the progress of the

adopted target, the Group will periodically calculate and monitor the annual total consumption of energy from renewable sources produced on its own in a year, expressed in MWh.

The target adopted takes into account the entity's own operations and applies to the company AB S.A.

A baseline and a base year against which progress will be measured have not been defined for the target adopted, as it relates to the development of PV installations of a specific capacity. It is therefore a measurable, result-oriented and time-bound target.

The adopted climate-related target was not set on the basis of irrefutable scientific evidence, and the setting of the target was guided by available technical solutions related to the possibility of developing renewable sources and thus increasing the production of energy from RES for domestic consumption. However, the target set is consistent with the direction of EU climate policy.

Stakeholders who were involved in setting the target were the Management Board and AB S.A. employees. Employees of AB S.A. as well as specialists from Alsen Sp. z o.o. were responsible for the technical issues of plant selection, while the funds to be allocated for this purpose were included in the Company's budget.

2.2.5. E1-5 – ENERGY CONSUMPTION AND ENERGY MIX

Energy consumption related to the AB Group's own operations and energy mix in the 2024/2025 reporting year was mainly based on fossil fuels. Information on the total energy consumption associated with the entity's own operations (from processes carried out or managed by the entity) is shown in the table below.

Energy consumption and energy mix		
	unit	2024/2025
1) Fuel consumption from coal and coal products	MWh	0.00
2) Fuel consumption from oil and petroleum products.	MWh	2,067.23
3) Fuel consumption from natural gas	MWh	3,781.22
4) Consumption of fuel from other fossil sources,	MWh	0.00
5) Consumption of purchased or procured electricity, heat, steam or cooling from fossil sources.	MWh	3,437.43
6) Total fossil energy consumption	MWh	9,285.88
Share of fossil sources in total energy consumption		%
7) Energy consumption from nuclear sources	MWh	510.89
Share of energy consumption from nuclear sources in total energy consumption		%
8) Fuel consumption for renewable sources, including biomass (which also includes industrial and municipal bio-waste, biogas, renewable hydrogen	MWh	0.00

9)	Consumption of purchased or procured electricity, heat, steam and cooling from renewable sources	MWh	7.50
10)	Consumption of self-generated renewable energy without fuel	MWh	641.93
11)	Total renewable and low-carbon energy consumption	MWh	649.43
Share of renewable sources in total energy consumption		%	6.22
Total energy consumption (calculated as the sum of lines 6, 7 and 11)		MWh	10,446.21

Own energy production from non-renewable and renewable sources

Energy production, MWh		
	Energy production from non-renewable sources	3,781.22
	Energy production from renewable sources	779.63

The above measure was determined on the basis of internal statements including, among others, the amount of fuel burned and electricity consumed (invoices).

In the case of non-fuel self-generated renewable energy consumption and renewable energy production, the yardstick was determined on the basis of data from the electricity distributor Tauron Dystrybucja SA, i.e. eLicznik, and the PV system application, i.e. FusionSolar from Huawei.

The measurement of the meters has not been validated by an external body other than the assurance provider.

Due to AB Group's activities with a significant impact on the climate – Wholesale and Retail Trade (Section G), Transport and Warehousing (Section H), Manufacturing (Section C) – AB Group discloses information on energy intensity (total energy consumption per net revenue) in the table below.

Energy intensity per net revenue (MWh/TPLN)	
Total energy consumption of activities in sectors with material climate impacts per net revenue from activities in sectors with material climate impacts	0.000700

For the calculation of the above indicator, the values according to the table below were used

Net revenue, TPLN	
Net revenue from activities in sectors with material climate impacts used to calculate energy intensity	14,931,151
Net revenue (other)	0
Total net revenue (Consolidated financial statements, Note 4)	14,931,151

2.2.6. E1-6 GROSS SCOPE 1, 2 AND 3 GREENHOUSE GAS EMISSIONS AND TOTAL GREENHOUSE GAS EMISSIONS

Total GHG emissions by Scope 1, 2 and 3 emissions in the AB Group are shown in the table below.

Limits of reported emissions

The figures presented relate to consolidated emissions for the entire group – i.e. the parent entity AB S.A. and the subsidiaries according to operational control.

GHG emissions from the AB Group and entities under operational control		
Indicator	Unit	2024/2025
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions	tCO2e q	1,217.98
Percentage of Scope 1 GHG emissions from regulated emissions trading schemes	%	0.0
Scope 2 GHG emissions		
Gross Scope 2 GHG emissions by location-based method	tCO2e q	1,919.554
Gross Scope 2 GHG emissions by market-based approach	tCO2e q	2,911.671
Scope 3 GHG emissions		
Total indirect GHG emissions (Scope 3)	tCO2e q	2,230,411.51
Category 1: Purchased goods and services	tCO2e q	780,223.01
Category 2: Investment goods	tCO2e q	Not material category
Category 3: Fuel and energy activities (not included in Scope 1 or 2)	tCO2e q	Not material category
Category 4: Upstream transport and distribution	tCO2e q	43,945.98
Category 5: Waste generated by the operation	tCO2e q	Not material category
Category 6: Business travels	tCO2e q	Not material category
Category 7: Employee commuting	tCO2e q	Not material category
Category 8: Leased senior assets	tCO2e q	Not material category
Category 9: Downstream transport	tCO2e q	Not material category
Category 10: Processing of products sold	tCO2e q	Not material category
Category 11: Use of products sold	tCO2e q	1,406,242.52
Category 12: Processing of sold products at end of life	tCO2e q	Not material category
Category 13: Leased downstream assets	tCO2e q	Not material category
Category 14: Franchises	tCO2e q	Not material category

Category 15: Investments	tCO ₂ e q	Not material category
Total GHG emissions		
Total GHG emissions (location – based method)	tCO₂e q	2,233,549.0 4
Total GHG emissions (market – based method)	tCO₂e q	2,234,541.1 6
Biogenic emissions	tCO₂e q	27.86

The table below presents the aforementioned data with the percentage of each scope and material issue category in the AB Group. The location-based method was used because it best reflects the actual emissivity of the energy consumed.

GHG emissions from the AB Group and entities under operational control			% by location-based method
Gross Scope 1 GHG emissions	tCO₂e_q	1,217.98	0.05%
Gross Scope 2 GHG emissions by location – based method	tCO₂e_q	1,919.55	0.09%
Total indirect GHG emissions (Scope 3), including:	tCO₂e_q	2,230,411.51	99.86%
Category 1: Purchased goods and services	tCO ₂ e _q	780,223.01	34.92%
Category 4: Upstream transport and distribution	tCO ₂ e _q	43,945.98	1.97%
Category 11: Use of products sold	tCO ₂ e _q	1,406,242.52	62.96%
Total GHG emissions (location – based method)	tCO₂e_q	2,233,549.04	100.00%

The AB Group did not make use of any contractual instruments for Scope 2 GHG emissions in the 2024/2025 reporting year; therefore, their percentage is 0.

Calculation methodology

For the purpose of calculating GHG emissions, the principles, requirements and guidelines outlined in the “GHG Protocol Corporate Standard” have been taken into account.

Scope of reported emissions:

Scope 1 of the organisation’s carbon footprint includes direct emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and industrial gases: hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆), which result:

- combustion of fuels in stationary combustion sources,
- fuel combustion in vehicles belonging to the organisation,
- refrigerant losses,
- occurring technological processes under the control of the organisation under review.

Source of emissions	GHG emissions	CO ₂ emissions	CH ₄ emissions	N ₂ O emissions	PFC/HFC emissions	SF ₆ emissions	NF ₃ emissions
				[t CO ₂ e]			
GAS	678.30	676.98	1.01	0.31	-	-	-
Fuels	496.65	492.45	1.22	2.98	-	-	-
Refrigerants	43.03		--	-			
Sum of Scope 1	1217.98	1169.43	2.22	3.29			

Scope 2 includes indirect emissions – energy, these are emissions related to the purchase of heat and electricity and process steam and cooling. This scope includes emissions from the production of the above media. For the calculation of Scope 2-related GHG emissions, two methods were used to determine GHG emissions – the “location-based” method and the “market-based” method.

- The “location-based” method reflects the actual amount of emissions arising from electricity generation in a given region. The indicators used for the calculation take into account the energy mix of the region and the fuel mix.
- The second “market-based” method focuses on using emission factors that reflect an organisation’s specific energy purchases – the impact of energy purchasing decisions on the size of the carbon footprint is taken into account.

Scope 3 of the organisation’s carbon footprint consists of 15 categories and includes indirect emissions across the value chain. These are emissions that are linked to an organisation’s activities but are not controlled by the organisation. Scope 3 emissions were estimated on the basis of accepted indicators from available public and non-commercial databases and partly on the basis of information obtained directly from the manufacturer, such as the weight of products or the emissivity of certain product categories obtained from manufacturers’ websites. For the purpose of calculating the Scope 3 carbon footprint, an assessment of the materiality of each category was carried out, in which the following criteria were taken into account:

- type of activity carried out,
- the magnitude of the estimated emissions – the materiality threshold was assumed to be 2% of all Scope 3 emissions,
- the organisation’s exposure to risks e.g. financial, regulatory, supply chain.

Scope 3 categories that do not occur in the AB Group or their share of total Scope 3 emissions is less than 2% have been omitted from the balance sheet as not material. This applies to categories 2-3,5-10,12-15.

Calculation methodology and assumptions made

For the determination of Scope 1, 2 and 3 emissions, emission factors extracted from databases such as:

- KOBIZE – National Balancing and Management Centre,
- DEFRA – Department for Environmental, Food & Rural Affairs,
- AIB – Association of Issuing Bodies,
- ADEME – The French Agency for Ecological Transition,
- MPO.GOV.CZ – Ministry of Industry and Trade of the Czech Republic.

Data on the amount of fuel burned in both stationary and mobile sources was used for the calculation of Scope 1, and indicators from the DEFRA (2025) database were used to account for carbon dioxide, methane and nitrous oxide emissions. In addition, the Group located refrigerant losses in the 2024/2025 reporting year, which were converted into GHG emissions using indicators from the DEFRA (2025) database.

Indicators that take into account a region’s energy mix and fuel mix were used to calculate Scope 2 using the ‘location-based’ method. For companies located in Poland, the index published by KOBIZE (2024) was used, while for companies located outside Poland, the indexes published by the Czech Ministry of Industry and Trade (mpo.gov.cz) were selected. The calculations concerned only purchased

electricity, as the AB Group did not purchase heat, cooling and process steam in the 2024/2025 reporting year.

For the calculation of Scope 2 using the market-based method, the emission factors of the remaining energy mix published by the AIB database (2024) were used, taking into account that part of the energy supply whose source was not confirmed by a guarantee of origin. This avoids double counting of the same amount of energy from a specific source. The calculations concerned only purchased electricity, as the AB Group did not purchase heat, cooling and process steam in the 2024/2025 reporting year.

To determine the emissions of category 1 of Scope 3, the reported weights of goods purchased and the value of services purchased were used, and then for goods the emission factors were extracted from the DEFRA (2025) database, while for services the factors published by ADEME were used, previously converting the costs incurred in PLN, CZK to EUR according to the average exchange rate of the respective currencies. For some commodity subgroups, own estimates were used, based on public product emissivity data published by manufacturers.

Data on the weight of goods bought and sold and the distances travelled by each type of transport was used to determine the category 4 Scope 3 emissions. Emissions were determined using indicators from the DEFRA (2025) database.

To determine the emissions of category 11 of Scope 3, own estimates based on data on the weight and type of goods sold within each commodity sub-group were used: net weight, use scenarios, energy intensity. The electricity consumption emission factor used comes from the KOBiZE database (location-based indicator).

The greenhouse effect coefficients (GWP, Global Warming Potential) used in the calculations are in accordance with the 6th IPCC Report.

The determined Scope 1 GHG emissions for the fuels combusted will take into account carbon dioxide, methane and nitrous oxide emissions, while the Scope 2 emission factors used will only take into account carbon dioxide emissions. The indicators used for refrigerant losses and Scope 3 data are in the form of aggregated indicators and it is not possible to show emissions for individual greenhouse gases.

In addition, the AB Group has also determined biogenic emissions in the 2024/2025 reporting year, which result from the combustion of fuels shown in Scope 1- containing admixtures of biocomponents. In contrast, no biogenic emissions associated with Scope 2 and 3 were identified in the AB Group.

The measurement of the measure has not been validated by an external body other than the assurance provider.

The AB Group's **GHG intensity** (total GHG emissions per net revenue) for the 2024/2025 reporting year is shown in the table below:

Indicator	Unit	Value
GHG intensity (total GHG emissions per net revenue) <i>Location-based method</i>	tCO ₂ eq/TPLN	0.14959
GHG intensity (total GHG emissions per net revenue) <i>Market-based method</i>	tCO ₂ eq/TPLN	0.14966

For the calculation of the above indicator, the values according to the table below were used

Net revenue, TPLN	
Net revenue used to calculate GHG emissions intensity	14,931,151
Net revenue (other)	0
Total net revenue (Consolidated financial statements, Note 4)	14,931,151

2.2.7. E1-7 GHG REMOVALS AND GHG MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS

In the 2024/2025 reporting year, the AB Group did not carry out greenhouse gas removal and mitigation projects financed with carbon credits.

2.2.8. E1-8 INTERNAL CARBON PRICING

The AB Group does not use an internal carbon pricing system.

2.3. ESRS E5 RESOURCE USE AND THE CIRCULAR ECONOMY

2.3.1. E5-1 POLICIES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

The AB Group has a Climate and Environmental Policy, which outlines the Group's approach to managing material environmental issues. The Group's adopted directions for managing the important issues of resources and the circular economy are primarily aimed at:

- minimising the waste generated in their own processes and in the supply chain by applying the waste hierarchy, optimising the weight of transport packaging, using modern transport packaging designs, selecting packaging made from recycled raw materials, reducing unnecessary spaces in transport packaging, reusing refurbished or used pallet packaging,
- increasing recycling through responsible waste management in own processes by promptly recycling waste electrical appliances, batteries and packaging, and increasing the level of waste sorting into fractions,
- expanding environmental product information, promoting products and services that implement sustainable development principles,
- education and awareness-building for Group employees,
- optimising water consumption for social purposes and reducing wastewater generation,
- aiming to increase the share of environmentally sustainable activities in the area of the circular economy (i.e. target 4 according to the EU Taxonomy).

In addition, the AB Group Climate and Environmental Policy include the indicators and metrics used to implement the Policy and thus manage the AB Group's material impacts. The assumptions and targets of the adopted Policy are an extension of the existing targets resulting from the Integrated Environmental Management System (EMAS) introduced at the AB Company. The policy also fits in with the UN Sustainable Development Goals, in terms of objective (12) Responsible consumption and

production. The policy is also consistent with the Group's Supplier Code and Sustainable Purchasing Policy.

The AB Group Climate and Environmental Policy were adopted by the Management Board on dn. 22.09.2025 and immediately implemented in all AB Group Companies.

It is the responsibility of the Group's Management Board to establish specific targets and tasks relating to resources and the circular economy, to oversee the implementation of the Climate and Environmental Policy and to provide the resources necessary for their implementation.

AB Group's Climate and Environmental Policy will be updated regularly, at a frequency of around every 3 years, to ensure its continuous improvement.

The policy is publicly available to interested parties on the Group's website at the following link: <https://www.ab.pl/o-nas/esg/lad-korporacyjny-2/kodeksy-postepowania-i-etyki/polityka-srodowiskowa/>

2.3.2. E5-2 ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

The AB Group has been implementing pro-environmental measures for several years, focusing on rational waste management, including packaging waste, which is an integral part of the functioning EMAS system.

In the 2024/2025 reporting year, the AB Group undertook a number of actions related to resources and the circular economy relating to both its own operations and the value chain. These were continuous and focused mainly on:

- reducing the weight of certain types of transport packaging used
- reducing unnecessary space in transport packaging by adapting the packaging chain to the needs of the goods involved,
- the reuse of refurbished or used palletised packaging,
- the implementation of paper fillers instead of film fillers,
- the reuse of certain types of cardboard packaging,
- eliminating the use of packing tape for certain types of palletised shipments,
- diverting waste from recycling and minimising the amount of waste going to landfill,
- continuously raising awareness of waste management, promoting and implementing the principles of the waste hierarchy by: providing employees with a database of articles about the waste market, internal mailings, organising voluntary work (participation in the "Clean up the World" campaign).

As part of its efforts to use resources efficiently, the parent entity purchases IT equipment for its own use based on a dedicated procedure that takes into account sustainability criteria when selecting products (laptops, desktops and monitors). According to the procedure, the minimum proportion of EPEAT or TCO Certified devices is 50%. In 2024/2025, a level of 88.3% is achieved.

These actions contribute to the successive implementation of the targets and assumptions adopted in the Climate and Environmental Policy. In the years to come, the AB Group plans to take further steps to manage its impacts in line with the overall targets and assumptions of the Climate and Environmental Policy, and progress in implementing actions and plans will be regularly disclosed in sustainability reports.

The above actions do not require significant additional operational expenditure and capital expenditure beyond the resources allocated to existing operations.

2.3.3. E5-3 TARGETS RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

As at the date of publication of the sustainability reporting for 2024/2025, the AB Group has not set measurable, result-oriented, time-bound targets for resource utilisation and the circular economy, This is due to the fact that the actions implemented by the Group are continuous and multi-year in nature, while the final result depends on many factors beyond the Group's control, such as the demand structure for individual goods or the requirements of suppliers and customers with regard to the packaging used. Attempting to estimate the effects of the measures would be subject to considerable error. Instead, the AB Group has adopted the general qualitative targets described in the Climate and Environmental Policy.

In order to manage its material impact in terms of resources and the circular economy, it will take action in accordance with the AB Group Climate and Environmental Policy and in compliance with applicable laws, regulations and standards.

The AB Group has been managing the area of resource utilisation and circular economy for several years through the EMAS system in place, taking measures related to the management of waste electronic and electrical equipment and continuously increasing the rate of recycled materials. The Group aims to implement the principles of circular economy, in particular by referring to the criteria of the "R principle":

- *reduce*,
- *re-use*,
- *recycle* (continuously increasing the proportion of recycled materials).

EMAS also provides a benchmark for setting sustainability-related targets and indicators for their monitoring.

Voluntary, non-measurable general objectives related to closed circuits are set out in the Climate and Environmental Policy and include:

- application of the waste management hierarchy,
- optimisation of the weight of transport packages,
- the use of modern transport packaging designs,
- choosing packaging made from recycled raw materials, reducing unnecessary space in transport packaging, reusing refurbished or used pallet packaging,
- expanding environmental product information and promoting sustainable products and services

Progress towards the targets is monitored through indicators, as set out in the Climate and Environment Policy. The monitoring indicators set will provide a starting point from which measurable targets can be set in the future. Information on the measures taken is also made available annually in the Environmental Statement and the indicators included are verified by an independent auditor.

2.3.4. E5-4 RESOURCE INFLOWS

The key resources introduced by the AB Group's operations include goods (electrical and electronic equipment including packaging), which are purchased for resale. The Group also introduces other products, including accessories for the aforementioned goods and toys.

The composition of the products introduced, includes materials such as ferrous and non-ferrous metals, precious metals, metal alloys (including steel) and plastics. Rare earth metals, i.e. neodymium, dysprosium, terbium, europium, are also included in the composition of the products introduced, with these resources being used upstream in the value chain rather than in the AB Group's own operations.

Along with packaging, materials such as cardboard, plastics and wood are being introduced.

The total weight of material products and materials entering the organisation in the 2024/2025 reporting year is summarised in the table below. Data has been consolidated for the entire AB Group. The data relates to the total of the input mass for which 1) AB Group is, in legal terms, the introducer and 2) the mass for which, in legal terms, the Group supplier is the marketer.

Indicator	Unit	Value
Total mass of products and technical and biological materials introduced into the organisation	Mg	52,406
<ul style="list-style-type: none"> • including product weight (gross weight of electronic and electrical equipment)* • including weight of technical materials (weight of packaging) • including weight of biological materials 		49,546 2,860 0
Percentage of biological materials (and biofuels used for non-energy purposes) used in the production of the entity's products and services (including packaging) and sustainably sourced	%	0
Mass of reused or recycled components, products and secondary materials used in the manufacture of the entity's products and provision of services (including packaging).	Mg	1,826
Mass of reused or recycled components, products and secondary materials used in the manufacture of the entity's products and provision of services (including packaging).	%	64

*of which net weight of electronic and electrical equipment 41 167 Mg

Data on input materials and products were collected from internal lists and databases and conversion factors for calculating weight (kg) were obtained from product information of materials and products and an assumed average weight for individual products (estimation).

Data on reused or recycled components, products and recycled materials used in the manufacture of the Group's products and provision of services refer to bulk packaging (pallets), distribution cartons and fillers. These figures were calculated based on the number of pallets and their estimated weight. Data on the weight of cartons and fillers, was obtained directly from suppliers.

The measurement of the measure has not been validated by an external body other than the assurance provider.

2.3.5. E5-5 RESOURCE OUTFLOWS

The AB Group, with its distribution operations, generates a waste stream typical of the area, which consists primarily of packaging waste including:

- plastics (mainly packaging film),
- paper (cardboard and packaging boards),
- pallets,
- mixed waste (packaging).

The waste stream generated also includes electrical and electronic equipment and batteries. The Group's operations do not generate radioactive waste. Hazardous waste, on the other hand, relates only to the replacement of used fluorescent lamps at the Group's premises. The AB Group manages the waste generated, determining how waste is handled from its generation to its transfer to authorised parties. A summary of the quantities of significant waste arising from the AB Group's activities for the 2024/2025 reporting period, broken down by category, is shown in the table below.

Indicator	Unit	Dangerous waste	Non-hazardous waste	%
Total amount of waste generated	Mg	0.35	971	100%
Amount of waste where disposal was avoided, including:				
Preparation for re-use	Mg	0	0	0%
Recycling	Mg	0	671	69%
Other recovery processes	Mg	0	66	7%
Amount of waste sent for disposal, including:				
As a result of combustion	Mg	0	179	18%
As a result of the storage	Mg	0	35	4%
In other disposal processes	Mg	0.35	19	2%
Total amount of waste not recycled	Mg		299	
Percentage of waste not recycled	%		31	
Total amount of hazardous waste generated by the company	Mg	0.350		
Amount of radioactive waste generated by the company	Mg	0		

Waste streams material to the sector and the Group's operations include, but are not limited to:

- electrical and electronic equipment and batteries,
- plastics (mainly packaging film),
- paper (cardboard and packaging boards),
- wooden pallets,
- mixed waste (packaging).

Quantitative data on waste arisings were obtained from summary (annual) statements, based on information included in waste transfer cards. The mass of municipal waste was estimated based on

the type of municipal waste containers used, together with information on the frequency of collection. The average weight of each type of container was assumed on the basis of data in the online waste database (<https://ibdo.pl>), Information on waste treatment methods in each category was collected from responses to enquiries made to the Group's individual waste collectors.

The measurement of the measure has not been validated by an external body other than the assurance provider.

At the end of the life cycle of the products distributed, through Extended Producer Responsibility (EPR), the Group is actively involved in promoting the concept of a circular economy. As part of the regulations governing the introduction of electrical, electronic equipment and packaging, the Group carries out the collection and recycling of introduced products and packaging, in proportion to their weight placed on the market. The Group is also required to report on the weight of products introduced, on the basis of which the obligation for the level of required waste collection and recycling is determined.

The percentage of input mass for which the introducer provides collection and recycling is given in the table below.

Categories	Poland		Czech Republic	
	2024	2025	2024	2025
Electrical and electronic equipment	65%		65%	
Portable batteries	45%		45%	
Packaging – cardboard	73%	75%	75%	
Packaging – plastics	45%	50%	50%	
Packaging – wood (pallets)	23%	25%	15%	25%

2.3.6. E5-6 ANTICIPATED FINANCIAL EFFECTS FROM RESOURCE USE AND CIRCULAR ECONOMY-RELATED IMPACTS, RISKS AND OPPORTUNITIES

In terms of financial materiality, the following material risks were identified in area E5:

- potential decline in sales of new equipment as a result of longer product life cycles;
- additional taxes or obligations that increase marketing or sales costs to stimulate life-cycle extension projects and finance recycling.

The popularisation of the circular economy directly and significantly affects the AB Group as an IT and consumer electronics distributor. The expected lengthening of product life cycles in the medium to long term, will put downward pressure on demand for new commercial goods and pressure on the financial results from their sale. The identified risks may occur in the medium to long term and may affect the Group's sales revenue and gross profit on sales.

In terms of financial materiality, the following material opportunity was identified:

- an increase in revenue from the sale of maintenance services, spare parts and refurbished products (recommerce),
- an increase in average product price and margin volume due to a shift in customers' shopping basket towards more expensive, longer-lasting or sustainable certified products.

The development of the maintenance services segment, which includes goods repair services, sales of spare parts and consumables, can be a source of additional revenue. The identified opportunities may occur in the short term and may affect the Group's sales revenue and gross profit on sales.

In accordance with the provisions of ESRS 1 Appendix C *List of phased-in disclosure requirements*, the AB Group has taken advantage of the transitional provision that provides that an entity can comply with ESRS E5-6 by making only qualitative disclosures for the first three years of the sustainability statement. Thus, quantitative information related to the identified risks and opportunities in terms of the E5 standard is not presented in this disclosure.

3. INFORMATION ON SOCIAL ISSUES

3.1. OWN WORKFORCE

3.1.1. S1-1 POLICIES RELATED TO OWN WORKFORCE

Among the documents governing the AB Group's approach to employment and the working environment are policies and regulations on creating a responsible workplace, principles of equality and diversity in the workplace or health and safety. The policies implemented respond to the material risks and impacts on their own workforce and provide direction for their management.

The policies and regulations implemented in the AB Group are primarily based on generally applicable laws and regulations, as well as, among others: International Bill of Human Rights, the Declaration of the International Labour Organisation and the UN Guiding Principles on Business and Human Rights.

The implemented Policies are applied to all employees and, to the extent possible, to non-employees (contractors and temporary workers).

The implementation of all policies is the responsibility of the members of the Management Board of the individual AB Group entities, who delegate individual related tasks to the managers of the respective organisational units.

The AB Group has a systematic process of monitoring existing policies and regulations to assess their effectiveness, compliance and timeliness in the context of the changing business and social environment.

The process includes:

- **policy reviews** conducted by the HR Department, the Legal Department and the Health and Safety Service,
- **monitoring of key indicators and data** (e.g. health and safety indicators, whistleblower reports, ethical breach reports, turnover and absence statistics),
- **analysis of signals from employees** (including notifications through workers' representatives),
- **follow-up of incidents and reports** to allow for ongoing corrections.

In developing and updating policies, the AB Group takes into account the interests and needs of its stakeholders, primarily employees, through dialogue with workers' representatives.

The AB Group policies are made available to stakeholders in a way that ensures transparency and the availability of information:

- **employees** – through an internal intranet, implementation training, email communication and mandatory acknowledgement of reading selected regulations;

- **contractors and temporary workers** – by providing appropriate regulations at the start of the cooperation;
- **supervisory authorities and other authorised bodies** , at their request;
- **publicly** – selected documents, such as the AB Group General Code of Conduct, are available on the AB Company website or presented as part of published non-financial reports.

Sharing policies enables stakeholders to understand AB Group’s policies and the expectations placed on employees and other collaborating parties.

The AB Group has not implemented a separate document in the form of a policy on respect for human rights.

The individual entities in the AB Group pursue a personnel policy by means of internal regulations including, inter alia, Work Regulations, Remuneration Regulations.

Documents such as the AB Group’s General Code of Conduct, AT Computers’ Code of Ethics and the whistleblowing procedures introduced in accordance with the provisions implementing the Whistleblower Protection Directive in place at AB, Alsen Marketing and AT Computers are also relevant in this respect – presented in disclosure G1-1.

The policies implemented explicitly refer to the prohibition of child labour and promote standards based on respect for human dignity and freedom. As the AB Group, as far as its own workforce are concerned, does not operate in countries or geographical areas where there is a risk of incidents of forced or compulsory labour or human trafficking, the policies implemented make no direct reference to these issues.

The AB Group is committed to fully respecting human rights, including labour rights, for all employees. These commitments include:

- ensuring decent, safe and non-discriminatory working conditions,
- countering all forms of discrimination, harassment, mobbing and unequal treatment,
- promoting the principles of equal opportunities, diversity and inclusion,
- active social dialogue with employees and their representatives.

Dialogue with employees is implemented through consultation, face-to-face communication and access to secure and confidential channels for raising concerns and irregularities.

The AB Group has policies and regulations aimed at eliminating discrimination (without identifying the specific reasons for this discrimination), harassment and bullying and promoting equal opportunities and diversity. These include the AB Group General Code of Conduct, the Internal Anti-Bullying Policy, the Work Regulations and the whistleblowing procedures. No specific vulnerable groups are specifically identified in existing policies and regulations.

The AB Group implements its policies on anti-discrimination, promotion of equal opportunities and diversity through preventive and control procedures, which include:

- **Work environment audits** – regular reviews of recruitment, remuneration and promotion processes to detect potential risks of inequality;
- **Early detection mechanisms** – monitoring turnover and absenteeism rates, analysis of whistleblower reports;

- **Response procedures** – clearly defined steps to follow when violations are detected, including corrective action and disciplinary sanctions.

AB has the largest number of employees within the AB Group. As such, the Company has the most extensive regulations and policies in place.

Health and Safety Policy – (in force at AB S.A.)

- identifies the Company’s priorities for health and safety actions, such as:
 - ✓ ensuring compliance with regulations,
 - ✓ hazard identification and risk mitigation,
 - ✓ creating safe working conditions,
 - ✓ continuous improvement and education;
- setting out the health and safety responsibilities of employees and managers;
- aiming to make workers aware of the importance of health and safety issues work;
- pointing out that health and safety starting with everyday decisions, attitudes and behaviour.

Work Regulations, Remuneration Regulations and Regulations of the Company Social Benefits Fund (ZFSS) – (in force at AB S.A.)

The work regulations describe the organisation and order at work and the related rights and obligations of the employer and employees. It applies to all employees of the Company.

The Internal Anti-Harassment Policy (which is an appendix to the Labour Regulations) sets out the procedure for dealing with situations of harassment/ suspected harassment and the rights and obligations of employees in such situations.

The Remuneration Regulations describe the principles for the remuneration of the Company’s employees, the remuneration processes described in the Remuneration Regulations are intended to ensure equal treatment.

The remuneration policy for members of the AB S.A. Management Board and Supervisory Board regulates the remuneration of the Management Board and Supervisory Board.

The Regulations of the Company Social Benefits Fund (ZFSS) describe the rules for providing social support to those entitled to it.

In other AB Group companies, the following were introduced:

- work regulations, remuneration regulations – Alsen Marketing
- under Czech labour law, there is no obligation to create Work and Remuneration Regulations. The rights and obligations of employees, including, inter alia, issues of remuneration, the principle of equal treatment or the prohibition of discrimination, are directly regulated by the Labour Code – Zákoník práce 262/2006 – and Act No. 435 of 2004 on Employment.

Table: Summary of the AB Group policies and documents relating to employees related to material impacts and risks.

Adequate pay	Tackling violence and harassment	Diversity	Job security	Work-life balance	HEALTH AND SAFETY
Remuneration Regulations	Work Regulations	AB Group General Code of Conduct	Remuneration Regulations	Work Regulations	Health and Safety Policy

<i>Remuneration policy for members of the Management Board and Supervisory Board of AB S.A.</i>	Internal Anti-Bullying Policy		<i>Remuneration policy for members of the Management Board and Supervisory Board of AB S.A.</i>	Work Regulations
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3.1.2. S1-2 PROCESSES FOR ENGAGING WITH OWN WORKERS AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

The AB Group works with its own workforce on operational actions and on employment security and working conditions more broadly. Continuous communication and knowledge flow is a key element of organisational development and an important aspect of building employee engagement. Depending on the topic addressed, management and workers' representatives are involved. Any employee can express his or her opinion directly or through his or her supervisor or report an undesirable situation. The main tool for communicating with own workforce is an internal system that acts as an intranet. Besides information on current events, it is also a knowledge base that contains all necessary prints and forms. There are no trade unions in the AB Group. The interests of employees and colleagues are represented by their immediate supervisors and the Director of Human Resources (if such a position has been appointed).

Employee engagement takes place at three levels:

- information (intranet, e-mail announcements / notice boards),
- consultation (workers' representatives, health and safety committees),
- participation in decision-making on matters required by law (e.g. consultation on regulations).

The AB Group assesses the effectiveness of its collaboration with its own workforce by combining analysis of quantitative data with a qualitative assessment of employee relations. The purpose of the process is to monitor the effectiveness of the social dialogue and assess the impact of the actions on the functioning of the organisation.

The assessment process includes the following elements:

- analysis of human capital indicators, which allows areas in need of support or change to be identified.
- consultation with workers' representatives (if elected), which allows them to select topics material to their own workforce.

The agreements and the results of this cooperation form the basis for further improvements in human resources policies and practices.

Selected forms and tools for working with employees

- *Health and safety committees*
At AB Company, Commission members hold regular quarterly meetings to take stock of actions and discuss areas for further improvement. This year, preventive measures included

the renewal of traffic routes in the warehouse, comprehensive measures to reduce the temperature at workstations in the warehouse during the summer and information for office workers on organising the workstation with ergonomic principles in mind. The investigation of accidents at work is carried out with the participation of a workers' representative.

- *Workers' representatives*

At AB and Alsen Marketing, workers' representatives were elected. They are consulted on, inter alia, the introduction of regulations (insofar as employment law requires them), health and safety issues and the granting of selected social benefits. Workers' representatives also engage in active dialogue with company employees. There are no works councils or elected workers' representatives in the Czech and Slovak companies, as legislation in these countries does not provide for such an obligation.

In order to gain insight into the opinions of those within its own workforce who may be particularly vulnerable or marginalised (e.g. foreign nationals, persons with disabilities), AB follows the Whistleblowing and Follow-up Procedure and the Internal Anti-Bullying Policy, under which any person has the opportunity to report a violation or an incident of discrimination and harassment.

The Member of the Management Board overseeing the HR area is responsible for overseeing the collaboration with the company's own workforce and for ensuring that its results are incorporated into AB's approach to human capital management.

Operational responsibility for the conduct of cooperation, dialogue with employees and the implementation of actions arising from the results is borne by the Human Resources Director in the case of AB S.A. and the managers of the individual organisational units in the other Group companies.

3.1.3. S1-3 PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKERS TO RAISE CONCERNS

AB, Alsen Marketing and AT Computers have "Procedures for reporting and following up on legal violations" in place. According to them, employees and third parties (including future employees, collaborators, shareholders, contractors and other entities related to the company's actions) can report irregularities concerning the company's actions, within the scope of the procedure and the law. The procedures in place in the Polish AB Group Companies also provide for the possibility of making such reports in the event of labour law violations.

A description of the channels that individual AB Group Companies offer to their own workforce to enable them to raise their concerns or needs and have them resolved, as well as the policy to protect individuals from retaliation, is included in Section G1.

Whistleblowers are protected under existing procedures. Follow-up action is taken on each report. Follow-up action means action taken to assess the veracity of the information contained in a notification and to counteract a breach of the regulations that are the subject of the notification, in particular by carrying out an investigation, initiating an inspection or initiating appropriate legal action as provided for by the regulations.

Employees were informed of the adoption of the procedure via an email communication and by posting the information on notice boards. The procedures are also available on the companies' websites.

During the reporting period, there were no reports under the applicable procedures.

Whistleblowing procedures have not been implemented in the other AB Group companies, due to the smaller scale of their workforce and the scale of their operations. Each of AB Group companies is open to dialogue with its own workforce, which is ensured through direct contacts, including employees' contact with their immediate supervisors and HR departments.

System efficiency:

- average response time: 0 days (no reports),
- number of notifications during the reporting period: 0,
- number of confirmed violations: 0.

The absence of reports does not indicate the absence of risks, so the system will continue to be developed and communicated to employees.

The AB Group assesses whether its own workforce is aware of the structures available for raising concerns through internal communication.

The level of confidence in these mechanisms is monitored on the basis of, among other things, the number of requests, their nature and feedback from employees. This analysis assesses whether employees perceive these channels to be safe and effective.

A whistleblower protection policy is in place to ensure confidentiality of the whistleblower, protection from negative consequences from superiors, employees or colleagues and, where possible, anonymity. The principle of impartiality and objectivity applies when considering all applications.

3.1.4. S1-4 TAKING ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE AND APPROACHES TO MITIGATING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AND THE EFFECTIVENESS OF THOSE ACTIONS

The AB Group determines the appropriate actions in response to actual or potential adverse impacts on its own workforce by identifying risks, assessing the adequacy of actions and implementing corrective and preventive solutions. The effectiveness of the measures taken is monitored, allowing for continuous improvement of policies and practices towards employees.

3.1.5. S1-10 ADEQUATE WAGES

Activities and risk management

The AB Group has a remuneration policy based on internal regulations in line with the applicable laws and practices that define the remuneration rules in the various organisational units.

Wage adequacy risks relate to the possibility of losing competitiveness as an employer and increasing turnover. During the reporting period, the AB Group managed these risks by:

- ensuring that remuneration is adequate in relation to responsibilities and market realities,
- annual budgeting including salary costs and workforce planning,
- systematic verification of wage competitiveness (benchmarks, benchmarking).

The AB Group offers employees an extensive package of additional benefits, including private medical care, group insurance, sports subsidies, psychological support, cafeteria programmes or additional days off (depending on the company).

The AB Group's actions in this area primarily involve employees and, where possible, all of its own workforce, and are continuous, being a key element of human resources management.

The AB Group's efforts to ensure adequate pay are aimed at maintaining the company's attractiveness as an employer, reducing turnover and increasing employee satisfaction and engagement. A regular review of pay levels and an extensive benefits package are designed to promote job stability, improve employee well-being and recruitment efficiency. Monitoring of the effectiveness of the measures taken includes:

- analysis of employee applications,
- exit interview (AB S.A.),
- periodic reviews of the remuneration market.

3.1.6. OCCUPATIONAL HEALTH AND SAFETY (OHS)

Measures to counteract adverse impacts

The potential adverse impacts relate mainly to warehouse work and the work of sales representatives. During the reporting period, the AB Group took steps to minimise adverse impacts by:

- systematic monitoring of accidents at work,
- analysis of incidents by post-accident teams and implementation of corrective actions,
- publication of 'Attention accident' post-accident cards to educate employees (AB S.A.),
- initial and periodic training provided in-house and online,
- first aid training with AED practice (AB S.A.),
- regular health and safety and fire inspections,
- ensuring that employees are able to stop work in the event of a health or life-threatening situation.

No cases of occupational diseases were reported during the reporting period.

The AB Group's actions in this regard primarily involve employees and, where possible, all of its own workforce, and are of a continuous nature resulting from the priority of the AB Group Companies to ensure safe working conditions.

In terms of health and safety, the AB Group aims to:

- minimising the number of accidents at work,
- raising health and safety awareness and staff competence,
- effective implementation of post-accident recommendations.

Monitoring of the effectiveness of the measures taken includes:

- maintenance and analysis of accident statistics,
- analysis of surveillance camera recordings of the storage area,
- cyclical "*safety walks*" – visits to workplaces to observe working conditions and identify potential hazards (AB S.A.).

3.1.7. TACKLING VIOLENCE, BULLYING AND HARASSMENT

Measures to counteract adverse impacts

Potential adverse impacts may include a violation of employees' rights or a decrease in their commitment, and ultimately the loss of employees.

The AB Group has a zero-tolerance approach to violence, discrimination and bullying.

- During the reporting period, the following were in operation in the AB Group: whistleblowing channels (to superiors or HR),
- protecting whistleblowers from retaliation,
- periodic reviews of policies and analysis of risk factors in the working environment,
- exit interviews as an additional source of signals of possible violations.

No cases of harassment or violence were confirmed during the reporting period.

The AB Group's actions in this regard primarily involve employees and, where possible, all of its own workforce and are continuous in nature.

In the area of countering violence, bullying and harassment, the AB Group aims to:

- maintain a work environment free of violence,
- raise awareness among employees against harassment and bullying,
- strengthen an organisational culture based on respect and responsibility.

Monitoring the effectiveness of the measures taken includes keeping up to date with the functioning of the available reporting channels. There were no reports of violence, bullying or harassment during the reporting period.

3.1.8. DIVERSITY AND EQUAL OPPORTUNITIES

Measures to counteract adverse impacts

The AB Group is building a working environment based on tolerance, respect and equality.

To this end, during the reporting period, the AB Group applied equal opportunity recruitment practices (e.g. gender-neutral advertising, equal access to positions).

The Group's actions in this area focus on:

- continuous monitoring of equality of treatment, through analysis of HR data including, inter alia, recruitment processes, internal promotions in order to identify inequalities and implement corrective action where necessary;
- promoting diversity at all levels of the organisation by undertaking initiatives that support diversity (e.g. in terms of gender, age, background, work experience) to ensure representativeness and equal access to development opportunities.

The AB Group's actions in this regard primarily involve employees and, where possible, all of its own workforce and are continuous in nature.

The effectiveness of diversity measures is monitored through regular analysis of the workforce structure in terms of key demographic indicators (e.g. gender, age, disability) and observation of trends in recruitment, promotions and turnover.

3.1.9. WORK-LIFE BALANCE

Activities to harness positive influences

The positive impact in terms of work-life balance relates primarily to supporting measures that promote balance such as flexible working hours, hybrid working or well-being benefits.

During the reporting period, the AB Group supported the reconciliation of work and family responsibilities through:

- the use of remote and hybrid working regulations (where possible),
- flexible scheduling of working time,
- additional (non-statutory) arrangements for parents and carers, including additional financial support, family events (AB S.A.),
- an organisational culture conducive to the use of parental leave.

The AB Group's actions in this area involve employees and are continuous.

In terms of this area, the AB Group aims to:

- increase the flexibility of forms of work,
- support workers raising children,
- build a friendly and family-friendly working environment.

The effectiveness of measures to support work-life balance is assessed through regular analysis of the use of available solutions, such as remote and hybrid working, flexible working schedules and support programmes for parents and carers. In addition, turnover rates, absenteeism and exit interview results are analysed so that appropriate improvements can be made to HR policies and practices.

3.1.10. JOB SECURITY

Activities to harness positive influences

The identified positive impact of the AB Group Companies in the context of employment security is based on promoting employment based on indefinite employment contracts, increasing employee motivation and commitment. Ensuring stability also increases employee trust and loyalty, reduces turnover and improves the psycho-physical well-being of teams.

During the reporting period, the actions of AB Group companies focused on:

- a preference for employment based on employment contracts,
- ensuring that contracts are converted into indefinite contracts in advance (faster than required by law – 60% of AB's employees on indefinite contracts on the last day of the reporting period received such contracts before the end of 2 years of service.
- the analysis of employment stability, turnover and absenteeism,
- developing a range of benefits and advantages.

The AB Group's actions in this area involve employees, and are of a continuous nature resulting from the human resources management model adopted.

In the area of employment security, the Group aims to:

- maintain a high level of contractual employment,

- build stable, long-term working relationships,
- monitor employment trends and staffing ratios.

The effectiveness of actions aimed at ensuring job security is monitored through the analysis of the structure of employment forms, particularly the share of employment contracts and the rate of conversion of fixed-term contracts into indefinite-term contracts. The organisation also regularly examines employment stability indicators, including turnover and absenteeism levels.

3.1.11. TABLE OF ACTIONS, RESOURCES AND MONITORING

The table below indicates the actions, resources and monitoring of the effectiveness of the actions (measurement) for the various topics material to AB S.A. being the largest employer in the AB Group.

Material topic	Actions	Responsibility/Resources	Measurement (monitoring)
Adequate pay (risk)	Ensuring remuneration in line with market standards	HR department, managers	Exit interviews, salary market analyses
Health and safety (reduction of adverse impacts)	Ensuring safe working conditions; reducing accidents; educational actions	Occupational health and safety service, managers, training	Number of accidents, their severity, implementation of post-accident recommendations
Violence and harassment	Maintaining a violence-free work environment; training; responding to reports	HR department, managers	Number of reports, exit interview analysis, confirmed incidents
Diversity	Implementation of the principles of equal treatment and equal opportunities	HR department, managers	Participation of women in management positions; analysis of recruitment processes
Work-life balance	Promoting work-life balance; work flexibility	HR department, managers	Number of employees taking family leave; participation in well-being programmes
Job security	Maintaining a high percentage of employment contracts	HR Department	Share of employees on employment contracts and open-ended contracts

3.1.12. S1-5 TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

During the reporting period, the AB Group did not set formal quantitative or qualitative targets in the social area. The failure to set targets at this stage is not due to a lack of commitment to social issues, but to the need to develop reliable measurement methods and define baseline indicators in the first place.

Only in the next step will it be possible to assess whether and what targets AB Group could set in the area of its own workforce.

Nevertheless, the AB Group has management, monitoring and reporting processes in place to assess the effectiveness of the actions taken. The managers in charge of the various areas periodically present information to the Management Board on the status of employee policies, the needs reported, the opinions of employees and the actions needed to achieve business targets requiring employee involvement. The AB Group monitors the effectiveness of its operations as described in disclosure S1-

4. The AB Group has not set a level of ambition to be achieved and the indicators of a qualitative or quantitative nature that it uses to assess progress.

3.1.13. MEASURES FOR OWN WORKFORCE

The data set out in this chapter in terms of own workforce refers to AB Group employees defined as those directly employed under an employment contract. All employees were taken into account, including inactive people on, for example, redundancy or care leave. The data presented reflect the headcount as at the last day of the financial year, i.e. 30 September 2025, and are expressed in headcount.

The measurement of the metrics indicated in this section of the disclosure has not been validated by an external body other than the assurance provider.

S1 – 6 Characteristics of the entity's employees

Table – Number of employees in the AB Group by gender

Gender	Number of employees			
	AB S.A.		AB Group	
	Number	%	Number	%
Women	291	44%	512	45%
Men	374	56%	625	55%
Not disclosed	0		0	
Total employees	665	100%	1137	100%

Table – Breakdown by country of significant employment – number of employees in countries where the AB Group has at least 50 employees representing at least 10% of the total number of employees

Gender	Number of employees	
	AB S.A.	AB Group
Poland	665	706
Czech Republic	0	399

Table – Number of employees by type of contract, broken down by gender

Type of contract	AB S.A.			AB Group		
	Women	Men	Total	Women	Men	Total
Number of employees	291	374	665	512	625	1137
Number of employees on indefinite contracts	250	291	541	425	496	921
Number of employees on fixed-term contracts (including probationary contracts)	41	83	124	87	129	216
Number of employees who are not guaranteed working hours	0	0	0	0	0	0
Number of full-time employees	287	374	661	437	577	1014
Number of part-time employees	4	0	4	75	48	123

Table – Employee turnover rate

Employee turnover	AB S.A.	AB Group
Total number of people who left employment during the reporting period	102	136
Employee turnover rate in the entity during the reporting period	* 15,34 %	11.96%

Employee turnover was calculated as the ratio of the total number of employees who left voluntarily, were dismissed, retired or died during the reporting period to the total number of employees at 30 September 2025.

** the high turnover rate is determined by the high variability of employment in the logistics departments and is due to the seasonality of employment in this area. The highest turnover rate in AB S.A. concerned precisely the logistics department – 25%*

S1 – 7 Characteristics of non-employees constituting own workforce

The AB Group has decided to use the transitional exemption referred to in Appendix C of ESRS 1 in relation to the disclosures of paragraph S1-7 Characteristics of non-employees constituting own workforce

S1 – 9 Diversity indicators

The tables below provide details of the employment structure of the Company and AB Group during the reporting period, taking into account the age and gender of the workforce based on data current as at 30 September 2025, and are provided on a *head count* basis.

Table – Breakdown of workers by age

Diversity by age	AB S.A.		AB Group	
	Number	%	Number	%
Workers under 30 years of age	131	19.70%	218	19.17%
Employees aged 30-50	435	65.41%	709	62.36%
Workers aged over 50	99	14.89%	210	18.47%

Table – Gender distribution in top management

Diversity of members of senior management – gender breakdown	AB S.A.		AB Group	
	Number	%	Number	%
Women in senior management positions	16	43.24%	24	41.38%
Men in senior management positions	21	56.76%	34	58.62%
Total				

Table: The Company applies the definition of top management, understood as one and two levels below the administrative and supervisory bodies (members of the Management Board and directors and managers/managers of individual business units).

S1-10 Adequate pay

All employees working for the AB Group receive at least adequate remuneration. Adequate remuneration has been defined as the minimum wage set according to the legislation of the country in which the employee is employed.

S1-11 Social protection

The AB Group has decided to use the transitional exemption referred to in Appendix C of ESRS 1 for the disclosures of item S1-11 Social Protection.

S1-14 Occupational health and safety measures

The AB Group has decided to use the transitional exemption referred to in Appendix C of ESRS 1 for the disclosures of item S1-14 Health and Safety Indicators.

Table – Number of employees covered by health and safety

	AB S.A.	AB Group
Percentage of contracted employees covered by a health and safety management system	100%	100%

Table – Work-related accidents

	AB S.A.	AB Group
Number of fatalities due to work-related injuries and work-related ill health	0	0
Notifiable work-related accidents	6	7
Accident rate *	4.86	3.32
Number of days lost due to work-related injuries and ill health	212	316

* The accident rate is calculated according to the formula: number of work-related accidents recorded in the reporting period / total number of hours worked in the reporting period * 1,000,000.

The total number of hours worked has been estimated on the basis of normative working hours including entitlement to paid leave from work

S1-15 Measures of work-life balance

The following table shows the percentage of employees entitled to leave for family reasons and the percentage of those who took advantage of this entitlement

All employees of AB Group companies are entitled to take holidays and days off for family reasons under current legislation – 18.40% of employees in AB Group have taken advantage of this opportunity.

	AB S.A.	AB Group
Percentage of employees entitled to take leave for family reasons	100%	100%
Percentage of eligible employees who took leave for family reasons	21.35%	18.40%
Women	14.74%	13.89%
Men	6.62%	4.51%

S1-17 Incidents, complaints and serious human rights impacts

During the reporting period, no violations of ethical standards related to discrimination, including harassment and mobbing, were reported in the AB Group. There were also no complaints based on existing whistleblowing policies. Throughout the reporting period, there were no cases of suspected human rights violations, discrimination or ethical breaches among employees.

3.2. PEOPLE WORKING IN THE VALUE CHAIN

3.2.1. S2-1 POLICIES RELATED TO PERSONS PERFORMING WORK IN THE VALUE CHAIN

The Company has not implemented policies dedicated to identifying, assessing or remediating the effects of material impacts specifically on those performing work in the value chain and managing these impacts. Nonetheless, the Company expects its contractors to ensure that subcontractors present at the AB Group sites comply with the AB Group's adopted and lawful health and safety policies, including being equipped with appropriate work clothing and tools. This expectation is expressed in the "AB Group Supplier Code", which is publicly available on the Company's website.

The AB Group has policies and codes of conduct, such as the Supplier Code of Conduct and the Sustainable Purchasing Policy, which set out AB Group's expectations regarding respect for human and labour rights. These documents are in line with recognised international standards, including the UN Guiding Principles on Business and Human Rights, the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.

These policies include:

- the prohibition of forced labour and child labour,
- the requirement to respect human, labour and health and safety rights,
- the expectation to allow audits and inspections of suppliers for compliance with these expectations where warranted.

Given the limited opportunity for direct dialogue with those performing work in the value chain, the AB Group relies on available secondary sources, published audit results, supplier declarations and general industry risk analyses for the policies described. The AB Group does not have separate mechanisms or procedures in place to apply remedies for human rights violations against those performing work in the value chain. This is due to the limited ability to influence downstream players in the value chain and the relatively weaker contractual position vis-à-vis large players who employ staff in their locations or engage further players in the chain. In situations where non-compliance is identified, the AB Group relies on contractual solutions, such as the ability to terminate a relationship with a supplier in justified cases, but to date there have been no situations where formal remediation processes or compensation payments are required.

The Policies described above contain provisions on the prohibition of forced labour and child labour, but do not explicitly address the issue of trafficking. The Company considers these issues as part of a broader commitment to human rights.

Policies for those performing work in the value chain, including the Sustainable Purchasing Policy and the Supplier Code of Conduct, are designed to ensure compliance with internationally recognised instruments, including the UN Guiding Principles on Business and Human Rights. These documents

refer to the principles of respect for human rights, the prohibition of forced and child labour and the provision of safe working conditions. As of the date of the report, the Company has not recorded any instances of non-compliance with the UN Guiding Principles, the ILO Declaration or the OECD Guiding Principles that apply to those working in the value chain.

3.2.2. S2-2 PROCESSES FOR ENGAGING WITH VALUE CHAIN WORKERS ABOUT IMPACTS

The AB Group has not implemented an overall process for working with those performing work in the value chain.

3.2.3. S2-3 PROCESSES FOR REMEDIATION OF ADVERSE IMPACTS AND CHANNELS FOR RAISING CONCERNS BY THOSE DOING WORK IN THE VALUE CHAIN

The AB Group has not provided a channel for reporting concerns to those working in the value chain regarding the identified material impact.

3.2.4. S2-4 ADDRESSING MATERIAL IMPACTS ON VALUE CHAIN PRACTITIONERS AND APPLYING APPROACHES TO MANAGE MATERIAL RISKS AND OPPORTUNITIES ASSOCIATED WITH VALUE CHAIN PRACTITIONERS AND THE EFFECTIVENESS OF THESE ACTIONS

Similar measures are applied to people performing work at AB Group locations that are not part of the Group's own workforce as to the Group's own workforce, i.e. providing information on hazards and rules for being on AB Group premises and responding to emergencies as well as organising work in such a way as to prevent accidents, fires, environmental degradation, damage to equipment and installations. Information is provided before work begins. The work of such persons is subject to control with regard to compliance with health and safety regulations and rules applicable to the subject matter of the assignment. The Company sets out rules for the provision of individual and collective protective equipment and the provision of the required authorisations and qualifications for those working on its premises. Following the training, each person employed by an external Company performing work on the Company's premises shall submit an appropriate declaration confirming that the above requirements have been met. These actions, due to the nature of the identified impact concerning health and safety issues, are carried out on a systematic and continuous basis.

AB Group companies take measures to minimise the risk of accidents and promote a culture of safety:

- **Risk assessment and management** – regular reviews of contractors' and subcontractors' workplaces, identifying risks and implementing appropriate preventive measures.
- **Health and safety training and procedures** – mandatory pre-work training on sites, covering hazards, emergency procedures, principles of safe work organisation and the use of individual and collective protective equipment.
- **Protective equipment** – control in and supervision of the use of appropriate PPE.
- **Incident monitoring and analysis** – each accident or potentially hazardous event is analysed and subjected to corrective action.

The effectiveness of the measures taken is tracked and evaluated by monitoring the data on the number of accidents at work described in disclosure S2-5. No serious issues or incidents of human rights violations related to the value chain were reported during the reporting period.

There are no separate resources within the AB Group dedicated to managing the identified impact in the area analysed. This impact is covered by the general health and safety management mechanisms.

3.2.5. S2 -5 TARGETS RELATED TO MANAGING MATERIAL ADVERSE IMPACTS, ENHANCING POSITIVE IMPACTS AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

The AB Group has not set and does not currently plan to set targets in this area, but monitors the effectiveness of its health and safety performance on an ongoing basis. However, the AB Group's ambition is to maintain the existing positive health and safety indicators of those working at AB Group locations recorded in the reporting period, i.e. no serious accidents.

During the reporting period, the Company monitored accidents and incidents involving people working in the value chain at its locations. These data make it possible to assess the effectiveness of preventive measures and confirm the impact of the Company's actions on the safety of its contractors' employees:

- **Total number of accidents: 0**
- **Fatal accidents: 0**
- **Number of inspections carried out: 5**

Analysis of this data enables the Company:

1. Identification of areas of greatest risk and potential for improvement,
2. Planning of preventive actions, training and improvements to health and safety procedures based on identified non-compliances.

3.3. CONSUMERS AND END-USERS

3.3.1. S4-1 POLICIES RELATED TO CONSUMERS AND END-USERS

The issues related to the identified adverse impact are addressed in the AB Group's confidentiality and security policies and procedures in place to ensure compliance with the regulations governing the protection of personal data. The material privacy and product security impacts identified are part of an overall commitment to data protection and product security. In terms of identified positive impacts, no formal policies have been implemented to manage such impacts. This is dictated by the fact that these impacts are driven by the business model, and that AB Group has not chosen to put in place specific targets that it could pursue and monitor under such policies.

The AB Group has not implemented human rights policies material to consumers or end-users. Respect for the human rights of consumers and end-users is part of the AB Group's overall commitments as expressed in AB Group's General Code of Conduct to comply with applicable laws and act in accordance with ethical standards, which also includes compliance with the UN Guiding Principles on Business and Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. The AB Group does not work directly with consumers or end-users on their human rights. There is also no provision for general measures to ensure or enable remedies for the human rights impacts of this stakeholder group. During

the reporting period, there were no incidents where such corrective measures should have been applied.

During the reporting period, there were no cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the International Labour Organisation Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises concerning consumers or end-users.

ESRS 2 MDR-P

To the extent that the AB Group potentially affects the privacy of consumers and end-users, data protection legislation is primarily applicable. Hence, the issue of protecting the privacy of these individuals is part of the general obligation to comply with the requirements imposed by these laws, and the management of this issue is part of the broader management of the protection of personal data in the manner required by these laws. AB Group entities have “Privacy Policies” which are published on the individual websites of AB Group entities. The content of these policies is tailored to the extent to which personal data is processed in a particular case by an AB Group entity. Privacy policies apply to data collected through websites, cookies and other communication channels, including application forms published by AB Group entities. They include data related to transactions or online activity. Policies are monitored for relevance and timeliness and are adjusted in the event of changes to the functionality of the websites to which they relate. The implementation of the policies is handled by the departments serving the AB Group’s e-commerce entities.

3.3.2. S4-2 PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

The AB Group’s business model is primarily based on sales through indirect distribution channels. Hence, the AB Group has not implemented an overall process for engaging with consumers and end-users on material impacts that affect or may affect them. However, the opinions of consumers or end-users reach AB Group through individual submissions as part of customer service cases or through the Group’s customers (resellers) in order to better understand their needs and expectations.

3.3.3. S4-3 REMEDIATION PROCESSES AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

With regard to potential impacts on the privacy of consumers and end-users, data subjects may contact AB Group entities at the indicated email addresses listed in the information clauses or privacy policies. On the other hand, to the extent that a personal data breach would occur and such a breach could result in a high risk of infringement of the rights or freedoms of those persons, it is incumbent on the processors of such data to notify the data subject of such a breach. Possible remedies, in turn, depend on the circumstances of the specific case, including the nature, severity and scale of the potential breach. Apart from the measures described above, as provided for by the data protection legislation, the AB Group has not provided a specific channel for consumers or end-users to report concerns.

3.3.4. S4-4 ADDRESSING MATERIAL IMPACTS ON CONSUMERS AND END-USERS AND APPLYING APPROACHES TO MANAGE MATERIAL RISKS AND OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS, AND THE EFFECTIVENESS OF THESE ACTIONS

The AB Group ensures compliance with applicable laws and industry standards and conducts ongoing monitoring of areas related to privacy, product security and access to information, but does not pursue

separate initiatives targeting these influences. The privacy impact is closely linked to cyber security, which is covered by the disclosures in the “Business Conduct” section.

Consumer privacy:

- actions taken to address the potential impact on consumer privacy emphasise raising employee awareness of data protection and cyber security risks. Employees receive training in both data protection and internet security. The actions that are taken in response to this impact are primarily determined by the processes involved in complying with obligations under data protection legislation, such as risk analyses of data processing or processing impact assessments. These actions are designed to minimise the risk of privacy incidents and, given the potential nature of the impact, no mitigation or remediation has been identified. These actions are carried out continuously and on an ongoing basis (including during the reporting period) and do not have a defined timeframe. Performance monitoring is based on incident analysis. During the reporting period, there were no material incidents in this respect, including those requiring notification to supervisory authorities or information to data subjects.

The identified positive impacts on consumers and end-users are linked to the following initiatives:

Access to information:

- The Company has been developing the “AB Competence Centre” project for many years, with the aim of transferring knowledge and solutions in theory and practice regarding the latest IT technologies, as well as improving skills in the area of competence. As part of the Competence Centre’s activities, training was provided during the reporting period, as in previous years. Training is conducted by certified AB and external trainers. There are technical training courses offered by the Competence Centre in cloud solutions, operating systems, utility software, server administration and configuration, and also tools that offer preparation of projects relating to the development of an ICT company structure and data processing in the company. By including training courses in sale techniques, trade talks, negotiations, etc. in the offer customers may also enhance their interpersonal skills in business. The Competence Centre addresses its offer not only to the Company’s customers, training is also offered to the general public. The Company plans to continue its activities in this area in the years to come as well. The Company tracks the effectiveness of its actions in this area by monitoring the number of training sessions held, the participants and collecting their feedback after the training sessions. During the reporting period, the activities of the AB Competence Centre were awarded the title IT Champion – Champion of Training and Education by the IT Reseller trade magazine.

- From 2022 onwards, the AB Group is developing the ability on its sales platforms to filter its product offering based on sustainability criteria. Information about the “TCO Certified” product certification is made available in the product information. TCO Certified is a global sustainability certification for IT products. The TCO Certified criteria support social and environmental sustainability throughout the IT product lifecycle, and compliance is independently verified both before and after certification. The certification criteria include, among other things, product longevity and reparability, safety and ergonomics in use, energy efficiency or social responsibility for working conditions. TCO Certified is available for the following product categories: monitors, notebooks, tablets, desktops, AIOs, servers, projectors and headsets. The “TCO Certified” parameter can be migrated to the product descriptions of online shops operated by AB Group customers.

Access to products and services:

The AB Group is developing franchise networks in Poland and the Czech Republic (e.g. Kakto, Alsen, Comfor), which operate under the so-called soft franchise model. Actions in this area include:

- working with local entrepreneurs in smaller towns, outside the main urban centres, to launch outlets under the chain's brand;
- operational and marketing support for franchise partners, including the provision of promotional material;
- the integration with the AB Group's B2B platforms, allowing franchisees to order products quickly, synchronise product information and benefit from up-to-date availability and pricing data.

These actions have been carried out in previous years and continued in the reporting period. These actions were carried out on a continuous basis with no time horizon. Through these measures, the AB Group's franchise networks enable consumers and end-users in smaller towns to access a wide range of products that would otherwise be available mainly in large conurbations or via the internet. The effectiveness of the actions is assessed based on the number of franchisees working with the AB Group.

Health and safety

The AB Group aligns its operations with current product safety legislation. During the reporting period, the AB Group worked with suppliers and customers to implement the provisions of the General Product Safety Directive. The AB Group works with manufacturers and the competent authorities to ensure that products comply with the standards prescribed for them. Product safety actions are carried out on an ongoing basis with no time horizon. The AB Group monitors its actions based on notifications received from authorities that inspect products in shops.

No serious human rights issues or incidents related to consumers or end-users were reported during the reporting period.

The management of the receipts described above is part of the AB Group's ongoing operational activities. No separate resources are dedicated to managing these receipts. The actions described above are the responsibility of the individual AB Group entities and their operating divisions, with whose terms of reference they are linked.

3.3.5 S4-5 TARGETS RELATED TO MANAGING MATERIAL ADVERSE IMPACTS, ENHANCING POSITIVE IMPACTS AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

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The AB Group has not set targets in the area of identified impacts on consumers and end-users. Currently, the AB Group has no plans to set such targets, as these impacts do not require intervention in the strategy or business model. They do not generate material risks or opportunities and their nature does not affect the AB Group's decision-making processes. However, the AB Group has ambitions to maintain its achievements in areas where it has identified positive impacts at least at the same level as in the period covered by this report (as regards the activities of the AB Competence Centre or cooperation with franchisees), to develop information tools for products (i.e. expand the product range covered by sustainability certification labels such as TCO Certified where possible). In terms of product safety, the AB Group's ambition is to maintain its current achievements in this area and develop its product offering while keeping the number of reports and the materiality of potential

failures relatively low. In terms of end-user and consumer privacy, the lack of serious incidents should result in this impact being maintained as only potential. The AB Group monitors the effectiveness of policies that apply to the impact on consumers and end-users in the area of privacy by reviewing existing policies to ensure that they are up-to-date and comply with the law. In addition, in the event of potential breaches being reported – any reported incidents would be analysed and, if necessary, promptly addressed in existing policies.

4. BUSINESS CONDUCT

4.1. G1-1 BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

The AB Group has implemented a comprehensive system of regulations in the area of ethics and corporate governance, primarily comprising the AB Group General Code of Conduct, the ATC Code of Ethics, the Anti-Corruption Policy and whistleblowing procedures. The documents introduce general principles of conduct in the following areas of ethical standards and behaviour: lawful and ethical conduct in relation to employees (equal opportunities and non-discrimination, respect and prevention of harassment, safety and health protection), environmental protection (promoting environmental awareness, application of EU standards and internal environmental policies), fair competition, confidentiality and data protection, prevention of conflicts of interest, anti-corruption, cyber security and protection of intellectual property. The general rules of conduct expressed in the general codes are clarified in thematic policies, rules of procedure and instructions as necessary.

By adopting the general codes described above into its corporate regulations, the AB Group aims to incorporate principles derived from international standards, in particular the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Codes and policies are published on the Company's website, unless they relate to internal matters not subject to publication.

The table below provides information on the most material policies in place at AB Group from the perspective of corporate culture and business conduct:

Report of the Management Board of AB S.A. on the Operations of the Group
for the period 01.10.2024 to 30.09.2025

Impact	Corporate culture		Cyber security		Protection		Prevention of corruption												
Policy	AB Group General Code of Conduct	description	sets out the ethical standards and principles of conduct that should guide the actions of all AB Group employees	Security policy and information system security manual	description	sets out the basic principles relating to the processing of data, including personal data, and the procedures to be followed within the information system	Procedure for reporting and following up on infringements	description	sets out the rules and procedures for whistleblowers to report violations of the law (i.e. acts or omissions that are unlawful or intended to circumvent the law), within the scope of the Law on the Protection of Whistleblowers, as well as labour law. Allows employees to make internal anonymous submissions.	Anti-corruption policy	description	defines the standards of performance addressed to employees, co-workers, management of AB S.A. and its subsidiaries, as well as the Company's counterparties (in particular customers, suppliers and marketing agencies). It provides the guidance needed to identify, avoid and eliminate potential bribery and corruption risks.							
		scope	applies to the entire AB Group and to all officers and employees of the AB Group									scope	applies at AB S.A.	scope	employees, associates, management of AB S.A., and its subsidiaries, as well as AB S.A.'s contractors.				
		place of publication	Company website, internal intranet									place of publication	Company website, internal intranet	place of publication	AB S.A. website and internal intranet				
	ATC Code of Ethics	description	a set of core values, principles and approach to business guiding the ATC Group's activities, governing the conduct of all employees towards their employer, towards colleagues, customers and other business partners, administrative bodies and the public, as well as the conduct of individual ATC Group companies towards their employees	scope	Polish companies of the AB Group	Procedure for reporting and following up on infringements	description	sets out the rules and procedures for whistleblowers to report violations of the law (i.e. acts or omissions that are unlawful or intended to circumvent the law) within the scope of the Law on the Protection of Whistleblowers.	scope	Alsen Marketing sp. z o.o.	Anti-corruption policy	place of publication	AB S.A. website and internal intranet						
		scope	covers all AB Group companies in the Czech Republic and Slovakia and is addressed to all employees of these companies											place of publication	internal intranet	scope	website of Alsen Marketing sp. z o.o.		
		place of publication	internally											place of publication	website of Alsen Marketing sp. z o.o.	description	sets out the conditions for making and dealing with notifications of infringements in accordance with the Czech Act on the Protection of Signatories	scope	AT Computers a.s.

The Company's Management Board is the highest authority responsible for implementing the above policies. In practice, the implementation and monitoring of individual policies is carried out by the supervisors of the individual organisational units in accordance with their area of activity. In addition, in the area of information security, including personal data, there is an Information Security Policy, together with an IT system security manual and other complementary policies, such as a clean desk and screen policy and rules for the protection of personal data in remote working. Each new recruit is required to acknowledge that they have read these documents. In addition, the Company has in place an IT business continuity plan, rules and regulations for the circulation and protection of confidential information, rules for the use of computer applications and a social media and website management policy. The purpose of these regulations is to ensure IT security, including the protection of personal data.

Any policy applicable to the Company is published on the internal intranet and is communicated by email. The Anti-Corruption Policy also requires confirmation that the employee has read and understands its contents. The content of the Anti-Corruption Policy is also communicated to counterparties, by reference in the content of the Company's contracts.

Mandatory onboarding has also been implemented in the Polish AB Group companies, during which each new in-house employee (apart from temporary employees) is familiarised with the applicable regulations in the area of corporate culture and business conduct as part of their initial induction. Issues in these areas, with a particular focus on anti-corruption, ensuring fair competition and protecting whistleblowers, are part of the general initial training provided by the legal department. Each new employee is also required to complete e-learning on RODO. In addition to initial training, thematic training is provided as and when required by the various organisational units or identified by the Management Board. These trainings address issues such as fair competition, data protection and protection against cyber threats. Such training is mandatory for all delegated in-house staff. During the reporting period, testing and awareness training was also carried out for in-house staff in the area of modern phishing threats.

With this in mind, the AB Group explains that, although it has not developed a general system for assessing its own corporate culture, it continuously monitors which aspects of business conduct are most material in light of the current market situation, changes in regulations or the needs of the organisation, and responds by taking appropriate action, including thematic training, or reviewing existing regulations and implementing new ones. In this aspect, in the AB Group's view, the whistleblowing system relating to a very wide range of regulations and standards that are part of the issue of business conduct is also crucial. During the reporting period, the AB Group did not receive any information on violations in the area of the issues discussed in this disclosure – including the use of the aforementioned system.

Principles of whistleblowing

The AB Group provides a mechanism for the confidential reporting of violations. This mechanism was ensured by the implementation of the relevant procedures at AB, Alsen Marketing and AT Computers, which are subject to the legal requirements of Directive (EU) 2019/1937 under Polish and Czech national law. At the same time, these are companies in which the implementation of such procedures was considered justified from the perspective of the object or scale of the activity, as well as the size of the workforce. The other AB Group entities do not have whistleblower protection policies and there are currently no plans to implement such policies.

The procedures in place allow violations to be reported both by the company's own workforce and by certain external stakeholders (including representatives of contractors).

AB has implemented a formal whistleblowing and ethics procedure, ensuring compliance with whistleblower protection requirements. The system is based on the following principles:

- Available application channels:
Applications can be submitted via a dedicated online form available on the Company's website and internal intranet.
- Confidentiality and anonymity:
The procedure guarantees full confidentiality of the reporter's data, and Company employees also have the option to report violations anonymously.
- Protection against retaliation:
The Company has introduced an absolute ban on any retaliation against bona fide whistleblowers.
- Process for handling applications:
Each application is acknowledged within 7 days of receipt. Information on the action taken is communicated to the notifier within 3 months. The Company has appointed a Coordinator and a Deputy Coordinator. These functions were entrusted to legal advisers employed by the Company.

The procedures implemented at Alsen Marketing and AT Computers meet the conditions imposed by national legislation. The Company's procedure allows for the reporting of violations also of the applicable internal labour regulations, i.e. in particular the labour regulations, the remuneration regulations, the ZFSS regulations and the remote working regulations (in addition to the reporting of violations of the regulations listed in the Act of 14 June 2024 on the protection of whistleblowers. In addition, the Company's employees have the possibility to anonymously report violations of the law and ethical procedures and standards. Apart from the inclusion of whistleblower protection issues as part of the Company's onboarding, no additional training is provided in the organisation in this area. However, the content of the procedures is permanently available both on the internal intranet and on the companies' websites.

Apart from the whistleblowing procedure described above, there are no other procedures in place within the AB Group for the prompt, independent and objective investigation of business conduct incidents, including incidents of corruption and bribery. The procedures that have been implemented to date are, in the AB Group's opinion, sufficient.

4.2. G1-3 Prevention and detection of corruption and bribery

The Company has implemented comprehensive mechanisms to counter corruption and bribery, including:

- Anti-Corruption Policy and internal anti-corruption procedure. The policy prohibits all forms of corruption and bribery in AB Group's operations and in its relations with business partners. The document sets out rules of conduct, responsibilities of employees and procedures for reporting violations. In addition, the internal anti-corruption procedure sets out guidelines for conduct and comprehensively discusses internal regulations (such as the procedure for the

circulation of contracts or the procedure for the circulation of cost documents), which, as a whole, are important in preventing untoward events.

- The whistleblowing procedure described in chapter G1-1, which also allows violations of the law in the area of corruption and ethics to be reported through dedicated channels,
- A call handling process in which the Company analyses calls and implements corrective actions. The structures involved are not involved in the clarification of the case. The recommendations are forwarded to the Company's Management Board, which reports to the Company's Supervisory Board.
- Training and communication as described in chapter G1-1.

The operational divisions within Sales and Purchasing are considered to be particularly vulnerable in this area. During the reporting period, there were no training programmes dedicated exclusively to anti-corruption and bribery, including those provided for persons in positions at risk and members of the Management Board and Supervisory Board. Nevertheless, as mentioned above, corruption prevention is one of the key aspects included as part of the onboarding process.

4.3. G1-4 Incidents of corruption or bribery

There were none during the reporting period:

- convictions for violations of anti-corruption and anti-bribery laws,
- fines for violations of anti-corruption and anti-bribery legislation,
- confirmed incidents of corruption or bribery.

Apart from the actions described in disclosure G1-3, there were no actions to address breaches of anti-corruption and bribery procedures and standards.

4.4. G1-6 Payment practices

The issue of payment practices and timely payment is one of the key issues within the AB Group business model. Indeed, the AB Group's business relies on deferred payment terms for trade goods granted by suppliers, insurance limits offered to suppliers in respect of receivables owed by AB Group, and external financing.

The AB Group attaches great importance to the timely payment of its obligations, guided by internally developed payment procedures. Although the AB Group does not have a formally adopted policy against late payment, the policies and practices in place ensure that financial obligations are met effectively and in a timely manner. These policies and practices are reviewed at the AB Company on an annual basis when preparing the due date report. To date, there has been no need to adopt a separate policy on payment practices.

Standard terms of payment to suppliers are not used in the AB Group. Payment terms are negotiated and agreed on an individual basis, depending on the capabilities of the supplier, the subject matter of the transaction and the time required to verify, post and pay the invoice on the part of the AB Group. Consequently, there is no monitoring of its payment percentage in line with such standard conditions. In the Polish companies of the AB Group, in each case the payment term is determined in a manner that complies with the applicable provisions of the Polish Act on Prevention of Excessive Delays in Commercial Transactions. Any delays that may arise due to the overrun of agreed payment deadlines

are most often due to incomplete documentation of the service provided or the technical aspects of cost document circulation.

Average time it takes for an entity to pay an invoice from the start of the calculation of the contractual or statutory payment period, in number of days

The following information relates to AB S.A. and AT Computers a.s., which are the largest companies in terms of revenue in the AB Group and thus represent a representative sample for the purpose of calculating data for the disclosures required by standard G1-6

AB S.A.

	weighted average payment period – calculated from the date of issue of the document
All suppliers	38 days
Suppliers other than suppliers of commercial products (*)	26 days

() in order to provide sufficient context for the data presented, the Company presents information on the weighted average payment period for payments to counterparties other than suppliers of commercial products. The weighted average payment term calculated for all suppliers includes suppliers of commercial products with longer payment terms.*

AT Computers a.s.

	weighted average payment period – calculated from the date of issue of the document
All suppliers	27 days

During the reporting period, there were no pending legal proceedings in the AB Group in relation to late payments.

AB also reports on the payment terms used. According to the last report filed during the 2024 reporting period, the percentage of benefits not met by the AB Company by the contractual deadline totalled less than 0.5% of the value of all benefits.

First name and surname	Position/Function	Signature
<i>Andrzej Przybyło</i>	PRESIDENT OF THE MANAGEMENT BOARD	
<i>Krzysztof Kucharski</i>	VICE-PRESIDENT OF THE MANAGEMENT BOARD	
<i>Zbigniew Mądry</i>	VICE-PRESIDENT OF THE MANAGEMENT BOARD	
<i>Grzegorz Ochędzan</i>	VICE-PRESIDENT OF THE MANAGEMENT BOARD	