CONSOLIDATED DIRECTORS' REPORT ON THE OPERATIONS OF THE MODIVO GROUP

for the financial year from 1 February 2025 to 31 January 2026



Dear Shareholders,

as Chief Executive Officer and President of the Management Board of MODIVO S.A., I am pleased to present the Directors' Report of the MODIVO Group for 2025, summarising the key initiatives and achievements of the past year.

2025 marked the first full year of implementation of our business strategy through 2030. Its principal pillars are:

- development of a portfolio of licensed brands across all business lines,
- dynamic expansion of our retail footprint and diversification of sales channels into new product categories, mainly apparel,
- transformation of the business model of our e-commerce business, aimed at significantly improving profitability and achieving industry-leading levels within the online fashion retail sector.

Throughout 2025, we consistently delivered on each of these strategic priorities, remaining firmly focused on achieving the objectives we have set for 2030.

We continued to expand our portfolio of high-margin licensed brands. Under this licensing model, brands such as Guess Jeans and Guess Kids were added to the Group's offering and quickly became some of our best-selling brands. We also further developed segmentation within our licensed brand portfolio to ensure that these products are available across all of the Group's retail formats and at different price points. The most significant initiative of the year in this area, however, was the successful amendment of our licensing agreements to include apparel. This will provide a solid foundation for the continued profitable growth of our business lines. As anticipated, licensed brands significantly increased their share of both Group sales and sales across individual retail formats, enabling us to continue improving our gross margin.

The past year was also a record-breaking one in terms of expansion. For the first time in our history, we opened more than 300 thousand m^2 of retail space in a single year, significantly exceeding our original plans by capitalising on our strong market position and highly favourable lease terms. Our retail space increased by nearly 30%, with the off-price format (HalfPrice) recording the fastest growth at almost 60%. In 2026, we intend to continue executing our expansion strategy and open a further 300 thousand m^2 of retail space, focused on the highly promising off-price segment. We remain firmly on track to achieve our strategic objective of tripling our retail space by 2030 compared with 2024.

In 2025, we also successfully implemented measures aimed at refining the business model of our e-commerce operations, MODIVO.COM. To maximise profitability, we undertook a comprehensive transformation of the product portfolio. As a result, we reduced the number of low-margin partner brands offered on the platform from 800 to 100, focusing exclusively on key partners providing favourable commercial terms. At the same time, we significantly increased the share of high-margin licensed brands, which has already reached 25%. We also fundamentally changed our approach to paid traffic acquisition, increasingly replacing it with proprietary tools designed to drive organic traffic. As a result, the MODIVO.COM e-commerce business is already achieving profitability levels that stand out among online competitors, although our ambitions extend considerably further.

The fundamental transformation of the MODIVO.COM business model was made possible by the consolidation of our shareholding in the company. To this end, we completed a share issue in March last year, which was met with strong interest from our investors. We would like to thank you for your trust and reaffirm our determination to deliver on our strategic objectives.

A key milestone of the past year was the launch of MODIVOclub – a unique customer loyalty programme that brings together all of our business lines within a single ecosystem. At the heart of MODIVOclub is the paid GOLD subscription, which enables customers to earn cashback and redeem it across all of our sales formats. MODIVOclub has proven to be a tremendous success. Just over a year after its launch, nearly 2 million customers have subscribed to the GOLD service, strengthening customer loyalty across our ecosystem while enabling us to reduce our reliance on paid traffic acquisition channels. By the end of 2026, we plan to roll out MODIVOclub across a further nine markets and reach at least 3 million GOLD subscribers.

At the close of the 2025 financial year, we completed the acquisition of a controlling stake in MKRI sp. z o.o. (now operating as Worldbox sp. z o.o.), the operator of the Worldbox and Kaes retail chains. The foundation of Worldbox's profitable growth model is its high share of licensed brands, which supports the achievement of strong gross margins relative to other multi-brand apparel retailers. During 2026, we will focus on validating the assumptions underpinning the Worldbox business model, expanding its product offering and building brand awareness among customers.

2026 marks a period of significant change for our Group. We began the year under a new name. The well-established and widely recognised CCC S.A. name was replaced by MODIVO S.A., a change that better reflects our strategic direction and our transformation from a footwear specialist into a diversified and integrated fashion leader in Central and Eastern Europe.

We are also entering 2026 with a clear vision for future growth centred on the off-price model. Between 2026 and 2030, the share of off-price formats within our expansion programme is expected to increase progressively from 65% to 90%. Following the outstanding success of HalfPrice, we decided to introduce a complementary off-price format operating in a lower price segment – ShockPrice. We expect off-price to become our largest business line by sales revenue as early as 2026 and to serve as the primary driver of our future growth.

In 2026, we will continue to execute the initiatives defined by the pillars of our business strategy, remaining firmly focused on delivering the objectives we have set for 2030.

I would like to express my sincere gratitude for the trust and support you continue to place in us.

Yours faithfully,
Dariusz Miłek

SELECTED FINANCIAL AND OPERATING DATA OF THE MODIVO GROUP

	PLN MILLION		EUR MILLION	
Selected financial data from the consolidated statement of comprehensive income	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025
		RESTATED		RESTATED
Revenue	**10,895.7**	**10,234.7**	**2,571.4**	**2,383.8**
CCC	4,869.3	4,449.6	1,149.2	1,036.4
HalfPrice	2,247.9	1,811.5	530.5	421.9
MODIVO	3,778.5	3,973.6	891.7	925.5
Gross profit	**5,171.6**	**5,151.5**	**1,220.5**	**1,199.9**
Gross margin	47%	50%	47%	50%
Operating profit/(loss)	**437.2**	**989.2**	**103.2**	**230.4**
Segment profit (EBITDA)	**1,195.9**	**1,592.2**	**282.2**	**370.9**
CCC	536.5	966.1	126.6	225.0
HalfPrice	367.7	374.4	86.8	87.2
MODIVO	291.7	251.8	68.8	58.6
Profit/(loss) before tax	**42.9**	**872.3**	**10.1**	**203.2**
Net profit/(loss)	**-41.4**	**983.0**	**-9.8**	**229.0**

	PLN MILLION		EUR MILLION	
Selected financial data from the consolidated statement of financial position	31 Jan 2026	31 Jan 2025	31 Jan 2026	31 Jan 2025
		RESTATED		RESTATED
Non-current assets	**6,008.9**	**4,352.3**	**1,426.2**	**1,033.1**
Current assets, including:	**5,016.6**	**4,645.6**	**1,190.7**	**1,102.7**
Inventories	3,845.8	3,614.9	912.8	858.0
Cash	435.8	461.2	103.4	109.5
Total assets	**11,025.5**	**8,998.0**	**2,616.9**	**2,135.8**
Non-current liabilities, including:	**3,435.5**	**3,057.9**	**815.4**	**725.8**
Bank borrowings and bonds payable	1,485.1	1,572.0	352.5	373.1
Lease liabilities	1,768.7	1,406.4	419.8	333.8
Current liabilities, including:	**5,471.2**	**4,063.5**	**1,298.6**	**964.5**
Bank borrowings and bonds payable	559.4	324.7	132.8	77.1
Trade and other payables	3,345.4	2,522.2	794.0	598.7
Total liabilities	**8,906.7**	**7,121.4**	**2,114.0**	**1,690.3**
Equity	**2,118.8**	**1,876.6**	**502.9**	**445.4**

	PLN MILLION		EUR MILLION	
Selected financial data from the consolidated statement of cash flows	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025
		RESTATED		RESTATED
Net cash flows from operating activities	1,260.0	1,265.5	297.4	294.8
Net cash flows from investing activities	-773.8	-400.5	-182.6	-93.3
Net cash flows from financing activities	-511.6	-716.7	-120.7	-166.9
Total cash flows	**-25.4**	**148.3**	**-6.0**	**34.5**
Capital expenditure	-812.5	-476.9	-191.8	-111.1

Operating data	31 Jan 2026	31 Jan 2025
Number of stores	1,467	1,038
Retail space (thousand m^2)	1,180.6	856.2
Number of markets with digital sales	19	19

Selected data from the consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of cash flows were translated into the euro using the method specified below:

1) particular items of assets, equity and liabilities in the consolidated statement of financial position were translated at the exchange rate effective on the last day of the reporting period:
   the exchange rate as at 31 January 2026 was EUR 1 = PLN 4.2131
   the exchange rate as at 31 January 2025 was EUR 1 = PLN 4.2130
2) particular items of the consolidated statement of comprehensive income and the consolidated statement of cash flows were translated at exchange rates representing the arithmetic mean of the exchange rates quoted by the National Bank of Poland for the euro in effect on the last day of each month in a given reporting period:
   in the period 1 February 2025–31 January 2026, the average exchange rate was EUR 1 = PLN 4.2372
   in the period 1 February 2024–31 January 2025, the average exchange rate was EUR 1 = PLN 4.2933

The amounts were translated at the exchange rates specified above by dividing amounts expressed in millions of the złoty by the exchange rate.

ABOUT THIS REPORT

This consolidated Directors' Report on the operations of the MODIVO Group in 2025 presents both financial and non-financial information, outlining the Group's performance and position in the Polish and wider European markets, and includes a sustainability statement.
This Report also contains disclosures on the activities of the parent required to be disclosed in the Directors' Report. This Report is published in the PDF format, available in Polish and English. It contains logos and photographs of registered proprietary brands available in CCC, eobuwie and HalfPrice stores.

This Report covers one, 12 month-long financial year from 1 February 2025 to 31 January 2026 and includes comparative data for the period from 1 February 2024 to 31 January 2025. To keep the information as current as possible, this Report includes a summary of events after the reporting date up to the date of its issue.

BASIS OF PREPARATION OF THE DIRECTORS' REPORT

This Directors' Report was prepared in accordance with the consolidated and separate financial statements, as well as current and periodic reports. This Directors' Report is consistent with Section 73.3 and Section 73.4 of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 6 June 2025, and contains elements required under Section 72.7-8 applicable to issuers of securities in the manufacturing, construction, trade, and services sectors. Article 55(2)(5) in conjunction with Article 49(2), Article 49(3) and Article 63d. of the Accounting Act of 29 September 1994, as amended, also apply. In the case of the Rules of the Warsaw Stock Exchange, Sections 29.1, 29.2, 29.3 and 29.5 apply.

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MODIVO GROUP IN NUMBERS

The data relate to changes in the period from 1 February 2025 to 31 January 2026 relative to the corresponding period of the previous year. Data calculated based on a table representing revenue from continuing operations by operating segments.

		1 Feb 2025–31 Jan 2026	yoy change
MODIVO GROUP	**Revenue**	**10,895.7**	**+6%**
	E-commerce contribution to sales	37%	-5pp
	Number of markets	20	-3
	Number of stores	1,467	+429
CCC	**Revenue**	**4,869.3**	**+11%**
	Contribution to the MODIVO Group's revenue	45%	+3pp
	E-commerce contribution to sales	16%	+1
	Number of stores	902	+86
HalfPrice	**Revenue**	**2,247.9**	**+24%**
	Contribution to the MODIVO Group's revenue	21%	+3pp
	E-commerce contribution to sales	-	-
	Number of stores	223	+71
MODIVO	**Revenue**	**3,778.5**	**-6%**
	Contribution to the MODIVO Group's revenue	35%	-4pp
	E-commerce contribution to sales	96%	+6
	Number of stores	69	+20

1. BUSINESS OF THE MODIVO GROUP

The MODIVO Group (formerly CCC Group) (the "MODIVO Group", the "Group") is a leader of the omnichannel footwear market in Poland and Central Europe. The Group's operations are currently organised into the following segments:

CCC **HalfPrice** **MODIVO**

The MODIVO Group operates a total of 1,467 offline stores under the CCC, HalfPrice, eobuwie, Boardriders and worldbox banners, as well as specialist stores – Warsaw SneakerStore, Sklep Koszykarza, Sklep Biegacza, located primarily in modern shopping centres and malls. Through its online channel the Group reaches customers via multiple e-commerce platforms in Poland and a further 19 European markets.

In the course of its business, the Group offers a range of strong proprietary brands (mainly through the CCC business line) and highly popular licensed brands (mainly through CCC, with a growing share in the eobuwie/MODIVO, HalfPrice and worldbox offerings), as well as selected third-party brands (mainly through eobuwie, MODIVO and HalfPrice). The MODIVO Group continually broadens its product range, curating the portfolio to meet the needs of clearly defined consumer segments for each brand.

BUSINESS PROFILE

The MODIVO Group is a leader of the CEE footwear market, actively expanding its product portfolio to include new categories – mainly clothes offered by the MODIVO and HalfPrice business lines.

The Group focuses on customers, offering them prime quality, fashionable products. In line with its mission, the MODIVO Group's main objective is 'To unlock fashion for everybody, everywhere'.

The Group's business model is based on an omnichannel platform of complementary business lines: CCC, HalfPrice and MODIVO. The omnichannel model is based on the overlapping of online and offline sales channels and free migration of customers between those channels.
Products at brick-and-mortar stores are mainly sold under the CCC banner, which offers licensed brands (such as Reebok, Hunter and Nine West) and well-known proprietary brands (including Lasocki, Jenny and Gino Rossi), as well as under the off-price concept called HalfPrice (launched in 2021). At the end of 2025, a new format, primarily offering apparel – Worldbox, also commenced contributing to the Group's omnichannel sales.
In 2025, the offline channel accounted for 56% of the Group's total revenue. The Group plans to intensify its growth in the offline segment: its strategy calls for adding approximately 200–250 thousand square metres of retail space per year through 2030.
At the same time, the Group continues to expand its e-commerce operations. The Group's revenue from this channel, accounting for 37% of the total, is generated through the CCC online stores, as well as through the pure online platforms, i.e., eobuwie and MODIVO, whose offerings include mainly third-party brands.
The principal catalyst for the Group's revenue growth over the next few years will be the rapid expansion of the off-price segment, together with continued growth in offline sales across the Group's other formats, driven by additional retail floor space.
The Group intends to grow its business in a responsible and sustainable manner by engaging in projects that promote a low-carbon circular economy, diversity and transparency.

MODIVO GROUP'S GEOGRAPHICAL REACH, WITH THE FIVE MARKETS WITH THE HIGHEST REVENUE FROM 1 FEBRUARY 2025 TO 31 JANUARY 2026 HIGHLIGHTED

	1 Feb 2025–31 Jan 2026			
	CCC	HalfPrice	MODIVO	Total
Poland	**3,415.6**	**1,513.2**	**1,789.5**	**6,718.3**
Czech Republic	314.4	158.7	231.4	704.5
Romania	311.5	121.1	356.1	788.7
Hungary	257.9	63.4	155.2	476.5
Slovakia	187.4	81.9	97.6	366.9

1.3 KEY EVENTS FROM 1 FEBRUARY 2025 TO 31 JANUARY 2026

Q1

Issue of Series N shares, raising proceeds of over PLN 1.5 billion, allocated to the buyout of minority shareholders in MODIVO.COM and the acceleration of HalfPrice's growth.

Reverse factoring limit raised to a total maximum amount of PLN 1.3 billion as part of continued optimisation of the Group's financing structure.

Q2

Full early redemption of bonds issued to SoftBank by MODIVO.COM S.A., financed under a credit facility agreement with UniCredit S.p.A. up to the amount of PLN 660 million.

Q3

Working capital facility in the form of reverse factoring and bank guarantee limits raised by PLN 405 million, in line with the financing strategy whereby these instruments are a key element of working capital optimisation and cost reduction.

Q4

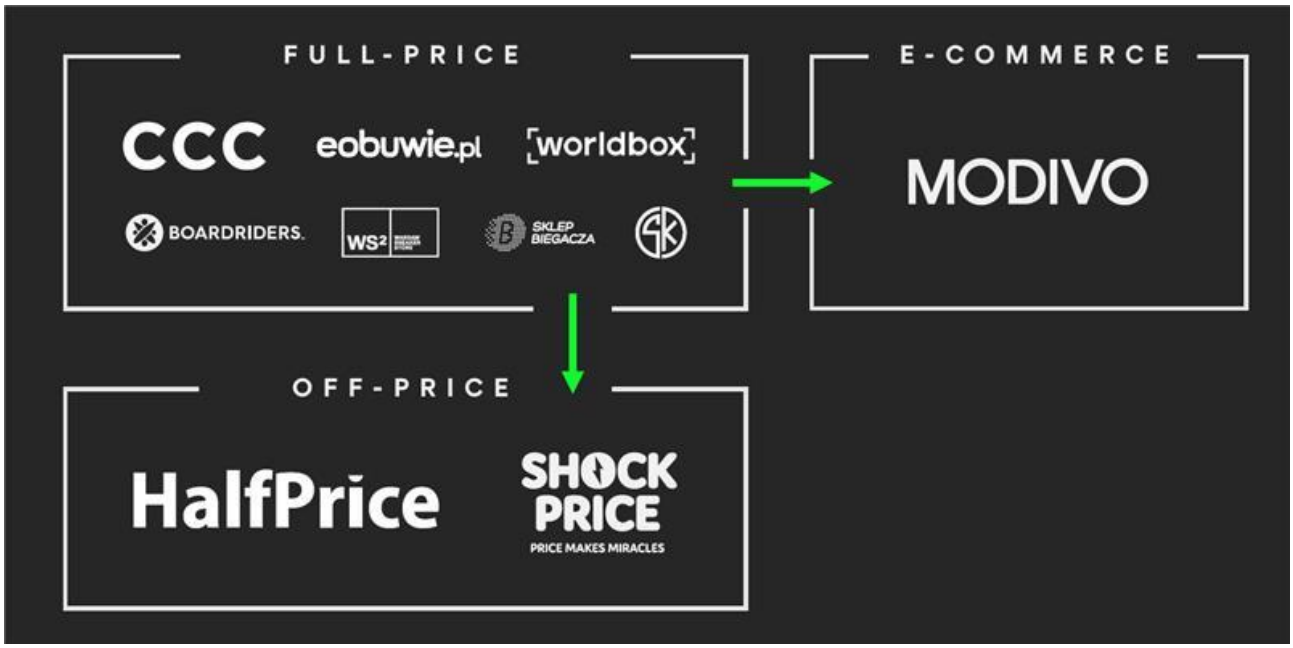
Acquisition of a majority interest in MKRI sp. z o.o. by MODIVO S.A. to support the growth of the Worldbox chain and further diversify the Group's product portfolio.

Find out more about developments important to the Group on the websites:
https://modivoplatform.com/news/aktualnosci
https://modivoplatform.com/raporty

2. MODIVO GROUP DEVELOPMENT STRATEGY

The MODIVO Group has developed a distinctive, globally unique business model built on an omnichannel platform that integrates both full-price and off-price channels. The model relies on the seamless interplay of online and offline sales, enabling customers to migrate effortlessly between the two.

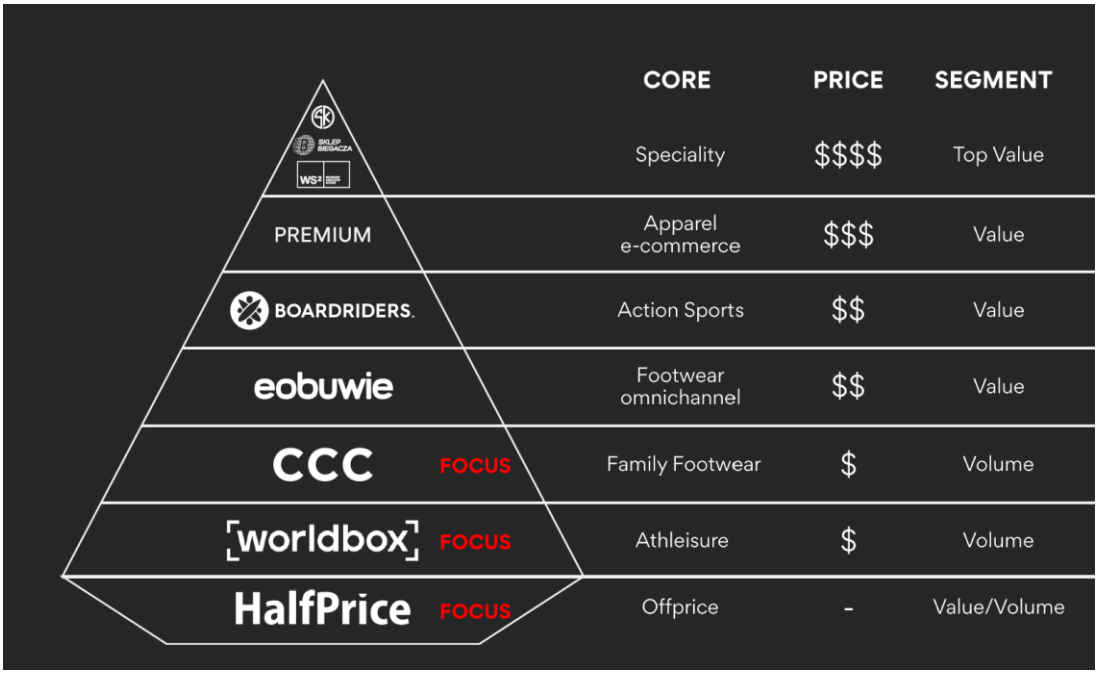
MODIVO Group business model



Within its business, the Group distinguishes a set of strong, complementary sales formats: Full-price channel – the CCC and eobuwie business lines, worldbox, Boardriders, and specialist stores – Warsaw Sneaker Store, Sklep Biegacza and Sklep Koszykarza. Online sales –

to be consolidated, in the longer term, under MODIVO.COM S.A. Off-price channel – the HalfPrice business line. A detailed description of each sales format and the associated product portfolio is provided in the section 'MODIVO Group portfolio'.

MODIVO Group segmentation pyramid



The MODIVO Group's business model is structured around product and customer segmentation: each sales format complements the others in terms of product offering, sales channel, price tier and target customer segment. This architecture enables the Group to meet the needs of every customer cohort and to manage brand positioning consistently across all channels and price points. It also provides a scalable platform for launching new sales formats and for fully leveraging the Group's licensing model. The MODIVO Group's development priorities for 2025–2030 have been built on this segmentation framework.

DEVELOPMENT PILLARS 2025–2030

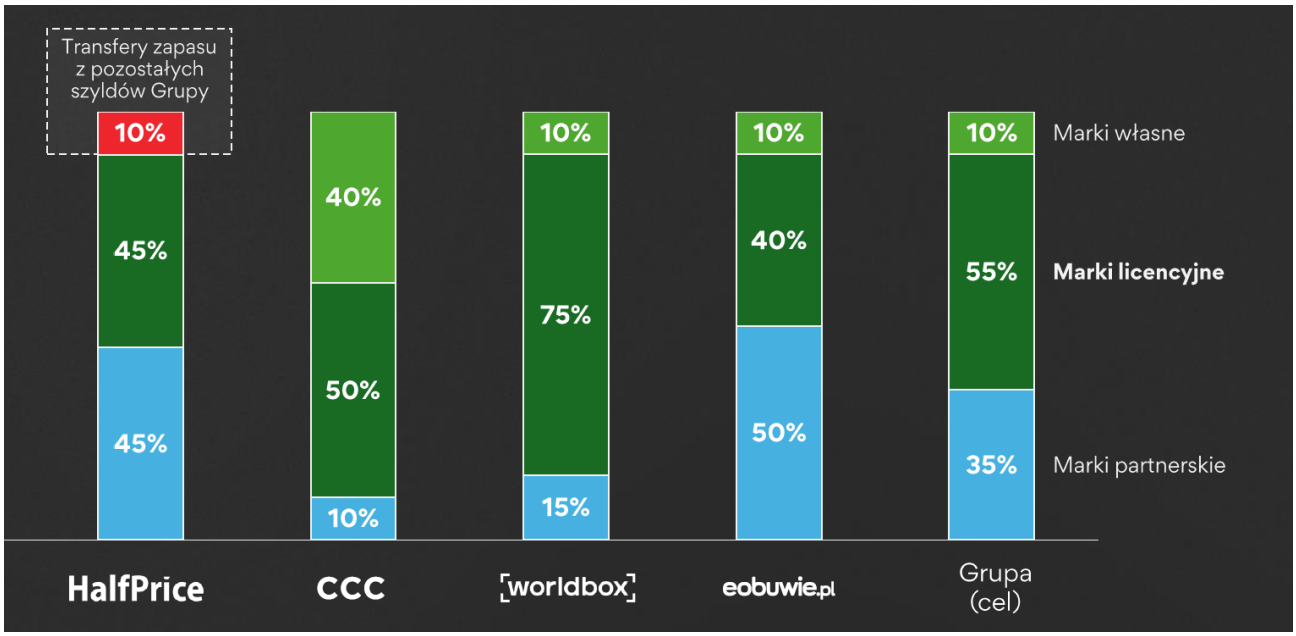
The Group's growth strategy rests on three pillars: licensed brands, expansion of retail floor space, and a strong e-commerce business.

1. Licensed brands

Since 2023 – when the first licensing agreements were signed with the owner of Reebok – the Group has been steadily adding new brands under the licensed-brand model. A detailed list of licensed brands offered by the Group is provided in the section 'MODIVO Group portfolio'. A higher share of licensed brands in the sales mix supports gross-margin expansion by eliminating a range of costs, including intermediary charges. Margins on licensed products are broadly in line with those on own-brand merchandise, but – on comparable items – licensed products command higher average selling prices. Because licensed brands enjoy far wider recognition than the Group's proprietary brands, their presence increases Customer interest in the Group's offering, particularly in international markets, lifting store traffic, conversion rates and, ultimately, like-for-like sales.

At present, licensed brands are offered mainly through the CCC business line, but the Management Board intends to roll them out across all of the Group's sales formats. The long-term target is for licensed brands to account for up to 55% of the Group's total sales.

Target share of licensed products in MODIVO Group sales



Beyond increasing the proportion of licensed brands in its sales mix, the Group intends to keep expanding the number of those brands. Each addition is preceded by rigorous analysis to ensure the new brand meets customer needs and complements the existing portfolio. Licensed brands will be introduced selectively across the Group's sales formats: some will be available exclusively in a single format, while others will appear in several – or all – formats. Even where a brand spans multiple formats, strict segmentation principles will apply: the products will differ in features such as build quality and materials, reflecting the price tier and target customer of each format.

The Group also plans to leverage its access to licensed brands – and the relationships it has built with licensors – to build market share in new product categories, with apparel as the primary focus. To this end a new worldbox sales format has been launched, offering mainly licensed-brand apparel.

Given the high consumer recognition of licensed brands – which improves the scalability of the business – and the additional control over brand messaging provided by segmentation, expanding the licensed-product range is a natural path for further growth and is expected to make a significant contribution to the Group's profitability.

In the past financial year, the share of licensed brands in the Group's total sales increased by about 6pp year on year, reaching 18%. This was driven by increased contributions of licensed brand sales to total revenue of the business lines: CCC (+11pp yoy), HalfPrice (+8pp yoy), and MODIVO (+4pp yoy).

2. Expansion of retail floor space

The growing share of high-margin licensed products, combined with the resulting scalability of the business and the opportunity to launch new sales formats, underpins the Group's decision to accelerate the expansion of its retail footprint. This decision is further supported by the Group's strong negotiating position on lease terms – securing prime locations in shopping centres and retail parks, with a high proportion of turnover-based rents – and by the attractive profitability generated in the offline channel. The Group sees potential to almost triple its retail floor space by 2030, from approximately 850 thousand square metres in 2024 to about 2,350 thousand square metres.

Potential for expansion of MODIVO Group retail floor space

	STATUS	LICZBA SKLEPÓW 2024	POTENCJALNA LICZBA SKLEPÓW	ŚREDNIA POWIERZCHNIA SKLEPU [M2]
HalfPrice	Istniejący format	150	500	2 300
CCC	Istniejący format	800	1 200	700
eobuwie.pl	Nowa koncepcja sklepu	50	200	450
[worldbox]	Szansa	150	1 200	700
BOARDRIDERS.	Szansa	10	50	250
BEVERLY HILLS POLO CLUB	Szansa	0	50	400
		1 160	**3 600**	

The main contributor to floor-space growth will be the HalfPrice business line. The Group plans to open around 350 HalfPrice stores, adding about 800 thousand square metres of selling area by 2030. These targets relate to expansion in Central and Eastern Europe. The Group also views Southern Europe – initially Spain and Italy, and subsequently Portugal and Greece – as attractive growth markets. As at the end of the 2025 financial year, 13 HalfPrice stores were operating in Spain and 4 in Italy.

The enhanced appeal of CCC's range – thanks to the partial replacement of own-brand lines with widely recognised licensed brands – justifies further expansion of the store chain. Additionally, the growing number of newly opened retail parks in Poland and across the CEE region allows the Group to increase its presence in smaller towns. Overall, the Group plans to open around 400 new CCC stores by the end of 2030.

eobuwie offline stores have adopted a new format from 2025 that features physical product displays. The curated offering in these new stores will focus on the best-selling, most popular and highest-margin, fast-turn brands. The Group plans to open around 350 stores in this format by 2030, and the existing eobuwie chain has been remodelled and adjusted to the same concept. This initiative is one of the pillars of the MODIVO Group's profitability recovery plan.

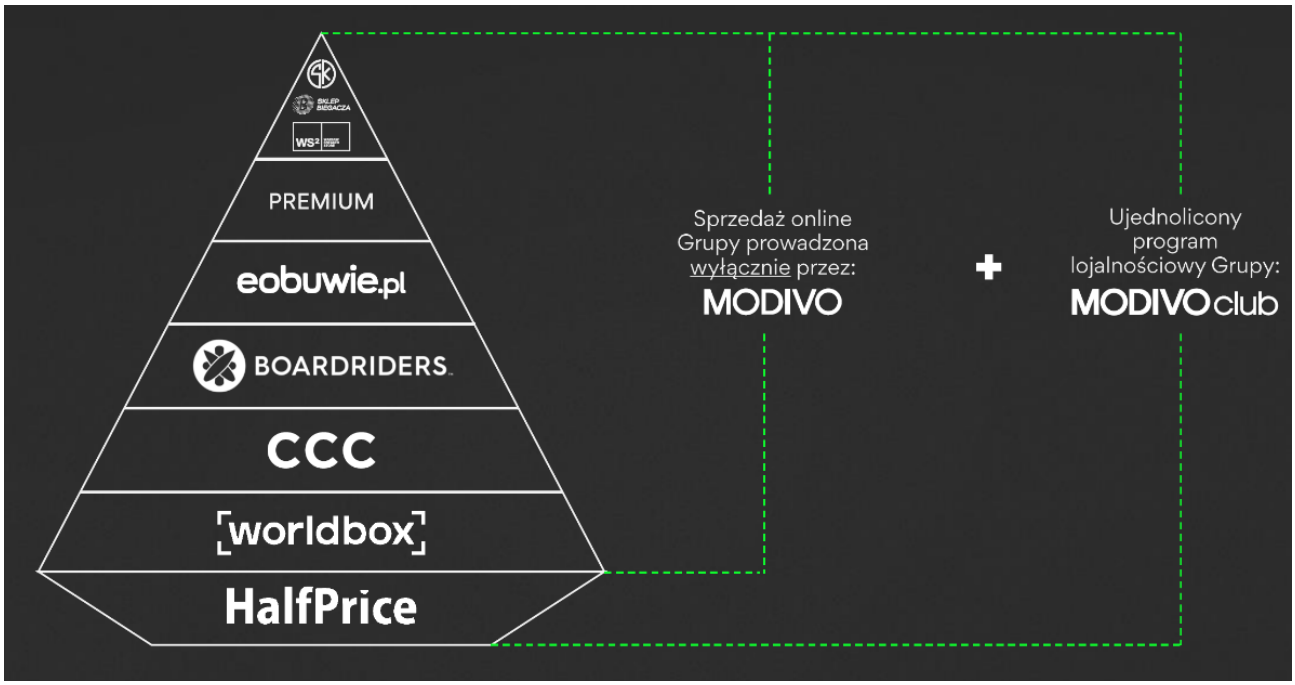
In 2024, the MODIVO Group acquired a 10% equity interest in MKRI Sp. z o.o., operator of the Kaes chain, which then comprised 150 outlets across Poland, mainly in smaller towns. Kaes stores sold apparel from well-known global brands. Leveraging the MODIVO Group's access to licensed apparel and Kaes' retail know-how, the Group decided to launch a new sales format – worldbox – which stocks primarily licensed-brand apparel. Initially, the format was run under a franchise model. At the end of 2025, having secured all the necessary regulatory approvals, the MODIVO Group acquired a majority interest in MKRI sp. z o.o. This will further diversify the Group's product offering. The Group expects the Worldbox network to reach nearly 1,400 stores across Poland and the CEE region by the end of 2030. The chain will benefit from intra-group synergies such as joint purchasing of collections and collective negotiation of store leases.

In 2025, the growth of retail space was accelerated relative to the previous target of 200-250 thousand square metres of new space per year. In the past year, the Group's retail space grew by more than 300 thousand square metres (including +48 thousand square metres at CCC, +170 thousand square metres at HalfPrice, and +80 thousand square metres at worldbox). This was primarily driven by the strong availability of attractive locations in Poland and across the region.

3. Strong e-commerce business

The Group is pursuing a series of initiatives to improve the profitability of its e-commerce operations. The revised approach calls for full consolidation of online activity under the MODIVO business line – all of the Group's online sales will be channelled through MODIVO. MODIVO will deliver logistics, photography and check-out services for the Group's entire e-commerce operations, becoming the profit centre for the online business.

New operating model for MODIVO



At the centre of the new approach is MODIVO Club, a unified loyalty programme spanning all of the Group's sales formats. Although the Group counts nearly 21 million customers, they are currently distributed across individual business lines. Unifying the customer base will facilitate cross-selling between formats, increase share of wallet and lift annual margin per customer, while reducing paid-traffic costs.

MODIVO Club was launched in May 2025, having attracted around 14 million members by the year's end, of whom nearly 1.2 million were Gold status paid subscribers (entitling them to a 10% cashback on each purchase, in addition to other benefits). The service was also rolled out in Slovakia, Spain, the Czech Republic and Romania. Furthermore, data on member activity indicate that already nearly 40% of Gold status subscribers make purchases from more than one of the Group's business lines (compared with 10% shortly after launch).

The product portfolio is being continuously optimised: unprofitable brands have been delisted and terms with other suppliers renegotiated. Following a review of the MODIVO.COM Group's operations, a number of cost-saving measures were implemented: the Group discontinued certain customer-facing services (such as Reserve & Collect), closed the distribution centre in Romania and streamlined logistics processes.

Management believes that these initiatives – reinforced by a higher share of licensed products in the eobuwie/MODIVO mix and the expansion of the eobuwie offline store chain – will position the Group to become the most profitable e-commerce business globally.

FINANCIAL AMBITIONS

The MODIVO Group's ambition, under its development strategy, is to exceed PLN 25 billion in revenue by 2030. Revenue growth will be driven both by an annual expansion of roughly 250 thousand square metres of retail space and by higher like-for-like sales, supported by a rising share of well-known licensed brands across every sales format.

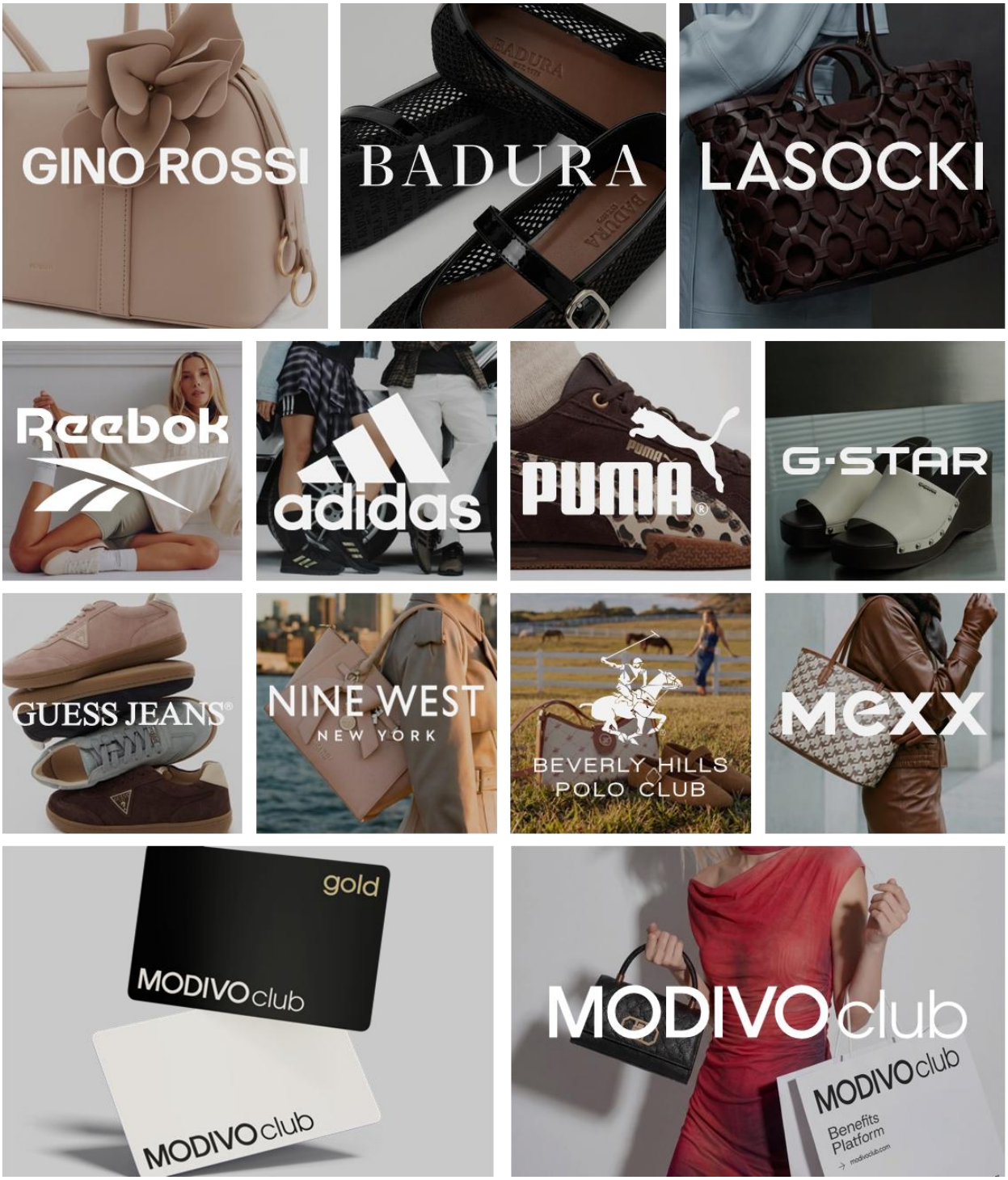
The Group anticipates its EBITDA margin to reach 20% by 2030. The principal drivers of profitability improvement will be the continued expansion of the off-price channel and the improvement in the profitability of the e-commerce business, primarily the MODIVO.COM Group, whose EBITDA margin is expected to rise to 20% in the long term. This improvement will be enabled by a higher share of licensed products, expansion of the offline store chain, ongoing cost optimisation and the capture of synergies within the MODIVO Group.

3. MODIVO GROUP PORTFOLIO

The Group's product offerings cater to the needs of a broad customer base. The CCC business line is primarily focused on delivering high-quality, value-for-money products as well as mainstream own and licensed brands. Customers of eobuwie and MODIVO are offered footwear, apparel and accessories from well-known premium, casual, sport and street-style brands. The portfolio is complemented by HalfPrice, which operates under an off-price model, selling apparel and footwear from renowned brands, along with other products, at attractive prices. In line with its development strategy, the Group has launched the worldbox sales format, focused primarily on licensed-brand apparel. The Group has also taken control of the SklepBiegacza, Warsaw Sneaker Store and SKstore brands, which offer specialist premium-segment footwear. Finally, the Boardriders sales format is also being developed in parallel.

The MODIVO Group's business model is built on segmentation: it is distinguished by strong, complementary sales formats that overlap in product offerings, sales channels and price tiers. This architecture enables the Group to meet the needs of every customer cohort and to manage brand positioning consistently across all channels and price points. It also provides a platform to leverage the licensing model fully and makes the business easily scalable, providing headroom to roll out additional sales formats.

The CCC business line carries a mix of proprietary brands well-established in local markets – such as Lasocki, Jenny, Badura, Gino Rossi and Sprandi – and globally recognised products offered under trademark-licensing arrangements, including Reebok, Hunter, and Nine West. The range is rounded out by third-party brands such as Adidas, Puma and New Balance. For the youngest customers the offering includes footwear featuring popular Disney characters. The portfolio is structured so that each element meets demand from distinct customer groups, differentiated by, among other factors, fashion preferences, age and disposable income.



The MODIVO Group's range is complemented with products offered through the eobuwie and MODIVO business lines. Revenue generated by the two channels is mostly derived from sales of third-party brands, i.e. brands supplied by footwear and apparel manufacturers that are well recognised by consumers.

SELECTED BRANDS AVAILABLE FROM THE MODIVO.COM GROUP

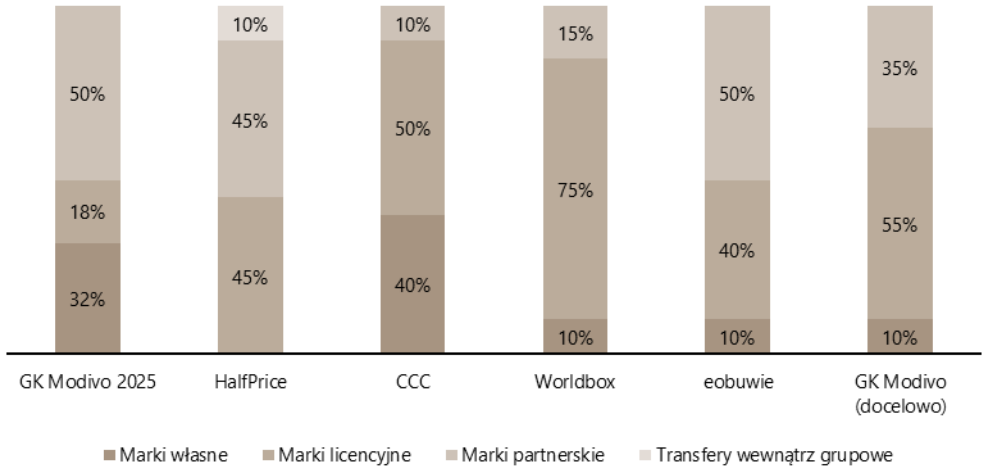
The MODIVO Group's portfolio is complemented by HalfPrice, a modern store concept in the off-price segment, offering a wide variety of popular brands at attractive prices. Products sold at HalfPrice outlets are tailored to the needs of customers choosing quality and looking for branded products sold at reduced prices. Several times a week, new products are added to the existing range, allowing consumers to find real bargains. The product portfolio includes apparel, footwear, accessories, cosmetics, toys and homewares.

In 2023, the MODIVO Group entered into a brand-licensing partnership for Reebok with Authentic Brands Group, one of the world's largest licensors. The partnership allows the MODIVO Group to distribute a broad range of Reebok products across its sales channels in every market where it operates. The Group also has the right to operate monobrand stores, shop-in-shop kiosks, and outlets for the Reebok brand. As a result, the MODIVO Group has joined a select group of companies that hold a trademark-licensing agreement for the Reebok brand in Europe. The partnership also paves the way for wider cooperation and the addition of other labels from the Authentic Brands Group portfolio. The MODIVO Group has concluded further licensing arrangements with other partners, including the owners of Kappa, G-Star, Mexx and Beverly Hills Polo Club. In total, the Group has signed licensing agreements covering more than 20 brands and continues to pursue further globally recognised labels to add to its portfolio.

KEY LICENSED BRANDS IN THE MODIVO GROUP PORTFOLIO

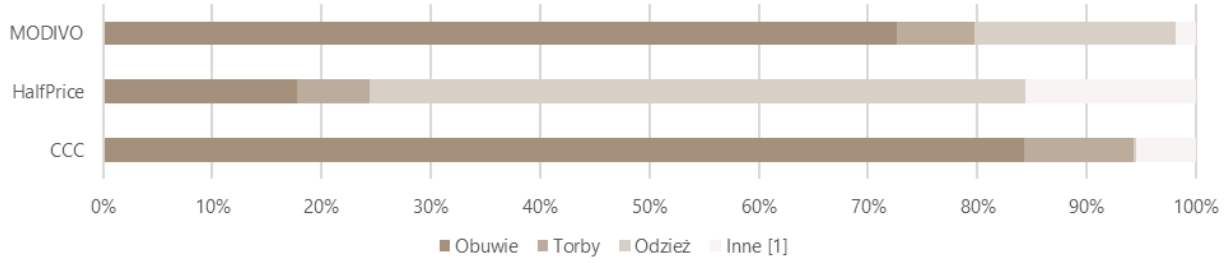
Recognising that a higher share of licensed brands enhances gross margin and increases customer interest – by offering well-known and popular labels at attractive prices – the Management Board has decided to introduce licensed brands across every business line in the Group. Building on the relationships established with licensors and access to multiple product categories under licence, the Group has also launched a new sales format, worldbox. The format will stock mainly apparel and accessories from licensed brands, with only a small proportion of proprietary and partner products.

CURRENT AND TARGET SHARE OF EACH BRAND TYPE IN THE MODIVO GROUP SALES MIX



SALES MIX IN 2025

The product sales mix across the MODIVO Group and each of its business lines in 2025 was broadly unchanged from the previous year. Consistent with the Group's strategy, the revenue share of the 'footwear' category has declined, while the 'apparel' and 'other' categories have gained ground.



[1] The 'Other' category consists primarily of: socks, toys, shoe care products, insoles, belts, wallets, jewellery and accessories, home décor items, and beauty products.

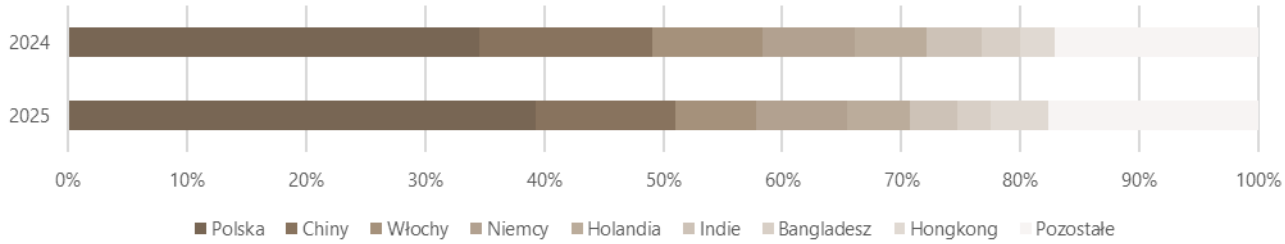
4. BUSINESS MODEL

SBM-1 Strategy, business model and value chain

4.1 SUPPLIERS

The MODIVO Group has a diversified supplier base. The CCC business line procures supplies primarily from Asia (China, India, Bangladesh), while the MODIVO.COM Group's suppliers are mostly based in Europe. A significant portion of supplies to both business lines also come from Poland.

BREAKDOWN OF MODIVO GROUP'S SUPPLIER BASE BY GEOGRAPHY



4.2 LOGISTICS

For the MODIVO Group's logistics function, 2025 marked a period of effective operationalisation and tangible execution of its strategic transformation plans. Efforts were focused on enhancing supply chain efficiency and infrastructure upscaling in line with growing volumes and evolving market requirements. A key development of the past year was the significant progress in the construction of a new, automated distribution centre for the HalfPrice chain in Polkowice. Construction works commenced in the second quarter of 2025, followed by the installation of warehouse automation systems. This strategic project, with a target area of 30 thousand square metres, represents a pivotal milestone towards step-change optimisation and efficiency enhancement of the banner's supply chain.

MODIVO Group logistics centres

Polkowice Logistics Centre (LSSE)

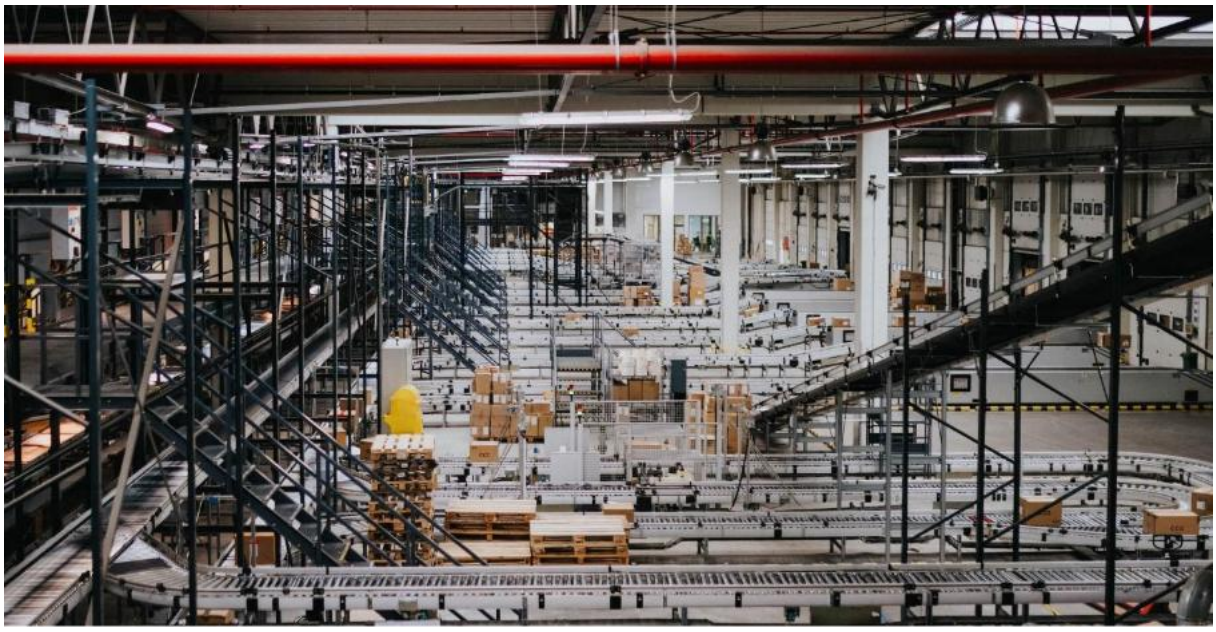
The Polkowice Logistics Centre remains the Group's primary distribution hub for CCC and HalfPrice offline stores. The facilities, with a total area of about 120 thousand square metres, can hold roughly 22 million pairs of footwear and have a daily outbound capacity of nearly 800 thousand pairs of shoes and 180 thousand HalfPrice items. The Polkowice hub focuses on supplying offline stores with footwear, bags and accessories.

Its core asset is an automated sorter capable of handling around 50 thousand cartons (approximately 0.6 million pairs of footwear) per day.

All buildings are linked by automated conveyors, including a fully automated mini-load high-bay warehouse covering 23 thousand square metres. The automated warehouse can accommodate up to 5 million pairs of footwear, or more than 500 thousand cartons of various sizes. 40% of the investment was financed with EU funds under the Innovative Economy programme.

Continual improvements in process quality, efficiency and automation are designed to support future growth and provide the foundation for further development of the Group's logistics platform.

In the first half of 2021, the Group completed a project to adapt one of the warehouses in Polkowice to the process requirements of the new HalfPrice concept. The 20 thousand square-metre facility was upgraded again in 2024, with new technical infrastructure and equipment. Additional workstations were installed for store-dispatch preparation, and internal logistics processes were streamlined, lifting warehouse efficiency by almost 70% year on year. The warehouse can now ship 180 thousand items per day, efficiently supplying the Group's fast-growing HalfPrice chain.



Automated warehouse (AWS) in Polkowice

E-Commerce Logistics Centre in Zielona Góra

The Logistics Centre in Zielona Góra remains the primary operational backbone for the Group's growing e-commerce segment. Covering a total area of 49 thousand square metres, the facility is the foundation of online channel distribution, offering storage space for 8.4 million products and a shipping capacity of up to 165 thousand orders per day. Its multi-stage expansion together with advanced automation of the inbound zone, completed in 2023, have turned the facility into a highly efficient logistics complex, enabling the stable and secure handling of peak sales volumes.

In 2025, projects aimed at maximising the facility's throughput were continued. The key technological implementation at the Zielona Góra centre was the deployment of a state-of-the-art packaging machine from CMC. The device enables fully automated order packing with a capacity of up to 1,400 parcels per hour. The investment has shortened order filling times, optimised human resources management and, at the same time, ensured adequate throughput to accommodate growing shipping volumes.



E-Commerce Logistics Centre in Zielona Góra



CMC packaging machine

Wola Bykowska Logistics Centre

An important pillar of e-commerce distribution (primarily serving the MODIVO business line) is the Logistics Centre in Wola Bykowska. Operations at this facility are carried out in cooperation with InPost under a fulfilment model. The warehouse has a total storage area of 42 thousand square metres, enabling its racking systems to hold 3 million products. The estimated shipping capacity amounts to 60 thousand items per day.

The facility is located in close proximity to InPost's main sorting centre, which extends the customer order cut-off time (late cut-off), while guaranteeing next-business-day delivery. This represents a service standard still unattainable for the majority of the Group's market competitors.

EXPANSION AND NEW LOGISTICS OPERATIONS

Operational integration of the Szopex network

Following the acquisition of an equity interest in Szopex (operator of the premium specialist footwear formats Warsaw Sneaker Store, Sklep Biegacza and SK Store), the Company's objective was to seamlessly integrate the management processes of the newly acquired entity into the Group's ecosystem, without compromising the highest standards of customer service, which are critical in the e-commerce channel. To guarantee continuity and stability of the business, in 2025 the day-to-day warehouse operations supporting the Szopex network were integrated into the operations of the MODIVO Group, but they continue to be carried out from the existing centre in Olsztyn, where the acquired entity is headquartered. It was thus possible to preserve specific handling requirements for the demanding product range, creating a secure foundation for the unlocking of future synergies.

Supporting infrastructure and optimisation of merchandise flows

Seeking to increase the efficiency of the Polkowice warehousing hub and optimise overall logistics costs, in 2025 the Group launched dedicated supporting infrastructure in the form of external buffer warehouses. The transfer of selected manual operations and preparatory work to facilities that are cheaper to maintain has allowed the Group to maximise the utilisation of the technologically advanced infrastructure in Polkowice. As a result, operations within the main distribution complex focus exclusively on the fast turnover of merchandise currently in stock, while optimisation processes are carried out in the external supporting facilities.

Standardised packaging solution and optimisation of e-commerce shipping costs

In July 2025, the Group began to standardise transport units used in the e-commerce segment by replacing existing solutions with standardised poly mailer packaging. The purpose is to enhance the quality of product protection in transit, streamline packing processes and bring down material costs. The change is being implemented gradually across successive European markets, with completion scheduled for the second quarter of 2026. The optimisation has translated directly into a significant reduction of distribution costs and improvement in overall operational efficiency across all logistics centres supporting the online channel.

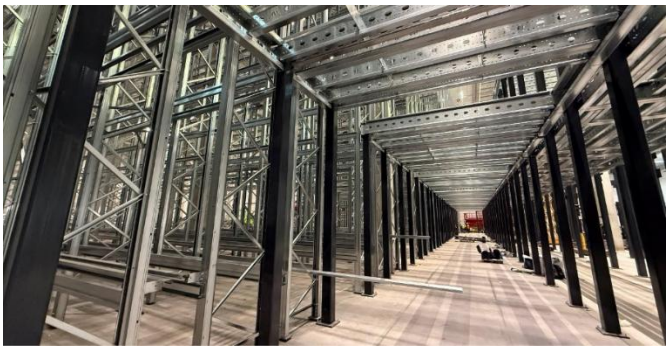
NEW INVESTMENTS AND DEVELOPMENT

Construction of HalfPrice automated logistics centre

In 2025, work commenced to construct a new logistics centre for the HalfPrice chain. The state-of-the-art, highly automated facility will ultimately assume full responsibility for the receipt, processing and distribution of merchandise to HalfPrice stores across Poland and Europe. The project is designed to accommodate the chain's rapid expansion and provide the required capacity to efficiently handle steadily increasing order volumes. The centre is expected to serve approximately 500 stores upon completion.

The facility will incorporate advanced robotics designed to automate core logistics processes, including inbound handling, storage and dispatch. Stocks will be managed through a purpose-built automated high-bay warehouse, ensuring precise and efficient pallet movement. Internal logistics will be supported by modern conveyor and lift systems, significantly reducing the need for manual handling, accelerating operational throughput and enhancing workplace safety and ergonomics.
A key objective of the project is also to achieve high energy efficiency. As part of the development, a photovoltaic installation is being deployed to cover a major part of the facility's demand for renewably generated electricity.
The technological architecture of the centre is designed to ensure a high degree of scalability, enabling operations to expand in line with growing demand without the need for further capital-intensive infrastructure upgrades. At the same time, the process automation will be complemented by a skilled workforce, with the facility creating highly specialised and safe employment opportunities for new teams. This operating model will support a substantial increase in order throughput, ultimately underpinning strong economic returns of the investment.





Distribution containers for the HalfPrice chain

As part of ongoing supply chain optimisation, a new standard for the distribution of merchandise to HalfPrice stores was introduced last year. Single-use cardboard packaging was largely replaced by reusable plastic containers, delivering measurable benefits across operational areas. The standardisation of transport units supports further automation of warehousing processes, improves logistics efficiency and enhances the protection of goods in transit.
Distribution containers are currently used for approximately 70% of deliveries across the HalfPrice chain. The Group intends to further increase their share, with the ultimate objective of fully eliminating single-use cardboard packaging. This approach significantly reduces raw material consumption and removes the need for time-intensive paper waste handling at store level.
The adoption of reusable containers also enables a structural reduction of logistics material costs. At the same time, it represents an important component of the Group's ESG strategy, contributing to a lower environmental footprint.



4.3 DISTRIBUTION

The MODIVO Group has a variety of overlapping distribution channels, making up a single well-integrated omnichannel platform. The Group operates 1,467 brick-and-mortar stores across 20 countries under the CCC, HalfPrice, eobuwie, Boardriders and worldbox banners, as well as the newly acquired SklepBiegacza, WarsawSneakerStore and SKstore outlets.

AVAILABILITY OF MODIVO GROUP PRODUCTS AND SERVICES BY GEOGRAPHY

Outside Poland, the Group operates in Central and Eastern Europe, Western Europe, and the Baltic States. The Group's showrooms operate in large shopping centres or at attractive high-street locations.

CHAIN	COUNTRY	31 Jan 2026		31 Oct 2025		31 Jul 2025		30 Apr 2025		31 Jan 2025		31 Jan 2024	
		m^2	NUMBER	m^2	NUMBER	m^2	NUMBER	m^2	NUMBER	m^2	NUMBER	m^2	NUMBER
CCC	Poland	318,558	508	309,504	495	304,639	484	300,548	477	293,843	467	279,641	442
	Romania	51,778	81	50,216	79	49,556	78	47,540	75	46,337	73	46,155	73
	Czech Republic	49,572	82	48,664	80	47,633	78	47,599	78	45,843	75	47,311	77
	Hungary	42,833	64	40,872	61	41,555	61	42,364	62	43,531	63	45,602	65
	Slovakia	30,749	49	30,967	49	29,995	47	30,110	47	30,068	47	30,584	46
	Croatia	18,401	25	17,451	23	17,451	23	18,219	24	18,219	24	18,125	24
	Bulgaria	15,802	24	13,485	21	12,324	19	12,324	19	12,324	19	13,528	21
	Serbia	12,106	17	9,970	13	8,235	10	7,004	8	7,004	8	7,004	8
	Slovenia	10,229	15	9,697	14	9,697	14	9,697	14	9,697	14	9,697	14
	Ukraine	9,369	18	10,565	18	8,981	15	8,678	14	8,298	13	9,788	15
	Estonia	3,952	5	3,283	4	3,283	4	3,283	4	3,283	4	2,948	3
	Latvia	3,573	6	3,619	6	3,059	5	3,059	5	3,059	5	4,192	6
	Lithuania	3,324	5	3,324	5	2,668	4	2,668	4	2,668	4	1,481	2
	Kosovo	1,958	2	1,958	2	740	1	740	1	740	1	740	1
	Moldova	740	1	740	1	1,958	2	1,958	2	1,958	2	1,958	2
	United Arab Emirates	-	-	-	-	-	-	-	-	-	-	3,347	3
	Saudi Arabia	-	-	-	-	-	-	-	-	-	-	826	1
	Oman	-	-	-	-	-	-	-	-	-	-	1,223	1
	Total	**572,944**	**902**	**554,315**	**871**	**541,774**	**845**	**535,791**	**834**	**526,872**	**819**	**524,150**	**804**
HalfPrice	Poland	274,977	140	250,843	129	228,999	121	207,179	111	203,667	109	169,433	95
	Romania	30,986	15	23,795	12	23,795	12	17,328	9	15,020	8	9,661	5
	Spain	29,772	13	21,717	9	13,272	5	7,300	2	2,777	1	-	-
	Czech Republic	27,905	12	24,383	11	22,973	10	21,116	9	21,116	9	17,741	7
	Slovakia	16,081	9	16,081	9	14,415	8	14,903	8	12,944	7	9,346	5
	Italy	15,862	4	8,108	2	5,031	1	-	-	-	-	-	-
	Ukraine	15,176	7	15,176	7	9,767	5	8,109	4	8,109	4	1,876	1
	Bulgaria	12,857	6	8,989	4	8,989	4	4,412	2	1,942	1	-	-
	Hungary	10,128	4	10,128	4	9,845	4	9,845	4	9,845	4	4,135	2
	Slovenia	6,830	4	4,752	3	4,752	3	4,752	3	4,752	3	4,752	3
	Lithuania	6,808	3	4,958	2	4,958	2	4,958	2	1,986	1	-	-
	Croatia	6,483	3	1,955	1	1,955	1	1,955	1	1,955	1	1,955	1
	Latvia	3,534	2	3,534	2	3,534	2	3,534	2	3,534	2	1,580	1
	Austria	2,506	1	5,055	2	5,055	2	4,921	2	4,921	2	6,208	3
	Total	**459,905**	**223**	**399,474**	**197**	**357,340**	**180**	**310,312**	**159**	**292,568**	**152**	**226,687**	**123**
MODIVO (eobuwie.pl stores)	Poland	28,355	54	26,209	47	25,228	43	24,590	42	26,266	42	30,982	45
	Romania	4,115	6	3,344	4	3,344	4	3,344	4	2,743	3	2,743	3
	Slovakia	1,789	2	1,301	1	1,301	1	1,301	1	1,301	1	1,301	1
	Czech Republic	1,760	4	887	2	887	2	887	2	887	2	887	2

	Latvia	615	1	615	1	615	1	615	1	615	1	615	1
	Bulgaria	601	1	601	1	601	1	-	-	-	-	-	-
	Hungary	389	1	389	1	-	-	-	-	-	-	-	-
	Total	**37,624**	**69**	**33,346**	**57**	**31,976**	**52**	**30,737**	**50**	**31,812**	**49**	**36,528**	**52**
Worldbox	Poland	64,540	119	40,362	81	25,721	54	11,308	27	2,258	6	-	-
	Czech Republic	6,225	11	2,266	5	1,483	3	-	-	-	-	-	-
	Romania	5,226	8	2,741	4	1,589	2	-	-	-	-	-	-
	Slovakia	4,601	8	2,399	4	1,150	2	-	-	-	-	-	-
	Bulgaria	2,570	4	1,174	2	-	-	-	-	-	-	-	-
	Serbia	2,090	3	-	-	-	-	-	-	-	-	-	-
	Ukraine	409	1	-	-	-	-	-	-	-	-	-	-
	Total	**85,661**	**154**	**48,942**	**96**	**29,943**	**61**	**11,308**	**27**	**2,258**	**6**	**0**	**0**
Boardriders	Poland	2,673	8	852	3	1,315	5	1,315	5	1,315	5	-	-
	Czech Republic	680	4	680	4	680	4	853	5	853	5	-	-
	Slovakia	239	1	543	2	543	2	543	2	543	2	-	-
	Total	**3,592**	**13**	**2,075**	**9**	**2,538**	**11**	**2,711**	**12**	**2,711**	**12**	**0**	**0**
Szopex (Warsaw SneakerStore, Sklep Koszykarza, Sklep Biegacza)	Poland	2,913	10	3,214	11	3,094	10	-	-	-	-	-	-
Kaes	Poland	17,932	96	-	-	-	-	-	-	-	-	-	-
TOTAL		**1,180,571**	**1,180,571**	**1,467**	**1,041,366**	**1,241**	**966,665**	**1,159**	**890,859**	**1,082**	**856,221**	**1,038**	**787,364**

5. FACTORS AND EVENTS WITH BEARING ON THE PERFORMANCE OF THE MODIVO GROUP

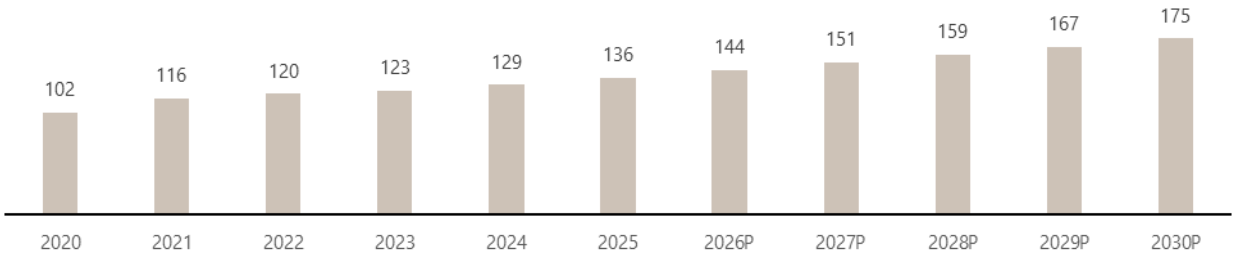
5.1 MARKET ENVIRONMENT AND COMPETITION IN OUR KEY REGIONS

The main exogenous factors affecting the Group's business are the macroeconomic environment, industry outlook, and the competitive environment in the Group's key operating regions.

The MODIVO Group's main sales market is the apparel and footwear market of Central and Eastern Europe (CEE). According to forecasts, the European footwear market will grow at a CAGR of 5.2% (CAGR 2025–2030).

VALUE OF THE EUROPEAN FOOTWEAR MARKET (USD BILLION)

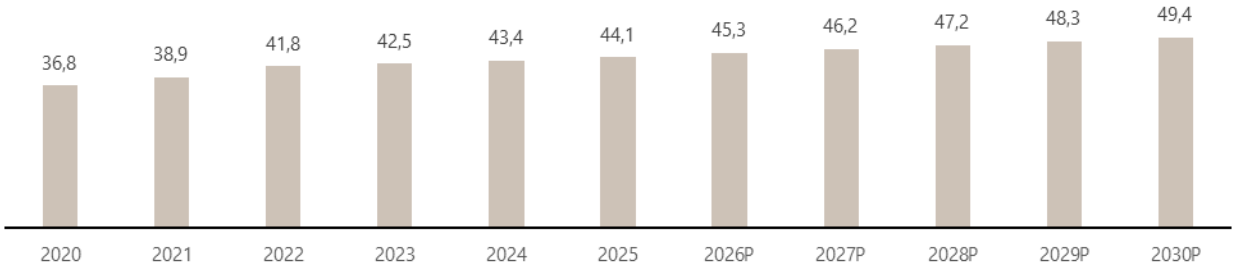
CAGR 2025–2030: 5.2%



Analysts expect unit footwear prices to grow at a CAGR of ca. 2.3% in 2025–2030. The strongest price growth is expected in the sports and training footwear category (CAGR of 2.7%) and sneakers (CAGR of 2.5%).

AVERAGE FOOTWEAR UNIT PRICE – EUROPE (USD)

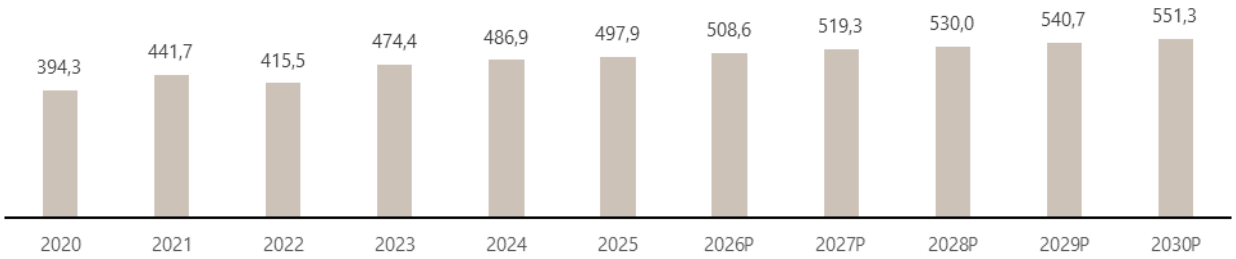
CAGR 2025–2030: 2.3%



In 2030, the value of the European apparel market will be around USD 551.3 billion, implying a CAGR of 2.1% for 2025–2030.

VALUE OF THE EUROPEAN APPAREL MARKET (USD BILLION)

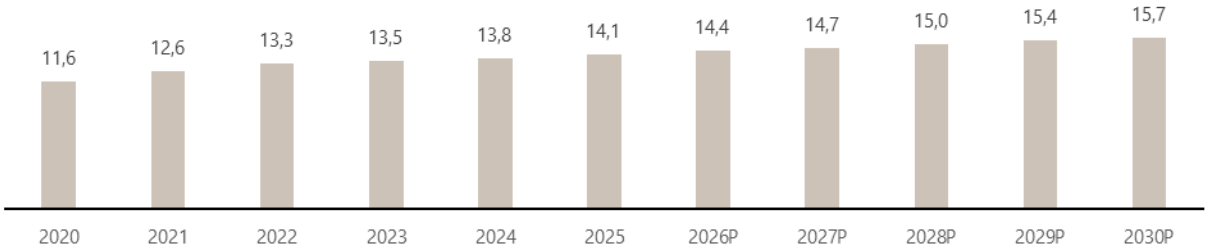
CAGR 2025–2030: 2.1%



According to analysts' forecasts, average apparel unit prices are expected to increase by 2.1% per annum between 2025 and 2030. The most pronounced growth is anticipated in the childrenswear segment, where prices are projected to rise at a CAGR of 2.4%.

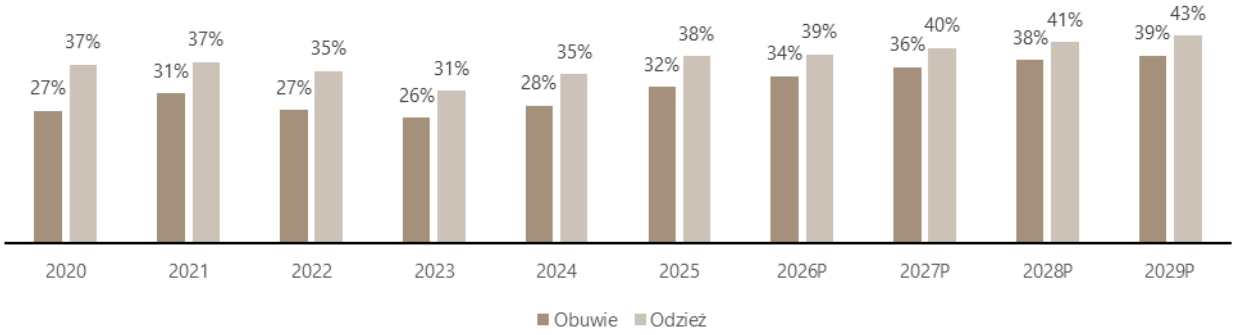
AVERAGE APPAREL UNIT PRICE – EUROPE (USD)

CAGR 2025–2030: 2.1%



Analysts expect e-commerce to gain an increasing share in footwear and apparel trade. By 2029, online channels are projected to account for approximately 39% of total footwear industry revenue and around 43% of total apparel industry revenue. This means an increase of approximately 7pp and 5pp in the footwear and apparel segments, respectively, relative to 2025.

SHARE OF ONLINE IN TOTAL SALES



Changes in exchange rates

Part of the MODIVO Group's transactions are denominated in foreign currencies. The USD and EUR exchange rates have an impact on the structure of revenue and costs. As the Group imports merchandise whose purchase prices are mainly denominated in USD, and also sells finished goods on foreign markets where selling prices are denominated in EUR, the Group is exposed to currency risk. Additionally, the Group extends loans denominated in foreign currencies.

PERIOD (USD/PLN)	HIGH	LOW	END OF PERIOD	MID
1 Feb 2025–31 Jan 2026	4.1352	3.5045	3.5379	3.7165
1 Feb 2024–31 Jan 2025	4.1904	3.8117	4.0576	3.9890

PERIOD (EUR/PLN)	HIGH	LOW	END OF PERIOD	MID
1 Feb 2025–31 Jan 2026	4.3033	4.1339	4.2131	4.2374
1 Feb 2024–31 Jan 2025	4.3662	4.2039	4.2130	4.2933

5.2 MACROECONOMIC DEVELOPMENTS IN POLAND AND CENTRAL AND EASTERN EUROPE

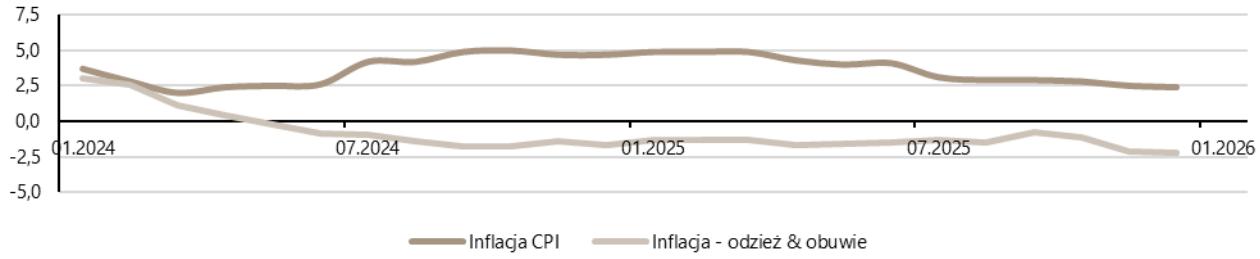
The MODIVO Group operates mainly on the markets of Central and Eastern Europe, with a clear dominance of the Polish market. As a result of the location of the Group's sales channels in this region, the condition of the CEE economies has a significant impact on its product sales.

The main factors that influenced the financial results in the reporting period were:

1) change in disposable income of consumers, change in propensity for consumption, change of shopping preferences

In recent months, inflation has stabilised within the 2.5%–5% range.

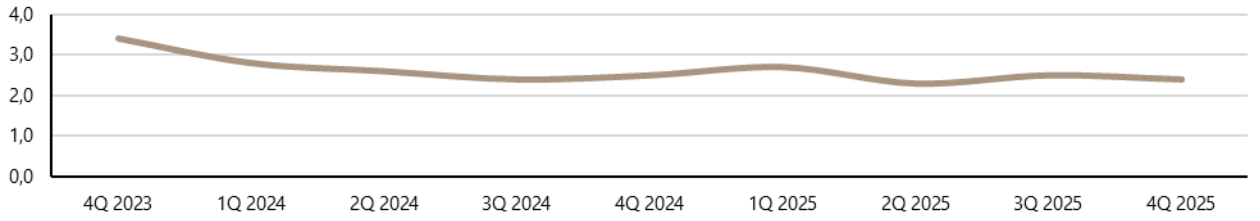
INFLATION IN POLAND [%]



Source: STATISTICS POLAND.

Growing inflation changes the distribution of disposable income of consumers and consequently affects their shopping preferences. Customers tend to choose cheaper products and show higher price sensitivity. The Group makes every effort to ensure that the product offering is best tailored to customers' needs.

INFLATION IN THE EUROPEAN UNION (HICP) [%]



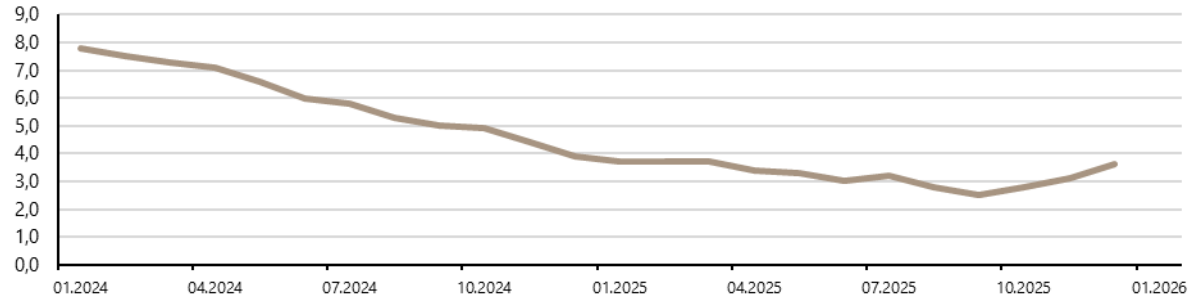
Source: EC.

In recent quarters, accelerating inflation has been observed in the European Union countries. According to European Commission data, the HICP inflation rate was approximately 2.4% for all member states in the fourth quarter of 2025.

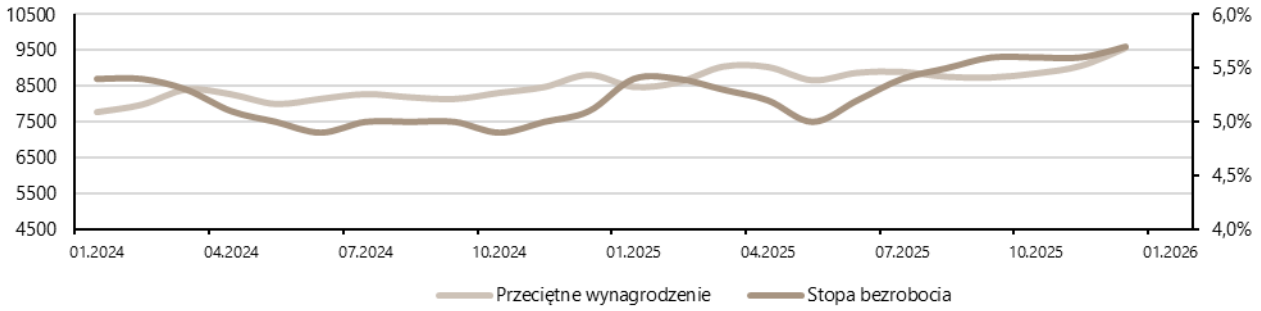
2) cost pressures

The inflation's impact is also seen on the cost side. Since 2021, wages have been rising rapidly while unemployment remained relatively low. Such a situation leads to wage pressures.

INCREASE IN ASSEMBLY AND CONSTRUCTION PRICES [%]



UNEMPLOYMENT RATE AND WAGE GROWTH [%]

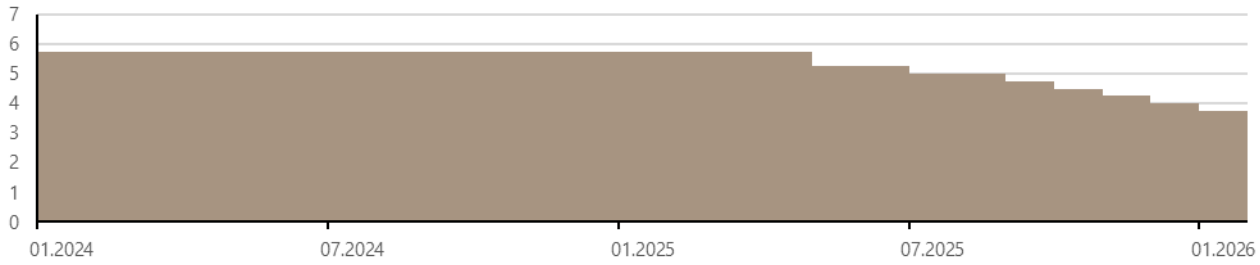


Source: STATISTICS POLAND, NATIONAL BANK OF POLAND.

Since the second half of 2021, the prices of construction and assembly output have been growing rapidly, which mainly affected the costs and expenditure on the expansion of the offline sales chain. The growth in prices of construction and assembly output has been slightly decelerating since the end of 2022. The MODIVO Group takes numerous measures to mitigate the inflationary cost increase.

3) interest rate development

REFERENCE RATE IN POLAND [%]

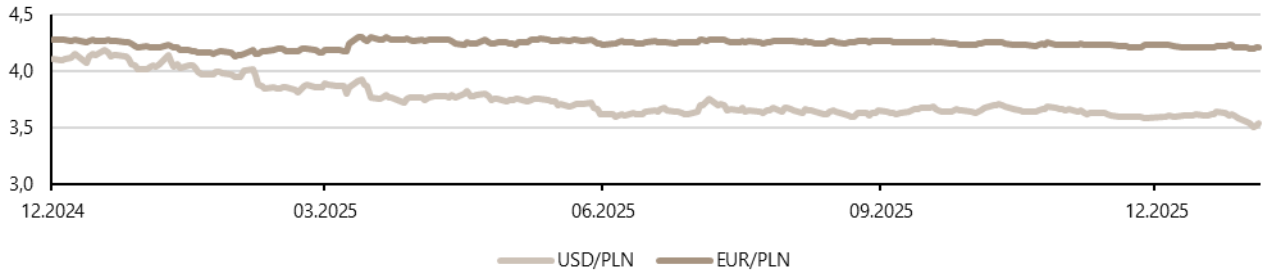


Source: NBP.

Due to the strong growth of inflation in Poland, in October 2021 the Monetary Policy Council of the National Bank of Poland embarked on a series of reference rate rises. In September 2022, the reference rate was increased to 6.75%. An interest rate-cutting cycle commenced in September 2023, with the reference rate currently at 3.75%. Interest rate hikes lead to higher debt service costs for the Group.

4) foreign exchange

EUR/PLN AND USD/PLN EXCHANGE RATES [PLN]



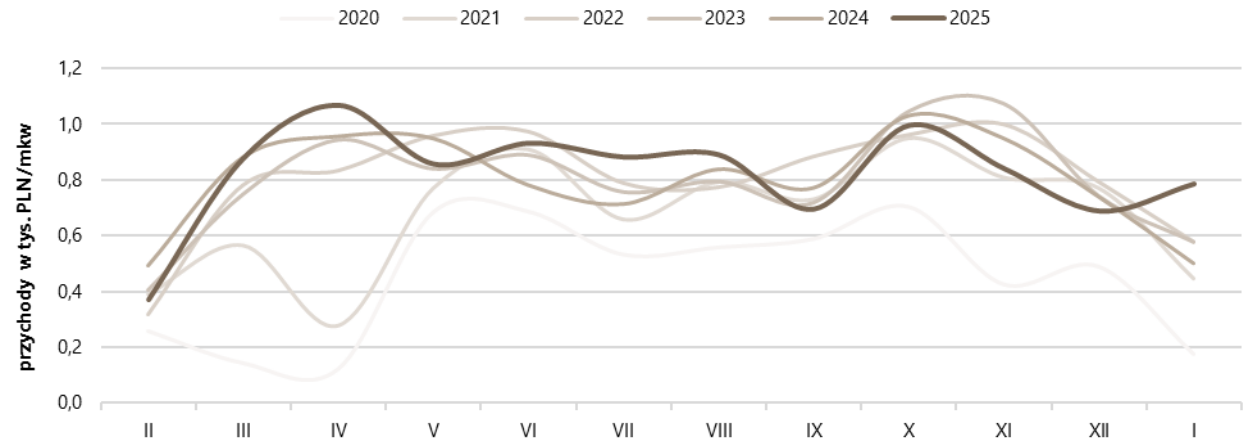
Source: NBP.

Over the past few months, the Polish currency has appreciated, primarily against the US dollar. A depreciation or appreciation of the złoty has an impact on gross margin (USD, EUR) and rental costs (EUR). The Group mitigates the impact of changes in foreign exchange rates on its performance by actively adjusting its pricing and discount policies. It also seeks to enter into contracts providing for flexible terms of retail space lease, and some of its revenue is generated in the euro. Additionally, the Group uses hedging instruments to manage its foreign exchange risk exposure related to the US dollar.

5.3 SEASONALITY

Weather and seasonality have a significant effect on the distribution of revenue during the financial year (with peak demand in spring and autumn). Disruptive weather conditions can result in customers postponing purchasing decisions or in a shortened peak sales season.

SEASONALITY OF REVENUE FOR MODIVO NETWORK IN POLAND IN 2020–2025



6. ANALYSIS OF SELECTED FINANCIAL AND OPERATING DATA OF THE MODIVO GROUP

6.1 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Revenue, cost of sales and gross profit

How we define the individual components of the result:

Revenue comprises revenue from the sale of merchandise, products and services generated through retail, digital, wholesale and franchise operations, as well as revenue from the sale of leasehold improvements and revenue from the MODIVO Club loyalty programme. The accounting policy applicable to these revenue streams is described in detail in the revenue section of the consolidated financial statements. The segment revenue data presented in the tables below presents revenue from sales to external customers – intra-group sales were eliminated and consolidation adjustments were made so that the revenue presented below is the same as revenue disclosed in the consolidated financial statements.

The Group recognises the following items within **cost of sales**: the cost of merchandise sold, the cost of packaging sold, provisions for product claims, inventory write-downs, inventory variances, and licence fees for the right to sell products under a specific trademark where the licence agreement is short-term or the total licence charges over the contract term cannot be reliably determined.

Gross profit on sales is calculated as the difference between revenue and cost of sales, and gross profit margin as the ratio of gross profit to revenue from sales to external customers.

Segment profit EBITDA is calculated as gross profit less store-operating and selling expenses, administrative expenses and other expenses, plus other income, and (recognition) / reversal of loss allowances, adjusted for depreciation and amortisation. EBITDA is not a defined measure under IFRS, and therefore the method of calculating EBITDA may vary among entities.

In the analysis we also use sales of like-for-like stores (the definition of this measure is given in the respective tables).

REVENUE

REVENUE [1]			
	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
		RESTATED	
CCC	**4,869.3**	**4,449.6**	***9.4%***
including wholesale, franchise operations and services	452.3	145.7	*>100%*
Sale of fit-out works and store equipment to franchisees	173.6	-	-
HalfPrice	**2,247.9**	**1,811.5**	***24.1%***
MODIVO	**3,778.5**	**3,973.6**	***-4.9%***
including wholesale, franchise operations and services	325.4	192.9	*68.7%*
Total	**10,895.7**	**10,234.7**	***6.5%***

REVENUE [1]			
	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
		RESTATED	
Poland	6,718.3	5,819.3	*15.4%*
Central and Eastern Europe	3,526.0	3,528.3	*-0.1%*
Western Europe	651.4	887.1	*-26.6%*
Total	**10,895.7**	**10,234.7**	***6.5%***

[1] Only revenue from external customers.

LIKE-FOR-LIKE RETAIL OUTLETS

Revenue performance is influenced by changes in like-for-like sales and by the opening and closure of retail outlets. The breakdown of revenue into like-for-like sales and sales by newly opened or closed outlets is presented below.

BREAKDOWN OF REVENUE INTO LIKE-FOR-LIKE SALES AND SALES BY NEWLY OPENED OR CLOSED OUTLETS

[1] Like-for-like stores are stores that operated without interruption in the financial year 2025 and in the comparative period of the financial year 2024.

[2] All other stores, including new stores opened in the current or previous year, stores closed in the current or previous year, and stores which temporarily suspended operations.

		LIKE-FOR-LIKE STORES [1]				OTHER STORES [2]		
BUSINESS LINE	SALES CHANNEL	NUMBER	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
				RESTATED			RESTATED	
CCC	Offline	699	3,085.5	3,184.5	*-3.1%*	353.7	381.7	*-7.3%*
HalfPrice	Offline	116	1,496.9	1,523.5	*-1.7%*	751.0	283.8	*>100%*
Total		**815**	**4,582.4**	**4,708.0**	***-2.7%***	**1,104.7**	**665.5**	***66.0%***

Year on year, like-for-like sales decreased by PLN 125.6 million, or 2.7%.

Like-for-like decreases were recorded within the CCC and HalfPrice business lines (down 3.1% and 1.7%, respectively).

The PLN 313.6 million year-on-year increase in Offline segment revenue was attributable to a PLN 125.6 million decline in like-for-like sales (CCC: PLN 99.0 million decrease; HalfPrice: PLN 26.6 million decrease), more than offset by a PLN 439.2 million increase in sales generated by other stores (CCC: PLN 28.0 million decrease; HalfPrice: PLN 467.2 million increase).

As at the reporting date, retail space was 1,015.7 thousand m^2, up by 198.7 thousand m^2 year on year (HalfPrice: up 151.2 thousand m^2; CCC: up 47.5 thousand m^2).

		LIKE-FOR-LIKE STORES [1]				OTHER STORES [2]		
BUSINESS LINE	SALES CHANNEL	NUMBER	1 Nov 2025–31 Jan 2026	1 Nov 2024–31 Jan 2025	Change [%]	1 Nov 2025–31 Jan 2026	1 Nov 2024–31 Jan 2025	Change [%]
CCC	Offline	743	760.1	771.2	*-1.4%*	33.3	63.0	*-47.1%*
HalfPrice	Offline	131	501.9	497.8	*0.8%*	228.0	65.2	*>100%*
Total		**874**	**1,262.0**	**1,269.0**	***-0.6%***	**261.3**	**128.2**	***>100%***

Year on year, like-for-like sales decreased by PLN 7.0 million, or 0.6%.

Within the like-for-like store base, sales declined by 1.4% in the CCC business line, while the HalfPrice business line recorded growth of 0.8%.

The PLN 126.1 million year-on-year increase in Offline segment revenue reflected a PLN 7.2 million decline in like-for-like sales (CCC: PLN 11.1 million decrease; HalfPrice: PLN 4.1 million increase), offset by a PLN 133.1 million increase in sales generated by other stores (CCC: PLN 29.7 million increase; HalfPrice: PLN 162.8 million increase).

Average retail space in the fourth quarter of 2025 amounted to 992.9 thousand m^2, an increase of 180.5 thousand m^2 compared with the previous year (HalfPrice: up 137.5 thousand m^2; CCC: up 43.0 thousand m^2).

As a significant proportion of eobuwie offline stores did not satisfy the continuity criteria during the relevant period (due to refurbishments undertaken as part of the rollout of the new store concept) and given the rapid expansion of the worldbox store network, as well as the acquisition of franchise-operated stores within that business line on 30 January 2026, the Group adopted an alternative and more representative performance metric for these stores, namely sales per square metre of retail space.

Average monthly sales per m² of retail space

AVG. SALES/m²/MONTH [PLN] [1]							
BUSINESS LINE	SALES CHANNEL	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]	1 Nov 2025–31 Jan 2026	1 Nov 2024–31 Jan 2025	Change [%]
Worldbox/Kaes	Offline	439.0	407.0	*7.9%*	442.0	450.0	*-1.8%*
Eobuwie [2]	Offline	482.0	386.0	*24.9%*	437.0	324.0	*34.9%*

[1] Retail space: the metric is calculated using the average retail space at the end of the respective periods. Retail sales generated during the stated period are included in the calculation.
[2] eobuwie: sales generated by selected stores operating under the new concept, measured over comparable post-conversion trading periods.

GROSS PROFIT

GROSS PROFIT			
	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
		RESTATED	
CCC	2,467.1	2,617.1	*-5.7%*
HalfPrice	1,144.4	921.3	*24.2%*
MODIVO	1,560.1	1,613.1	*-3.3%*
Total	**5,171.6**	**5,151.5**	***0.4%***

OPERATING PROFIT/(LOSS)			
	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
		RESTATED	
CCC	103.9	609.7	*-83.0%*
HalfPrice	171.9	231.7	*-25.8%*
MODIVO	161.4	147.9	*9.1%*
Total	**437.2**	**989.3**	***-55.8%***

SEGMENT PROFIT (EBITDA)			
	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
		RESTATED	
CCC	536.5	966.1	*-44.5%*
HalfPrice	367.7	374.4	*-1.8%*
MODIVO	291.7	251.8	*15.9%*
Total	**1,195.9**	**1,592.2**	***-24.9%***

Operating profit for the reporting period reflects the accelerated pace of retail space expansion within the CCC and HalfPrice business lines in the second half of 2025 and reformatting of the eobuwie offline chain.

Operating costs

How we define the individual components of the result

Store-operating and selling expenses comprise the costs of operating stores, other retail locations, and e-commerce platforms, as well as sales-related expenses incurred by support functions that are not directly attributable to store operations. This item includes mainly:

- salaries and wages of employees in stores and organisational units supporting sales,
- depreciation of property, plant and equipment,
- depreciation of right-of-use assets,
- impairment of property, plant and equipment, rights-of-use assets and intangible assets,
- advertising costs,
- variable lease payments (sales-based rents),
- low value and short-term leases,
- retail tax,
- other costs.

Administrative expenses include costs related to the management of the Group's general business activities (general and administrative expenses) and the Group's overheads.

STORE-OPERATING AND SELLING EXPENSES

	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
		RESTATED	
Salaries, wages and employee benefits	-1,138.3	-1,019.9	11.6%
Advertising	-772.0	-865.3	-10.8%
Depreciation and amortisation	-688.7	-536.4	28.4%
Transport services	-487.1	-463.6	5.1%
Other rental costs – utilities and other variable costs	-463.2	-418.4	10.7%
Other costs	-443.7	-408.9	8.5%
Raw material and consumables used	-93.3	-95.7	-2.5%
Taxes and charges	-62.8	-54.8	14.6%
Total	**-4,149.1**	**-3,863.0**	**7.4%**

ADMINISTRATIVE EXPENSES

	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
		RESTATED	
Salaries, wages and employee benefits	-163.4	-103.5	57.9%
Other costs	-134.8	-103.3	30.5%
Depreciation and amortisation	-70.0	-66.6	5.1%
Other rental costs – utilities and other variable costs	-64.1	-15.8	>100%
Raw material and consumables used	-29.9	-29.0	3.1%
Advertising	-10.7	-0.5	>100%
Taxes and charges	-4.3	-6.2	-30.6%
Transport services	-1.4	-1.3	7.7%
Total	**-478.6**	**-326.2**	**46.7%**

RESULTS BY OPERATING SEGMENT

CCC	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
		RESTATED	
Revenue from sales to external customers	4,869.3	4,449.6	*9.4%*
Gross profit	**2,467.1**	**2,617.1**	***-5.7%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*51%*	*59%*	*N/A*
Store-operating and selling expenses	-1,972.1	-1,740.7	*13.3%*
Administrative expenses	-280.0	-250.3	*11.9%*
Other income and expenses, and (recognised)/reversed expected credit loss allowances	-111.1	-16.4	*>100%*
Operating profit/(loss)	**103.9**	**609.7**	***-83.0%***
Depreciation and amortisation	-432.6	-356.4	*21.4%*
SEGMENT PROFIT (EBITDA)	**536.5**	**966.1**	***-44.5%***

Segment assets:	31 Jan 2026	31 Jan 2025	Change [%]
Inventories	**2,472.7**	**1,904.5**	***29.8%***
in stores	1,044.2	741.1	*40.9%*
in the central warehouse	1,428.5	1,163.4	*22.8%*

HalfPrice	1 Feb 2025–31 Jan 2026	1 Nov 2025–31 Jan 2026	Change [%]
		RESTATED	
Revenue from sales to external customers	2,247.9	1,811.5	*24.1%*
Gross profit	**1,144.4**	**921.3**	***24.2%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*51%*	*51%*	*N/A*
Store-operating and selling expenses	-955.7	-661.4	*44.5%*
Administrative expenses	-22.9	-30.4	*-24.7%*
Other income and expenses, and (recognised)/reversed expected credit loss allowances	6.1	2.2	*>100%*
Operating profit/(loss)	**171.9**	**231.7**	***-25.8%***
Depreciation and amortisation	-195.8	-142.7	*37.2%*
SEGMENT PROFIT (EBITDA)	**367.7**	**374.4**	***-1.8%***

Segment assets:	31 Jan 2026	31 Jan 2025	Change [%]
Inventories	**402.3**	**696.0**	***-42.2%***
in stores	402.3	371.6	*8.3%*
in the central warehouse	0.0	324.4	*-100.0%*

MODIVO	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
		RESTATED	
Revenue from sales to external customers	3,778.5	3,973.6	*-4.9%*
Gross profit	**1,560.1**	**1,613.1**	***-3.3%***
Gross margin (gross profit on sales/revenue from sales to external customers)	*41%*	*41%*	*N/A*
Store-operating and selling expenses	-1,221.3	-1,460.9	*-16.4%*
Administrative expenses	-175.7	-45.5	*>100%*
Other income and expenses, and (recognised)/reversed expected credit loss allowances	-1.7	41.1	*<-100%*
Operating profit/(loss)	**161.4**	**147.9**	***9.1%***
Depreciation and amortisation	-130.3	-103.9	*25.4%*
SEGMENT PROFIT (EBITDA)	**291.7**	**251.8**	***15.9%***

Segment assets:	31 Jan 2026	31 Jan 2025	Change [%]
Inventories	**970.8**	**1,014.4**	***-4.3%***
in stores	81.9	85.0	*-3.6%*
in the central warehouse	888.9	929.4	*-4.4%*

Effect of other income and expenses

How we define the individual components of the result

Other income and other expenses include income and expenses from non-core activities, such as gains or losses on disposal of property, plant and equipment, impairment losses on goodwill, penalties and fines, donations, government grants, and foreign exchange gains and losses on operating activities, among others.

Finance income and finance costs of the Group include interest expense, commission fees, and foreign exchange gains and losses on financing activities.

Income tax includes accrued tax and deferred tax.

OTHER INCOME AND OTHER EXPENSES

In the reporting period, other income and expenses were PLN 135.4 million and PLN 233.5 million, respectively. On a net basis, the Group generated PLN 98.1 million of other expenses, compared with PLN 23.2 million of other income in the corresponding period of the previous year. The change was primarily attributable to the accounting for the acquisition of a subsidiary and the related impairment losses recognised on property, plant and equipment and intangible assets amounting to PLN 157.0 million, as well as a loss of PLN 34.3 million arising from the settlement of pre-existing relationships, and foreign exchange differences on items other than debt, which generated income of PLN 67.0 million in the reporting period, compared with an expense of PLN 27.6 million in the comparative period.

In addition, the Group recognised a net increase in the loss allowance for trade receivables of PLN 8.6 million during the period (compared with a net reversal of PLN 3.7 million recognised in the corresponding period of the previous year).

OPERATING PROFIT/(LOSS)

Operating profit in the reporting period was PLN 437.2 million, having decreased by PLN 552.0 million year on year. The change was primarily attributable to the accelerated expansion of retail space and the recognition of impairment losses related to the accounting for the acquisition of a subsidiary.

FINANCE INCOME AND COSTS

In the reporting period, finance income was PLN 41.5 million, a decrease of PLN 328.5 million year on year. The principal component of the prior year's finance income was a PLN 336.3 million gain recognised on the fair-value measurement of bonds issued to SoftBank.

Finance costs totalled PLN 435.8 million, a decrease of PLN 51.1 million year on year. They consisted mainly of PLN 161.5 million of interest on bank borrowings and bonds (prior year: PLN 321.3 million), and interest on lease liabilities of PLN 118.6 million (prior year: PLN 103.6 million).

INCOME TAX

Income tax for the reporting period totalled PLN 84.3 million. The charge comprised current tax of PLN 77.9 million, deferred tax of PLN 6.1 million, and PLN 0.3 million of prior-year current-tax adjustments recognised in profit or loss.

NET PROFIT OR LOSS

After finance income and costs, expected credit loss allowances, the share of loss of an associate and income tax, net loss amounted to PLN 41.4 million, compared with net profit of PLN 983.0 million in the previous year.

6.2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (KEY ITEMS)

	31 Jan 2026	31 Jan 2025	Change [%]
		RESTATED	
Non-current assets, including:	**6,008.9**	**4,352.3**	**38.1%**
Total property, plant and equipment	2,687.7	1,631.0	64.8%
Right-of-use assets	1,953.4	1,586.9	23.1%
Deferred tax assets	431.9	422.0	2.3%
Current assets, including:	**5,016.6**	**4,645.6**	**8.0%**
Inventories	3,845.8	3,614.9	6.4%
Cash and cash equivalents	435.8	461.2	-5.5%
TOTAL ASSETS	**11,025.5**	**8,998.0**	**22.5%**
Non-current liabilities, including:	**3,435.5**	**3,057.9**	**12.3%**
Bank borrowings and bonds payable	1,485.1	1,572.0	-5.5%
Lease liabilities	1,768.7	1,406.4	25.8%
Current liabilities, including:	**5,471.2**	**4,063.5**	**34.6%**
Bank borrowings and bonds payable	559.4	324.7	72.3%
Trade and other payables	3,345.4	2,522.2	32.6%
TOTAL LIABILITIES	**8,906.7**	**7,121.4**	**25.1%**
EQUITY	**2,118.8**	**1,876.6**	**12.9%**

Non-current assets

How we define the individual components of assets

Property, plant and equipment include leasehold improvements (expenditure on leased premises used in the retail business), property, plant and equipment used in the manufacturing, distribution and other activities.

	PROPERTY, PLANT AND EQUIPMENT		CHANGE [%]	
	31 Jan 2026	31 Jan 2025	PROPERTY, PLANT AND EQUIPMENT	IN RETAIL SPACE
		RESTATED		
Leasehold improvements	**1,956.4**	**994.1**	**96.8%**	**37.9%**
Distribution	**592.3**	**545.2**	**8.6%**	
Land, buildings and structures	401.1	403.5	-0.6%	
Machinery and equipment	95.4	114.0	-16.3%	
Property, plant and equipment under construction	95.8	27.7	>100%	
Other	**139.0**	**91.7**	**51.6%**	
Total	**2,687.7**	**1,631.0**	**64.8%**	

The increase in property, plant and equipment was mainly driven by capital expenditure, including leasehold improvements related to the expansion of retail operations and the development of the Group's omnichannel model; distribution-related investments associated with the expansion of the logistics centre; and other investments, primarily relating to the acquisition of IT equipment and vehicles. The increase in property, plant and equipment also reflected the acquisition of subsidiaries Szopex Sp. z o.o., MKRI Sp. z o.o. and, indirectly, MKI Sp. z o.o.

Current assets

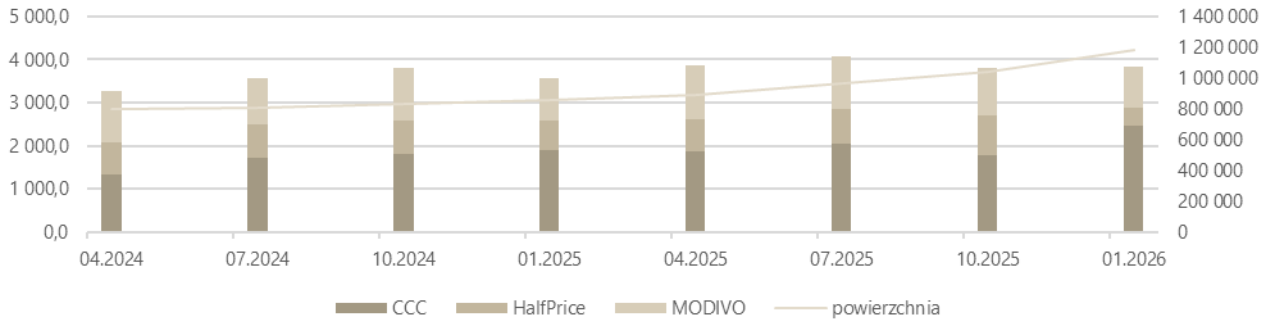
How we define the individual components of assets

Inventories are stated at the lower of cost or net realisable value. Cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads. If circumstances arise which result in a decrease in the carrying amount of inventories, inventory write-downs are recognised and charged to cost of sales.

Cash and cash equivalents include cash in hand and bank deposits payable on demand.

INVENTORIES

	31 Jan 2026	31 Oct 2025	31 Jul 2025	30 Apr 2025	31 Jan 2025	31 Oct 2024	31 July 2024	30 Apr 2024	change [% yoy]
					RESTATED				
CCC	2,472.7	1,774.4	2,040.6	1,855.3	1,904.5	1,792.6	1,724.9	1,328.2	30.3%
HalfPrice	402.3	930.8	812.8	761.4	696.0	803.8	782.5	747.6	-42.2%
MODIVO	970.8	1,093.9	1,211.1	1,245.7	1,014.4	1,204.8	1,069.6	1,196.2	-1.4%
Total	**3,845.8**	**3,799.1**	**4,064.5**	**3,862.4**	**3,614.9**	**3,801.2**	**3,577.0**	**3,272.0**	**7.5%**



CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the reporting date totalled PLN 435.8 million, down by PLN 5.5% year on year. As at the reporting date, nearly 100% of cash was held in hand or in bank accounts.

Equity and financing liabilities

How we define the individual components of assets

Equity is recorded in the accounts with a breakdown into the following categories: share capital, share premium, retained earnings, and other components of equity.

Financing liabilities consist mainly of bank borrowings and bonds payable.

Trade payables are classified as current liabilities if they fall due within one year. Otherwise, liabilities are disclosed as non-current. Trade payables are measured at amounts due.

As at the reporting date, equity increased by PLN 242.2 million, or 12.9%, primarily as a result of profit attributable to owners of the parent recognised for the current financial year amounting to PLN 21.8 million, proceeds from the issue of shares of PLN 1,542.3, and buyout of non-controlling interests of PLN 1,253.9 million.

As at the reporting date, non-current liabilities stood at PLN 3,435.5 million, up by PLN 377.6 million, or 12.3%, year on year, and comprised mainly liabilities under long-term bank borrowings and bonds (PLN 1,485.1 million) and lease liabilities (PLN 1,768.7 million).

As at the reporting date, current liabilities stood at PLN 5,471.2 million, up by PLN 1,407.7 million (34.6%) year on year, and comprised mainly trade and other payables (PLN 3,345.4 million), bank borrowings and bonds payable (PLN 559.4 million), lease liabilities (PLN 693.0 million), and other liabilities (PLN 575.2 million).

6.3 CONSOLIDATED STATEMENT OF CASH FLOWS (KEY ITEMS)

	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
		RESTATED	
Profit/(loss) before tax	**42.9**	**872.3**	**-95.1%**
Adjustments	763.3	637.7	19.7%
Income tax paid	-64.7	-15.6	>100%
Cash flow before changes in working capital	**741.5**	**1,494.4**	**-50.4%**
Changes in working capital	518.5	-228.9	<-100%
Cash flows from operating activities	**1,260.0**	**1,265.5**	**-0.4%**
Cash flows from investing activities	**-773.8**	**-400.5**	**93.2%**
Cash flows from financing activities, including:	**-511.6**	**-716.7**	**-28.6%**
Proceeds from borrowings	1,196.7	806.9	48.3%
Repayments of borrowings	-1,157.3	-846.2	36.8%
Lease payments	-445.2	-354.0	25.8%
Interest paid	-393.4	-248.1	58.6%
Net proceeds from share issue	1,547.3	0.0	-
Payments to acquire non-controlling interests	-1,358.2	-109.4	>100%
TOTAL CASH FLOWS	**-25.4**	**148.3**	**<-100%**
Cash and cash equivalents at end of period	**435.8**	**461.2**	**-5.5%**

6.4 CAPITAL EXPENDITURE

In 2025, the MODIVO Group's capital expenditure was directed mainly towards developing and maintaining the sales network, accounting for about 85% of total investment outlays in the period. Net store growth amounted to 210 new locations, with the HalfPrice business line recording the largest increase in selling space (+36% year on year). With the acquisition of a 75% equity interest in Szopex, 10 locations were added to the Group's store network. On 30 January 2026, the Group acquired an additional 50% equity interest in MKRI, thus adding 154 stores. For more information, see note 6.2 to the consolidated financial statements.

Retail-network capex primarily covered new store openings, refurbishments, re-sizings and relocations. The Group's objective remains to expand its retail area by approximately 250 thousand square metres per year through 2030. The Group intends to fund capital expenditure from operating cash flow generated through improved profitability and working-capital optimisation.

The second-largest investment category relates to technology, focused mainly on the purchase of numerous low-value hardware items required for the efficient operation of stores and head-office functions. These outlays cover both maintenance capex for the existing sites and head-office facilities, and growth capex for new stores. Technology investments in the store network account for nearly 40% of total technology-related expenditure. The remainder is allocated mainly to head-office projects (upgrades of servers, IT infrastructure and purchase of computers).

In 2025, the Group commenced the construction of the HP 2.0 distribution and warehousing centre, with completion scheduled for 2026. As at 31 January 2026, the work progressed according to schedule. The project will support continued development of the banner by materially strengthening its logistics infrastructure. It will be equipped with automated lifts, sorting systems, as well as storage & retrieval systems.

6.5 RATIOS

Profitability ratios	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	change [%]	change [% qoq]
Gross margin	47.5%	50.3%	-2.8%	-1.5%
Operating profit/(loss) margin	4.0%	10.1%	-6.1%	-4.9%
Net profit/(loss) margin	-0.4%	9.9%	-10.3%	-3.9%

Gross margin is calculated as the ratio of gross profit to revenue.

Operating profit/(loss) margin is calculated as the ratio of operating profit/(loss) to revenue.

Net profit/(loss) margin is calculated as the ratio of net profit/(loss) to revenue.

Liquidity ratios	31 Jan 2026	31 Jan 2025	change	change [qoq]
Current ratio	0.9	1.2	-0.2	-0.2
Quick ratio	0.2	0.3	-0.1	-0.2
Inventory cycle (days)	248.2	263.8	-15.6	-1.1
Average collection period (days)	18.6	11.3	7.3	-0.2
Average payment period (days)	206.7	179.6	27.1	9.0

The **current ratio** is calculated as the ratio of current assets to the carrying amount of current liabilities.

The **quick ratio** is calculated as the ratio of current assets less inventory to the carrying amount of current liabilities.

The **inventory cycle** in days is calculated as the ratio of the average inventory value for the last four quarters to cost of sales, multiplied by the number of days in the period.

The **average collection period** in days is calculated as the ratio of the average amount of receivables from customers for the last four quarters to revenue, multiplied by the number of days in the period.

The **average payment period** in days is calculated as the ratio of the amount of trade and other payables for the last four quarters to cost of sales, multiplied by the number of days in the period.

Operating efficiency ratios	31 Jan 2026	31 Jan 2025	change [%]	change [% qoq]
Equity to non-current assets ratio	35.3%	44.5%	-9.2%	-12.6%
Debt ratio	18.5%	21.0%	-2.5%	1.3%
Short-term debt ratio	5.1%	3.6%	1.5%	0.6%
Long-term debt ratio	13.5%	17.4%	-3.9%	0.7%

Equity to non-current assets ratio is calculated by dividing equity by non-current assets.

Debt ratio is calculated by dividing debt under long-term and short-term borrowings and bonds by total assets.

Short-term debt ratio is calculated by dividing short-term debt under borrowings and bonds by total assets.

Long-term debt ratio is calculated by dividing long-term debt under borrowings and bonds by total assets.

6.6 PROFIT GUIDANCE

The initial profit guidance for the financial year 2025 was updated in Current Report No. 57/2025 and subsequently revised again in Current Report No. 7/2026 (based on performance for the reporting period closed by that time and up-to-date estimates for the remaining part of the financial year). Subsequently, as disclosed in Current Report No. 24/2026 of 20 May 2026, during the preparation of the annual report, the Group undertook a reassessment of significant estimates. Applying a conservative and prudent approach, it reviewed non-cash impairment charges and provisions affecting EBITDA for the fourth quarter of the financial year 2025 that had not been reflected in the estimates disclosed in the previous report.

7. MANAGEMENT OF FINANCIAL RESOURCES AND LIQUIDITY

7.1 DEBT AND LIQUIDITY OF THE MODIVO GROUP

The MODIVO Group finances its operations using equity and external capital, including bank and non-bank borrowings.

As part of the strategy aimed at creating synergies within the Group, a debt refinancing process was initiated. Its key objective is the consolidation of financing arrangements, whereby the two existing credit facilities – for MODIVO S.A. (formerly CCC S.A.) and MODIVO.COM S.A. (formerly MODIVO S.A.) – are to be replaced with a single, integrated syndicated facility. The consolidated financing terms will streamline liquidity and debt management, marking a further milestone in the integration of the Group's two core business segments.

In this Report, the name **MODIVO S.A.** is used in reference to the parent and the Group previously operating under the name CCC S.A.

The name **MODIVO.COM S.A.** is used in reference to the parent and the Group previously operating under the name MODIVO S.A.

Bank borrowings and bonds

MODIVO Group

Financing within the MODIVO Group is arranged separately at the level of two business units, each responsible for its own liabilities:

- **CCC Business Unit** (the MODIVO Group (formerly CCC Group) excluding the MODIVO Business Unit); and
- **MODIVO Business Unit** (MODIVO.COM S.A. and all its subsidiaries).

On 12 July 2024, (as disclosed in Current Report No. 23/2024), MODIVO S.A. (formerly CCC S.A.) and certain subsidiaries of the MODIVO Group entered into a credit facility agreement of up to PLN 1.8 billion for the purpose of refinancing existing debt and funding the operations of the CCC Business Unit. The facility was concluded with BNP Paribas Bank Polska S.A., the European Bank for Reconstruction and Development (EBRD), Bank Polska Kasa Opieki S.A. (the Security Agent), Powszechna Kasa Oszczędności Bank Polski S.A., Santander Bank Polska S.A., mBank S.A. (the Facility Agent and ESG Agent) and Bank Handlowy w Warszawie S.A. The facilities are partially secured by guarantees issued by KUKE (the Polish export credit agency), with a total limit of up to PLN 750.0 million.

On 30 December 2024, MODIVO S.A. (formerly CCC S.A.) completed the full early redemption of Series 1/2018 (CCC0626) bonds, comprising 168,786 bonds with a total nominal value of PLN 168.8 million. The repayment was financed from the second instalment of Tranche A of the syndicated facility granted to MODIVO.EU Sp. z o.o. (formerly CCC.eu Sp. z o.o.). Intercompany balances were offset against a loan granted by MODIVO S.A. (formerly CCC S.A.) to MODIVO.EU Sp. z o.o. (formerly CCC.eu Sp. z o.o.).

On 31 December 2024, CCC Shoes & Bags Sp. z o.o. (a subsidiary of MODIVO S.A.) completed the full early redemption of Series A bonds, comprising 350 bonds with a total nominal value of PLN 350.0 million. The repayment was financed through an amendment agreement signed on 17 December 2024, modifying the Credit Facility Agreement dated 12 July 2024, in respect of additional Tranche C of the syndicated facility granted to MODIVO S.A. The funds were subsequently transferred via an on-loan to CCC Shoes & Bags Sp. z o.o., which used them to finance the bond redemption.

On 31 March 2025, MODIVO S.A. (formerly CCC S.A.) and its selected subsidiaries executed an agreement amending the loan agreement of 12 July 2024 (the "Amendment Agreement"). Under the amendment, the lenders agreed to:

- increase the existing working capital facility (Tranche B), provided in the form of reverse-factoring (with limits that may be flexibly allocated among MODIVO S.A., MODIVO.EU Sp. z o.o. and HalfPrice Sp. z o.o.) and guarantee lines, by PLN 875.0 million (for MODIVO S.A.), with a further incremental increase of PLN 425.0 million available upon satisfaction of additional conditions set out in the facility agreement (an aggregate potential increase of PLN 1,300.0 million); and

- make available a PLN 200.0 million term facility (Tranche D for MODIVO.EU Sp. z o.o.), amortising through 1 August 2030, to finance construction of the HalfPrice distribution and warehouse centre.

On 27 August 2025, following the fulfilment of conditions stipulated in the credit facility agreement, the financing commitment provided by the syndicate of banks was increased by raising the amount of the available working capital facility, provided in the form of reverse-factoring and guarantee lines, by PLN 405 million.

On 22 January 2026, MODIVO S.A. and selected subsidiaries amended the credit facilities agreement dated 12 July 2024, waiving at 31 January 2026 the condition linking capital expenditure (capped at PLN 767 million, increased by any unused prior-year limit) to achieving a net financial exposure ratio below 2:1. Accordingly, the Company and the Group remained in compliance with their financial covenants.

The execution of the new financing agreement has materially improved the structure of the CCC Business Unit's financial liabilities, in line with the Group's refinancing objectives. The new financing structure offers greater flexibility to the CCC Business Unit, including through

higher limits on bank guarantees, letters of credit, and reverse factoring arrangements. It also reduces financing costs and increases the cap on capital expenditures.

A detailed description of the refinancing mechanism is provided in the section 'Bank borrowings and bonds payable' of the consolidated financial statements.

On 27 May 2025, MODIVO.COM S.A. signed an amendment with Bank Polska Kasa Opieki S.A., extending the availability period of the PLN 260.0 million multipurpose credit facility dated 26 October 2017 by another 11 months, i.e. until 29 April 2026, on substantially unchanged terms. Subsequently, as disclosed in Current Report No. 24/2026 dated 20 May 2026, during the preparation of the annual report, the Group undertook a reassessment of significant estimates. Applying a conservative and prudent approach, it reviewed, among other items, non-cash impairment charges and provisions affecting EBITDA for the fourth quarter of FY2025 that had not been reflected in the estimates disclosed in the previous report.
The amendment was technical in nature and was necessary for the conclusion of financing agreements for the subsequent period.

On 19 December 2025, MODIVO.COM S.A. signed an amendment with Powszechna Kasa Oszczędności Bank Polski S.A., extending the availability period of the PLN 180.0 million multipurpose credit facility dated 2 June 2021 for another 11 months, i.e. until 18 November 2026, on substantially unchanged terms.

As at the reporting date, the Group had financing liabilities of PLN 2,044.5 million, consisting of bank and non-bank borrowings.

The current portion of financing liabilities as at the reporting date comprised debt under bank borrowings and bonds of PLN 559.4 million.

BANK	COMPANY	INSTRUMENT	AGREEMENT DATE	MATURITY DATE	LIMIT [MILLION]	UTILISATION [MILLION]*	CURRENCY
Syndicated agreement							
Credit facility A							
EBRD	MODIVO.EU Sp. z o.o.	Long-term credit facility	12 Jul 2024	30 Apr 2029	255.8	255.8	PLN
		including current portion			60.0	60.0	PLN
Citibank	MODIVO.EU Sp. z o.o.	Long-term credit facility	12 Jul 2024	30 Apr 2029	85.3	85.3	PLN
		including current portion			20.0	20.0	PLN
Santander	MODIVO.EU Sp. z o.o.	Long-term credit facility	12 Jul 2024	30 Apr 2029	42.6	42.6	PLN
		including current portion			10.0	10.0	PLN
BNP Paribas	MODIVO.EU Sp. z o.o.	Long-term credit facility	12 Jul 2024	30 Apr 2029	42.6	42.6	PLN
		including current portion			10.0	10.0	PLN
PKO BP	MODIVO.EU Sp. z o.o.	Long-term credit facility	12 Jul 2024	30 Apr 2029	34.1	34.1	PLN
		including current portion			8.0	8.0	PLN
mBank	MODIVO.EU Sp. z o.o.	Long-term credit facility	12 Jul 2024	30 Apr 2029	34.1	34.1	PLN
		including current portion			8.0	8.0	PLN
Pekao S.A.	MODIVO.EU Sp. z o.o.	Long-term credit facility	12 Jul 2024	30 Apr 2029	17.1	17.1	PLN
		including current portion			4.0	4.0	PLN
Credit facility B							
BNP Paribas	MODIVO.EU Sp. z o.o.	Short-term credit facility	24 Jul 2024	12 Jul 2026	41.0	0.0	PLN
BNP Paribas	MODIVO.EU Sp. z o.o.	Short-term credit facility	24 Jul 2024	12 Jul 2026	42.0	15.7	PLN
Santander	MODIVO.EU Sp. z o.o.	Short-term credit facility	23 Jul 2024	12 Jul 2026	20.0	0.0	PLN
Santander	MODIVO.EU Sp. z o.o.	Short-term credit facility	23 Jul 2024	12 Jul 2026	35.0	0.0	PLN
PKO BP	MODIVO.EU Sp. z o.o.	Short-term credit facility	23 Jul 2024	12 Jul 2026	42.0	0.0	PLN
PKO BP	MODIVO.EU Sp. z o.o.	Short-term credit facility	23 Jul 2024	12 Jul 2026	30.0	13.0	PLN
Pekao S.A.	MODIVO.EU Sp. z o.o.	Short-term credit facility	23 Jul 2024	12 Jul 2026	18.0	0.0	PLN
Pekao S.A.	MODIVO.EU Sp. z o.o.	Short-term credit facility	23 Jul 2024	12 Jul 2026	50.0	39.4	PLN
mBank	MODIVO.EU Sp. z o.o.	Short-term credit facility	24 Jul 2024	12 Jul 2026	15.0	0.0	PLN
mBank	MODIVO.EU Sp. z o.o.	Short-term credit facility	24 Jul 2024	12 Jul 2026	25.0	9.5	PLN
Credit facility C							
EBRD	MODIVO S.A.	Long-term credit facility	17 Dec 2024	17 Dec 2029	97.6	97.6	PLN
		including current portion			3.9	3.9	PLN
PKO BP	MODIVO S.A.	Long-term credit facility	17 Dec 2024	17 Dec 2029	97.6	97.6	PLN
		including current portion			3.9	3.9	PLN
BNP Paribas	MODIVO S.A.	Long-term credit facility	17 Dec 2024	17 Dec 2029	37.1	37.1	PLN
		including current portion			1.5	1.5	PLN
Santander	MODIVO S.A.	Long-term credit facility	17 Dec 2024	17 Dec 2029	36.1	36.1	PLN
		including current portion			1.4	1.4	PLN
mBank	MODIVO S.A.	Long-term credit facility	17 Dec 2024	17 Dec 2029	30.3	30.3	PLN
		including current portion			1.2	1.2	PLN
Pekao S.A.	MODIVO S.A.	Long-term credit facility	17 Dec 2024	17 Dec 2029	29.3	29.3	PLN
		including current portion			1.2	1.2	PLN
Citibank	MODIVO S.A.	Long-term credit facility	17 Dec 2024	17 Dec 2029	23.4	23.4	PLN
		including current portion			0.9	0.9	PLN
Credit facility D							
EBRD	MODIVO.EU Sp. z o.o.	Long-term credit facility	31 Mar 2025	1 Aug 2030	200.0	133.7	PLN
		including current portion				11.6	PLN
Other debt							

Pekao S.A.	MODIVO.COM S.A.	Short-term credit facility	26 Oct 2017	29 Apr 2026	134.0	0.0	PLN
PKO BP	MODIVO.COM S.A.	Short-term credit facility	2 Jun 2021	18 Nov 2026	180.0	85.7	PLN
UniCredit S.p.A.	MODIVO.COM S.A.	Long-term credit facility	3 Jun 2025	1 May 2030	660.0	660.0	PLN
		including current portion			33.0	33.0	PLN
Ceska Sporitelna	MODIVO Czech s.r.o.	Short-term credit facility	18 Apr 2013	30 Jun 2026	50.0	36.3	CZK
Ceska Sporitelna	MODIVO Slovakia s.r.o.	Short-term credit facility	18 Apr 2013	30 Jun 2026	32.0	30.7	CZK
Santander Leasing	MKRI Sp. z o.o.	Credit facility	19 Dec 2025	25 Jan 2029	0.6	0.6	PLN
Alior Bank S.A.	MKRI Sp. z o.o.	Credit facility	29 Dec 2025	30 Jun 2027	0.1	0.1	PLN
Alior Bank S.A.	MKRI Sp. z o.o.	Credit facility	29 Dec 2025	30 Jun 2028	1.0	1.0	PLN
Alior Bank S.A.	MKRI Sp. z o.o.	Credit facility	29 Dec 2025	31 Dec 2028	1.4	1.4	PLN
Pekao S.A.	MKRI Sp. z o.o.	Credit facility	20 Oct 2025	30 Aug 2030	2.5	2.5	PLN
LONTIN INVESTMENTS	MKRI Sp. z o.o.	Loan	27 Nov 2025	30 Jun 2026	35.0	35.0	PLN
ING Bank Śląski	MKRI Sp. z o.o.	Credit facility	24 Aug 2020	29 Feb 2028	9.9	9.9	PLN
					0.1	0.1	EUR
ING Bank Śląski	MKI Sp. z o.o.	Credit facility	24 Aug 2020	29 Feb 2028	1.8	1.8	PLN
Santander	MKI Sp. z o.o.	Credit facility	30 Jun 2025	30 Jun 2030	5.6	5.6	PLN
Santander	MKI Sp. z o.o.	Credit facility	1 Jul 2025	25 Jun 2030	3.4	3.4	PLN
ILONTIN INVESTMENTS	MKI Sp. z o.o.	Loan	25 Jul 2025	31 Mar 2026	50.0	50.0	PLN
ILONTIN INVESTMENTS	MKI Sp. z o.o.	Loan	11 Mar 2025	31 Mar 2026	50.0	50.0	PLN
Bank Ochrony Środowiska	Szopex Sp. z o.o.	Credit facility	24 Jun 2003	1 Sep 2026	16.0	16.0	PLN
ING Bank Śląski	Szopex Sp. z o.o.	Credit facility	29 Jan 2026	31 Dec 2026	4.0	0.9	PLN
Fundacja Rodzinna	Szopex Sp. z o.o.	Loan	16 Sep 2025	30 Sep 2027	2.5	2.5	PLN
Total short-term credit facility agreements, PLN					**954.0**	**493.8**	**PLN**
Total long-term credit facility agreements, PLN					**1,751.8**	**1,685.5**	**PLN**
Total short-term credit facility agreements, CZK					**82.0**	**67.0**	**CZK**

* The utilisation shown in the table reflects the cash drawdown, which differs from the carrying amount of the liability because the liability is measured at amortised cost.

BANK	COMPANY	AGREEMENT DATE	MATURITY DATE	LIMIT [MILLION]	UTILISATION [MILLION]*	CURRENCY
Factoring						
PKO Faktoring	MODIVO.EU Sp. z o.o.	24 Jul 2024	12 Jul 2026	313.0	233.9	PLN
	MODIVO S.A.	15 Jul 2025			4.9	
	HalfPrice Sp. z o.o.	18 Jun 2025			17.4	
	MODIVO Retail Sp. z o.o.	14 Oct 2025			8.9	
	HalfPrice Retail Sp. z o.o.	14 Oct 2025			8.8	
Santander Factoring	MODIVO.EU Sp. z o.o.	23 Jul 2024	12 Jul 2026	290.0	50.8	PLN
	MODIVO S.A.				114.6	
	HalfPrice Sp. z o.o.				3.2	
BNP Faktoring	MODIVO.EU Sp. z o.o.	24 Jul 2024	12 Jul 2026	285.0	104.6	PLN
Pekao S.A.	MODIVO.EU Sp. z o.o.	23 Jul 2024	12 Jul 2026	322.0	162.8	PLN
	MODIVO S.A.				82.1	
	HalfPrice Sp. z o.o.				0.0	
mFaktoring	MODIVO.EU Sp. z o.o.	23 Jul 2024	12 Jul 2026	290.0	19.9	PLN
	MODIVO S.A.	23 Jul 2024			52.5	
	HalfPrice Sp. z o.o.	3 Jun 2025			18.3	
	MODIVO Retail Sp. z o.o.	17 Sep 2025			18.1	
	HalfPrice Retail Sp. z o.o.	17 Sep 2025			66.1	
Citi	MODIVO.EU Sp. z o.o.	2 Aug 2018	12 Jul 2026	282.0	131.1	PLN
	MODIVO S.A.	3 Jul 2025			0.0	
	HalfPrice Sp. z o.o.	3 Jul 2025			0.0	
Pekao S.A.	MODIVO.COM S.A.	14 Jan 2019	indefinite	180.0	69.7	PLN
PKO BP	MODIVO.COM S.A.	30 Jul 2021	30 Nov 2025	140.0	72.8	PLN
ING Bank Śląski	Szopex Sp. z o.o.	29 Jan 202	31 Dec 2026	5.3	5.1	PLN
Total Supplier Finance Programme				**2,107.3**	**1,245.6**	**PLN**

BANK	COMPANY	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	UTILISATION [MILLION]*	CURRENCY
Guarantee facility						
PKO BP	MODIVO S.A.	23 Jul 2024	12 Jul 2026	75.0	43.6	PLN
mBank	MODIVO S.A.	24 Jul 2024	12 Jul 2026	60.0	21.2	PLN
Santander	MODIVO S.A.	23 Jul 2024	12 Jul 2026	60.0	39.1	PLN
BNP Paribas	MODIVO S.A.	24 Jul 2024	12 Jul 2026	97.0	34.0	PLN
Pekao S.A.	MODIVO S.A.	23 Jul 2024	12 Jul 2026	88.0	42.4	PLN
Pekao S.A.	MODIVO.COM S.A.	23 Jul 2024	29 Apr 2026	126.0	126.0	PLN
Ceska Sporitelna	MODIVO Czech s.r.o.	18 Apr 2013	30 Jun 2026	50.0	48.4	CZK
Ceska Sporitelna	MODIVO Slovakia s.r.o.	18 Apr 2013	30 Jun 2026	28.0	8.3	CZK
Raiffeisen	Modivo Hungary Kft.	25 Jun 2014	31 Oct 2026	2.0	1.5	EUR
ING Bank Śląski	Szopex Sp. z o.o.	29 Jan 2026	31 Dec 2026	0.1	0.1	PLN
Total guarantee facility, PLN				**506.1**	**306.4**	**PLN**
Total guarantee facility, CZK				**78.0**	**56.7**	**CZK**
Total guarantee facility, EUR				**2.0**	**1.5**	**EUR**

MODIVO.COM S.A. bonds

On 5 October 2021, the company issued unsecured bonds convertible into shares with a total value of PLN 500.0 million. The bonds were issued to SVF II Motion Subco (DE) LLC, an affiliate of SoftBank Vision Fund 2. Unless first converted into shares or redeemed earlier, the bonds were to be originally redeemed on 23 August 2024. However, on 24 November 2023, an agreement was signed to extend the maturity of the SoftBank bonds until 5 April 2026.

On 12 June 2025, exercising its contractual right, MODIVO.COM S.A. effected the early full redemption of bonds, together with accrued interest, with a total nominal value of PLN 500.0 million (interest: PLN 165.7 million). The bonds were issued by MODIVO on 5 October 2021 and subscribed for by SVF II Motion SubCo (DE) LLC, a SoftBank Group entity.

The redemption was financed through a term credit facility of PLN 660.0 million granted to Modivo.com under a credit facility agreement concluded on 3 June 2025 between MODIVO.COM S.A. and UniCredit S.p.A., as well as MODIVO's own funds. The transaction represents the final step in the Group's debt refinancing programme, consistently implemented to optimise the financing structure and achieve a significant reduction in the cost of debt.

7.2 COVENANTS AND FINANCIAL RATIOS

MODIVO Group

Financing within the MODIVO Group is arranged separately at the level of two business units, each responsible for its own liabilities:

- **CCC Business Unit** (the MODIVO Group (formerly CCC Group) excluding the MODIVO Business Unit); and
- **MODIVO Business Unit** (MODIVO.COM S.A. and all its subsidiaries).

Under the Credit Facility Agreement dated 12 June 2024, the CCC Business Unit's financial covenants are calculated using financial information prepared after deconsolidating the MODIVO Business Unit from the Group's results. Financial covenants for the MODIVO Business Unit are governed separately, in accordance with the definitions set out in its bilateral bank facility agreements.

To prepare the CCC Business Unit's results, the Group's consolidated data are adjusted under agreed procedures to carve out the MODIVO Business Unit's contribution, thereby deconsolidating MODIVO from the Group's financial information. The results of the MODIVO Business Unit are deconsolidated taking into account the following adjustments or eliminations:

(a) recognition of MODIVO.COM S.A. shares at historical amount (PLN 2,699,640,000.00 with respect to the equity interest held by CCC)

(b) recognition of balances and turnovers of the CCC Business Unit entities vis-à-vis the MODIVO Business Unit entities.

The ratio calculations outlined below constitute a simplified summary of the covenant definitions in the credit facility agreements. The purpose of the explanation is to present information on the methodology applied in the financing agreements to calculate the Group's financial covenants.

		MODIVO Group		
		MODIVO Business Unit	SEPARATE FINANCING	**CCC Business Unit**
Financial debt (PLN million), as at 31 Jan 2026 (based on the Business Unit's balance sheet)	Debt	**PLN 761.6 million, including:** • PLN 766.0 million bank facilities • PLN -4.4 million adjusted purchase price		**PLN 1,282.9 million, including:** • PLN 1,298.6 million bank facilities • PLN -15.7 million adjusted purchase price
	Cash	**PLN 126.1 million**		**PLN 309.7 million**
	Net debt	**PLN 635.5 million**		**PLN 973.2 million**
Debt ratio under the financing agreements (PLN million), as at 31 Jan 2026	Gross Financial Debt*	**PLN 904.1 million, including:** • PLN 761.6 million bank facilities • PLN 142.5 million reverse factoring		**PLN 1,383.1 million, including:** • PLN 1,298.6 million bank facilities • PLN 18.9 million marking of derivative transactions to market • PLN 65.6 million off-balance-sheet liability ***
	Net Financial Debt*	• **Not applicable**		**PLN 1,073.4 million**
	Net Exposure*	• **Not applicable**		**PLN 2,176.5 million, including:** • PLN 1,073.4 million Net Financial Debt • PLN 1,103.1 million reverse factoring**
Financial covenants (banks)	Covenants	**Financial-covenant testing at the MODIVO Business Unit level:** **As at 31 Jan 2026:** a) $\frac{Gross\ Financial\ Debt/Cash}{\text{EBITDA (excluding IFRS 16)}} <= 3.5x$ b) DSCR of >= 1.2 **Net Exposure to EBITDA for the MODIVO Group** (CCC Business Unit + MODIVO Business Unit) not higher than 3.5 – tested quarterly under the agreement with UniCredit		**Financial-covenant testing at the CCC Business Unit level:** **As at 31 Jan 2026** a) Net Financial Exposure <3.50x b) *DSCR* >1.5x c) Payment Coverage Ratio not less than 1.2x d) Cash Coverage not less than PLN 160,000,000 e) Capital Expenditure not higher than PLN 767,000,000.
	Definitions under the financing agreements **(The covenant definitions below may differ from those applied in the financial statements.)**	**Net Financial Debt** is defined as the sum of interest-bearing debt under bank and non-bank borrowings, debt securities, and reverse factoring arrangements and debt under leases (excluding amounts resulting from the adoption of IFRS 16), less cash. **EBITDA of the MODIVO Business Unit**, i.e., operating profit plus depreciation and amortisation (excluding amounts resulting from the adoption of IFRS 16) plus costs related to the incentive scheme. **DSCR** is defined as the ratio of (EBITDA less CIT) to the aggregate principal and interest payments on bank and non-bank borrowings, leases (excluding amounts resulting from the adoption of IFRS 16) and other debt-type obligations over a 12-month period. **Net Exposure to EBITDA for the MODIVO Group** (CCC Business Unit + MODIVO Business Unit) not higher than 3.5 – tested quarterly under the agreement with UniCredit.		**Financial Debt** – interest-bearing debt (excluding reverse factoring) – see more in the section 'Financial covenants'. **Net Financial Debt** – Financial Debt less cash. **Net Exposure** – Net Financial Debt plus reverse factoring. **EBITDA** of the CCC Business Unit, i.e., operating profit from continuing operations plus depreciation and amortisation; including numerous non-cash adjustments (excluding amounts resulting from the adoption of IFRS 16). For other definitions, see the section 'Financial covenants'.

* Definitions under the financing agreements are set out in the final section of this table.
** Presented in the statement of financial position as a trade payable.
*** Off-balance-sheet surety granted by MODIVO S.A. for the financial indebtedness of MODIVO.COM, which increases gross debt for the purposes of calculating bank covenant ratios.

The covenants as at the reporting date are to be reviewed on the dates agreed in the financing agreements, after the issue of these financial statements.

CCC Business Unit's covenants reviewed as at the reporting date

In the Management Board's opinion, as at 31 January 2026, there were no breaches of financial covenants during the reporting period and up to the date of authorisation of this Report for issue, subject to the waiver agreed with banks.
Under the syndicated facility agreement dated 12 July 2024, as amended, the CCC Business Unit must test, inter alia, the following financial covenants as at 31 January 2026:

a) **Net Financial Exposure** not higher than 3.5x
b) **DSCR** not less than 1.5x
c) **Payment Coverage Ratio** not less than 1.2x
d) **Cash Coverage** not less than PLN 160,000,000
e) **Capital Expenditure**, depending on the Net Financial Exposure, not higher than PLN 767,000,000, increased by any unused prior-year limits

Financial covenants tested at the CCC Business Unit <u>after the reporting date</u>

Applicable financial covenants

Under the financing agreements, formal confirmation of covenant compliance must be provided within the deadlines stipulated after the release of the Group's consolidated financial statements.
Financial covenants applicable under the new Syndicated Agreement of 12 July 2024

a) Net Financial Exposure

For each test period, the Net Financial Exposure ratio must not exceed 3.5x. The Net Financial Exposure ratio was first tested on 31 October 2024 and is tested thereafter at the end of each financial quarter – namely on 31 January, 30 April, 31 July and 31 October.
The Net Financial Exposure ratio is calculated as Net Financial Exposure to Consolidated EBITDA.
Net Financial Exposure means, at any time, the aggregate amount of all liabilities of MODIVO Group members in respect of, or arising from, Financial Debt then outstanding, but:

- excluding any such liabilities owed to other entities of the MODIVO Group;
- excluding the capitalised value of leases falling within the scope of IFRS 16;
- excluding drawn amounts under guarantee and letter-of-credit facilities to the extent that the associated liabilities remain off balance-sheet; and
- including the off-balance-sheet surety granted by MODIVO S.A. for the financial indebtedness of MODIVO.COM,

less the Group's consolidated cash and cash equivalents.

b) DSCR

For each testing period, DSCR may not be lower than 1.5x. The DSCR was first tested as at 31 January 2025 and is tested thereafter at each financial quarter-end – 31 January, 30 April, 31 July and 31 October.
DSCR is calculated as: (Consolidated EBITDA – Tax Paid)/Consolidated Debt Service.

c) Payments Coverage Ratio

For each testing period, the Payments Coverage Ratio must not be lower than 1.2x. The Payment Coverage Ratio was first tested as at 31 January 2025 and will be tested thereafter at every financial quarter-end – 31 January, 30 April, 31 July and 31 October.
The ratio is defined as consolidated EBITDA minus taxes paid, changes in working capital and capital expenditure (excluding HalfPrice-warehouse capex), plus consolidated cash, minus the net change in the revolving credit facility over the preceding 12 months, all divided by consolidated debt service.

d) Cash Coverage Ratio

For each testing period, the Cash Coverage Ratio must be no less than PLN 160.0 million. Cash means, at any time, cash in hand or cash standing to the credit of bank accounts with the Bank in the name of any MODIVO Group entity, to which that entity (alone or jointly with other Group entities) is beneficially entitled and over which it has unrestricted disposal rights. The Cash Coverage Ratio was first tested as at 31 January 2025 and is tested thereafter at each half-year end – 31 January and 31 July.

e) Capital Expenditure

Net Financial Exposure	Capital Expenditure	
Greater than or equal to 2.0	PLN 367,000,000	
Lower than 2.0	**Year**	**Limit**
	2026	PLN 437,000,000
	2027	PLN 526,000,000
	2028	PLN 600,000,000
	2029	PLN 618,000,000
	2030	PLN 637,000,000

A deviation of up to 5% from the values specified above will not constitute a breach of the covenant.
The cap may be increased by any unused prior-year Capital Expenditure limits.

The Capital Expenditure covenant is tested at each financial year-end – on 31 January 2025 and annually thereafter.

Capital Expenditure means:

- Cash flows classified by the Company as purchase of property, plant and equipment, intangible assets and other non-current assets, excluding capitalised development expense and cost of self-constructed non-current assets;
- Cash flows classified by the Company as acquisition of equity or debt instruments of other entities and interests in joint ventures;
- The value of assets acquired under finance leases that, prior to the adoption of IFRS 16, would be considered finance lease liabilities. This does not include lease liabilities currently classified as operating leases in accordance with IAS 17;
- In addition, the agreement includes a provision stating that capital expenditures incurred by the Group for the HalfPrice logistics warehouse must not exceed PLN 200.0 million (this amount is not included in the limits outlined in the table above).

Annual ESG targets

Key Performance Indicators (KPIs)*	2024	2025	2026	2027	2028	2029	2030
KPI 1 Reduction of Scope 1 and 2 GHG emissions	8%	16%	24%	32%	40%	48%	56%
Progress	*38.27%*						
KPI 2 Reduction of Scope 3 GHG emissions	17%	20%	24%	28%	32%	35%	40%
Progress	*18.26%*						
KPI 3 Reduction of natural leather consumption to manufacture own brands and licensed products	15%	20%	25%	30%	34%	38%	40%
Progress	*47%*						
KPI 4 Share of pre-owned footwear and apparel in total sales	0.2%	0.5%	1.0%	2.0%	4.0%	6.0%	8.0%
Progress	*0.20%*						

*Description of the KPIs consistent with the current CCC Group Sustainable Finance Framework documentation.

MODIVO Business Unit's covenants tested as at the reporting date

As at 31 January 2026, the Management Board of the MODIVO Business Unit confirms that no breaches of financial covenants occurred during the reporting period and up to the date on which this Report was authorised for issue.
Under its current credit facility and factoring agreements, the MODIVO Business Unit must test the following financial covenants as at each reporting date:

a. **Net Financial Debt to EBITDA** not higher than 3.5 – tested under the agreements with PEKAO S.A, PKO BP S.A. and PEKAO Faktoring Sp. z o.o.
b. **DSCR –** at >=1.2 – tested under the agreement with PKO BP S.A.

Net Financial Debt is defined as the sum of interest-bearing debt under bank and non-bank borrowings, debt securities, and reverse factoring arrangements and debt under leases (excluding amounts resulting from the adoption of IFRS 16), less cash.

EBITDA of the MODIVO Business Unit, i.e., operating profit plus depreciation and amortisation (excluding amounts resulting from the adoption of IFRS 16) plus costs related to the incentive scheme;

DSCR is defined as the ratio of (EBITDA less CIT) to the aggregate principal and interest payments on bank and non-bank borrowings, leases (excluding amounts resulting from the adoption of IFRS 16) and other debt-type obligations over the preceding 12-month period.

MODIVO Business Unit's covenants tested after the reporting date

After the reporting date, the MODIVO Business Unit must test the following covenants:

a. **Net Financial Debt to EBITDA** of no more than 3.5 under the facility agreements with Pekao SA and PKO BP SA and the reverse factoring agreement with Pekao Faktoring Sp. z o.o.
   The covenant is tested semi-annually; the next test date is 31 July 2026.
b. **DSCR** of >= 1.2 **The covenant is tested quarterly; the next test date is 30 April 2026.**
   This covenant is tested only under the agreement with PKO BP. This covenant is not present in the other financing agreements.
c. **Net Exposure to EBITDA** for the MODIVO Group (CCC Business Unit + MODIVO Business Unit) not higher than 3.5 – tested quarterly under the agreement with UniCredit.

Net Exposure to EBITDA for the MODIVO Group (CCC Business Unit + MODIVO Business Unit)

The Net Financial Exposure ratio is calculated as Net Financial Exposure to Consolidated EBITDA.

Net Financial Exposure means, at any time, the aggregate amount of all liabilities of CCC Group members in respect of, or arising from, Financial Debt then outstanding, but:

- excluding any such liabilities owed to other entities of the CCC Group;
- excluding the capitalised value of leases falling within the scope of IFRS 16;
- excluding drawn amounts under guarantee and letter-of-credit facilities to the extent that the associated liabilities remain off balance-sheet; and
- excluding subordinated financial debt;
- less the Group's consolidated cash and cash equivalents.

7.3 FINANCIAL INSTRUMENTS

As at the reporting date, the Group used forward instruments to hedge against currency risk arising from an open exposure denominated in USD.

As at 31 January 2026, the aggregate notional amount of outstanding forward contracts used by the Group to hedge its currency risk exposure related to USD was close to USD 211 million. As at the reporting date, the Group also used forward contracts to hedge its exposure denominated in EUR, although to a significantly lesser extent.

For a detailed description of the financial instruments used, see note 6.1 to the consolidated financial statements.

7.4 ISSUE OF SECURITIES AND USE OF PROCEEDS

No securities were issued in 2025.

7.5 FEASIBILITY OF INVESTMENT PLANS

The Group intends to finance investment projects with its own funds and with external capital. Subject to the limitations set out in the refinancing agreement, the Management Board believes there are currently no major threats which could adversely affect delivery of the investment plans in the future.

7.6 AGREEMENTS EXECUTED BY COMPANIES OF THE MODIVO GROUP

LOANS

LENDER	BORROWER	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	CURRENCY	INTEREST RATE
MODIVO S.A.	MODIVO.EU Sp. z o.o.	17 Dec 2014	31 Jul 2026	9.3	USD	3M SOFR + stepped margin
		22 Jun 2021	31 Jul 2026	1,600.0	PLN	3M WIBOR + stepped margin
MODIVO S.A.	Modivo Estonia OÜ	9 May 2022	31 Jul 2026	0.3	EUR	3M EURIBOR + stepped margin
MODIVO S.A.	Modivo Lithuania UAB	10 May 2022	31 Jul 2026	0.7	EUR	3M EURIBOR + stepped margin
MODIVO S.A.	HR Group Holding s.a.r.l.	31 Jan 2019	31 Dec 2029	41.5	EUR	8.00%
MODIVO S.A.	HR Group GmbH & Co. KG	17 Feb 2020	31 Mar 2023	6.2	EUR	3.00%
MODIVO S.A.	HalfPrice Sp. z o.o.	22 Jun 2021	31 Jul 2026	200.0	PLN	3M WIBOR + stepped margin
MODIVO S.A.	HalfPrice España S.L.	12 Nov 2024	31 Jul 2026	3.0	EUR	3M EURIBOR + stepped margin
MODIVO S.A.	Szopex Sp. z o.o.	11 Aug 2025	31 Jul 2026	10.5	PLN	3M WIBOR + stepped margin
CCC Shoes & Bags Sp. z o.o.	MODIVO.EU Sp. z o.o.	22 Feb 2022	31 Jul 2026	10.0	PLN	3M WIBOR + stepped margin
CCC Shoes & Bags Sp. z o.o.	MODIVO.EU Sp. z o.o.	26 Oct 2022	31 Jul 2026	17.0	EUR	3M EURIBOR + stepped margin
MODIVO.EU Sp. z o.o.	CCC GERMANY GmbH (agreement)	11 Apr 2018	30 Apr 2023	18.5	EUR	1.80%
MODIVO.EU Sp. z o.o.	CCC Shoes & Bags Sp. z o.o.	24 Apr 2018	31 Jan 2029	20.0	EUR	3M EURIBOR + stepped margin
MODIVO.EU Sp. z o.o.	CCC Shoes & Bags Sp. z o.o.	8 Nov 2024	31 Jul 2026	50.0	PLN	3M WIBOR + stepped margin
MODIVO.EU Sp. z o.o.	MODIVO S.A.	22 Jun 2021	31 Jul 2026	47.2	PLN	3M WIBOR + stepped margin
MODIVO.EU Sp. z o.o.	Modivo Tech Sp. z o.o.	16 Apr 2024	31 Jul 2026	100.0	PLN	3M WIBOR + stepped margin
MODIVO.EU Sp. z o.o.	Modivo Ukraine LLC	8 Aug 2025	31 Dec 2026	16.5	PLN	11.05%
DeeZee Sp. z o.o.	MODIVO.EU Sp. z o.o.	16 Feb 2024	31 Jul 2026	70.0	PLN	3M WIBOR + stepped margin
Rawaki Sp. z o.o.	MODIVO.EU Sp. z o.o.	6 Feb 2025	31 Jul 2026	15.0	PLN	3M WIBOR + stepped margin

LENDER	BORROWER	AGREEMENT DATE	MATURITY DATE	AMOUNT [MILLION]	CURRENCY	INTEREST RATE
MODIVO.COM S.A.	eobuwie.pl Logistics Sp. z o.o.	15 Oct 2015	27 Feb 2026	50.0	PLN	3M WIBOR +0.55%
		24 Oct 2022	27 Feb 2026	60.0	PLN	3M WIBOR +0.55%
MODIVO.COM S.A.	Modivo.cz s.r.o.	12 Apr 2021	27 Feb 2026	33.7	CZK	3M PRIBOR +0.55%
MODIVO.COM S.A.	Modivo SRL	4 Apr 2022	27 Feb 2026	3.0	EUR	3M EURIBOR +0.55%
MODIVO.COM S.A.	Modivo.sk s.r.o.	20 Sep 2022	27 Feb 2026	2.5	EUR	3M EURIBOR +0.55%
MODIVO.COM S.A.	Modivo.lv SIA	28 Jun 2023	27 Feb 2026	1.2	EUR	3M EURIBOR +0.55%
MODIVO.COM S.A.	Ecipo Modivo KFT	5 Aug 2024	31 Dec 2034	600.0	HUF	3M BUBOR + 6.0%
eschuhe.de GmbH	MODIVO.COM S.A.	26 Sep 2023	27 Feb 2026	10.5	EUR	3M EURIBOR + 7.0%

GUARANTEES ISSUED FOR RETAIL-SPACE LEASES AND COMMERCIAL CONTRACTS

BANK GUARANTEES UNDER MODIVO S.A.'S FACILITY LIMITS

COMPANY	NUMBER OF GUARANTEES	DEBTOR	AMOUNT OF GUARANTEE [MILLION]	CURRENCY
MODIVO S.A.	2	Modivo Croatia d.o.o.	0.1	EUR
MODIVO S.A.	4	Modivo Slovenija d.o.o.	0.5	EUR
MODIVO S.A.	2	Modivo Latvia	0.2	EUR
MODIVO S.A.	1	Modivo Lithuania UAB	0.0	EUR
MODIVO S.A.	42	Modivo Romania S.A.	1.8	EUR
MODIVO S.A.	5	Modivo Bulgaria EOOD	0.3	EUR
MODIVO S.A.	1	DeeZee Sp. z o.o.	0.1	EUR
MODIVO S.A.	13	MODIVO.COM S.A.	1.3	EUR
MODIVO S.A.	1	OFP Austria GmbH	0.6	EUR
MODIVO S.A.	11	HalfPrice Sp. z o.o.	1.7	EUR
MODIVO S.A.	3	HalfPrice Sp. z o.o.	1.0	PLN
MODIVO S.A.	46	MODIVO.EU Sp. z o.o.	6.3	EUR
MODIVO S.A.	11	MODIVO.EU Sp. z o.o.	28.2	PLN
MODIVO S.A.	2	MODIVO.EU Sp. z o.o.	0.0	USD
MODIVO S.A.	42	MODIVO S.A.	4.0	EUR
MODIVO S.A.	2	MODIVO S.A.	0.2	PLN

MODIVO S.A.	3	Modivo Ukraine LLC	0.1	EUR
MODIVO S.A.	3	Modivo Ukraine LLC	0.0	USD
MODIVO S.A.	3	Modivo Serbia	0.1	EUR
MODIVO S.A.	2	Rawaki Sp. z o.o.	1.0	EUR
MODIVO S.A.	4	MKRI Sp. z o.o.	0.7	EUR

BANK GUARANTEES UNDER MODIVO.EU'S FACILITY LIMITS

COMPANY	NUMBER OF GUARANTEES	DEBTOR	AMOUNT OF GUARANTEE [MILLION]	CURRENCY
MODIVO.EU Sp. z o.o.	63	MODIVO.EU Sp. z o.o.	8.3	EUR
MODIVO.EU Sp. z o.o.	12	MODIVO.EU Sp. z o.o.	34.0	PLN
MODIVO.EU Sp. z o.o.	9	MODIVO.EU Sp. z o.o.	1.9	USD

BANK GUARANTEES UNDER GUARANTEE FACILITIES OF OTHER COMPANIES

COMPANY	NUMBER OF GUARANTEES	DEBTOR	AMOUNT OF GUARANTEE [MILLION]	CURRENCY
Modivo Czech, s.r.o.	7	Modivo Czech, s.r.o.	6.7	CZK
Modivo Czech, s.r.o.	12	Modivo Czech, s.r.o.	1.7	EUR
Modivo Slovakia, s.r.o.	8	Modivo Slovakia, s.r.o.	0.3	EUR
Modivo Hungary Kft.	11	Modivo Hungary Kft.	1.4	EUR
MODIVO.COM S.A.	28	MODIVO.COM S.A.	22.4	EUR
MODIVO.COM S.A.	3	MODIVO.COM S.A.	17.8	PLN

SURETY FOR STORE LEASES PROVIDED BY THE PARENT

COMPANY	NUMBER OF SURETIES	DEBTOR	AMOUNT OF SURETY [MILLION]	CURRENCY
MODIVO S.A.	36	Modivo Czech, s.r.o	44.2	CZK
MODIVO S.A.	66	Modivo Czech, s.r.o	3.9	EUR
MODIVO S.A.	73	Modivo Slovakia, s.r.o.	3.3	EUR
MODIVO S.A.	3	CCC Germany GmbH	0.2	EUR
MODIVO S.A.	21	Modivo Croatia d.o.o.	1.0	EUR
MODIVO S.A.	53	Modivo Hungary Kft.	3.0	EUR
MODIVO S.A.	10	Modivo Hungary Kft.	150.5	HUF
MODIVO S.A.	16	Modivo Slovenija d.o.o.	0.8	EUR
MODIVO S.A.	15	HalfPrice Sp. z o.o.	2.1	EUR
MODIVO S.A.	24	HalfPrice Sp. z o.o.	17.1	PLN
MODIVO S.A.	2	OFP Austria GmbH	0.2	EUR
MODIVO S.A.	84	Modivo Romania S.A.	4.0	EUR
MODIVO S.A.	1	Modivo Romania S.A.	0.1	RON
MODIVO S.A.	5	Modivo Estonia OU	0.2	EUR
MODIVO S.A.	7	Modivo Latvia SIA	0.3	EUR
MODIVO S.A.	9	UAB Modivo Lithuania	0.5	EUR
MODIVO S.A.	6	Modivo d.o.o. Beograd-Novi	0.9	EUR
MODIVO S.A.	32	Modivo Bulgaria EOOD	1.5	EUR
MODIVO S.A.	3	MODIVO.EU Sp. z o.o.	23.5	EUR
MODIVO S.A.	1	MODIVO.EU Sp. z o.o.	8.0	EUR
MODIVO S.A.	5	Modivo Ukraine LLC	0.2	EUR
MODIVO S.A.	8	Modivo Ukraine LLC	0.1	USD
MODIVO S.A.	17	HalfPrice España	2.1	EUR
MODIVO S.A.	3	1.Distribution s.r.o.	0.1	EUR
MODIVO S.A.	8	Szopex Sp. z o.o.	0.8	EUR
MODIVO S.A.	12	Szopex Sp. z o.o.	13.7	PLN

SURETIES PROVIDED BY MODIVO.COM S.A. FOR STORE LEASES BY SUBSIDIARIES

COMPANY	NUMBER OF SURETIES	DEBTOR	AMOUNT OF SURETY [MILLION]	CURRENCY
MODIVO.COM S.A.	2	Modivo.cz s.r.o.	0.2	EUR
MODIVO.COM S.A.	3	Modivo SRL	0.6	EUR

OTHER INTRAGROUP SURETY AND GUARANTEES

PROVIDED TO POLISH SUBSIDIARIES

COMPANY	BANK	DEBTOR	TYPE OF SECURITY	PERIOD OF VALIDITY		AMOUNT OF SURETY OR GUARANTEE [MILLION]	CURRENCY
				START DATE	END DATE		
MODIVO S.A (provided jointly with CCC Shoes & Bags Sp. z o.o.)	Bank Handlowy w Warszawie	MODIVO.EU Sp. z o.o.	Aval for card agreement	8 Dec 2016	3 years from debt due date	0.6	PLN
MODIVO S.A. (provided jointly with the Obligors*)	mBank, PKO BP, Santander Bank, Pekao S.A., BNP Paribas, Bank Handlowy w Warszawie, EBRD	MODIVO.EU Sp. z o.o., MODIVO S.A., HalfPrice sp. z o.o., CCC Retail Sp. z o.o., HalfPrice Retail Sp. z o.o.	Surety for syndicated agreement	23 Jul 2024	30 Apr 2029	5490.0	PLN
MODIVO S.A.	UniCredit S.p.A.	MODIVO.COM S.A.	Surety for facility agreement	3 Jun 2025	2 May 2032	831.4	PLN
MODIVO S.A.	Bank Ochrony Środowiska	Szopex Sp. z o.o.	Aval for credit agreement	29 Aug 2025	no expiry date	16.0	PLN
MODIVO S.A.	ING	Szopex Sp. z o.o.	Surety for facility agreement	29 Jan 2026	31 Dec 2031	11.3	PLN

* Obligors: MODIVO S.A., MODIVO.EU Sp. z o.o., CCC Shoes & Bags Sp. z o.o., HalfPrice Sp. z o.o., Modivo Tech Sp. z o.o., CCC Retail Sp. z o.o., HalfPrice Retail Sp. z o.o., Modivo Czech s.r.o., Modivo Hungary, Modivo Romania S.A.

RECEIVED BY MODIVO S.A.

COMPANY	BANK	DEBTOR	TYPE OF SECURITY	PERIOD OF VALIDITY		AMOUNT OF SURETY OR GUARANTEE [MILLION]	CURRENCY
				START DATE	END DATE		
MODIVO.EU Sp. z o.o. (provided jointly with the Obligors*)	mBank, PKO BP, Santander Bank, Pekao S.A., BNP Paribas, Bank Handlowy w Warszawie, EBRD	MODIVO S.A., MODIVO.EU Sp. z o.o., HalfPrice sp. z o.o., CCC Retail Sp. z o.o., HalfPrice Retail Sp. z o.o.	Surety for syndicated credit facility agreement	23 Jul 2024	30 Apr 2029	5,490.0	PLN

PROVIDED BY MODIVO S.A. TO FOREIGN SUBSIDIARIES

COMPANY	BANK	DEBTOR	TYPE OF SECURITY	PERIOD OF VALIDITY		AMOUNT OF SURETY [MILLION]	CURRENCY
				START DATE	END DATE		
MODIVO S.A.	Raiffeisen Bank Zrt	Modivo Hungary Kft.	Surety for bank guarantee agreement	25 Jun 2014	indefinite	2.0	EUR

PROVIDED BY OTHER GROUP COMPANIES:

COMPANY	BANK	DEBTOR	TYPE OF SECURITY	PERIOD OF VALIDITY		AMOUNT OF SURETY [MILLION]	CURRENCY
				START DATE	END DATE		
eobuwie.pl Logistics Sp. z o.o.	PEKAO S.A.	MODIVO.COM S.A.	surety for facility agreement	26 Apr 2023	29 Apr 2030	390.0	PLN
eobuwie.pl Logistics Sp. z o.o.	PKO BP	MODIVO.COM S.A.	surety for facility agreement	30 Jun 2021	18 Nov 2029	270.0	PLN
eobuwie.pl Logistics Sp. z o.o.	PEKAO Faktoring Sp. z o.o.	MODIVO.COM S.A.	surety to factoring agreement	21 Dec 2023	31 Dec 2030	120.0	PLN

MATERIAL RELATED-PARTY TRANSACTIONS

To the best of the Group's knowledge, no material related-party transactions were concluded on non-arm's length terms during the financial year. For information on related-party transactions, see the section 'Related-party transactions' in the consolidated financial statements.

DESCRIPTION OF SIGNIFICANT AGREEMENTS

CCC Business Unit

Credit facility agreements, reverse factoring agreements, and guarantee facility agreements:

1. Amendment 1 of 19 February 2025 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO S.A. and mFaktoring S.A.
2. Amendment 2 of 1 April 2025 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO S.A. and mFaktoring S.A.
3. Amendment 3 of 16 April 2025 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO S.A. and mFaktoring S.A.
4. Amendment 4 of 3 June 2025 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO S.A. and mFaktoring S.A.
5. Amendment 5 of 20 August 2025 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO S.A. and mFaktoring S.A.
6. Amendment 6 of 17 September 2025 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO S.A. and mFaktoring S.A.
7. Amendment 7 of 30 January 2026 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO S.A. and mFaktoring S.A.
8. Amendment 1 of 1 April 2025 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and mFaktoring S.A.
9. Amendment 2 of 16 April 2025 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and mFaktoring S.A.
10. Amendment 3 of 3 June 2025 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o and mFaktoring S.A.
11. Amendment 4 of 20 August 2025 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and mFaktoring S.A.
12. Amendment 5 of 17 September 2025 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and mFaktoring S.A.
13. Amendment 6 of 30 January 2026 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and mFaktoring S.A.
14. Amendment 2 of 31 March 2025 to the Credit Facilities Agreement dated 12 July 2024 between MODIVO S.A. and selected MODIVO Group companies, as borrowers, and BNP Paribas Bank Polska S.A., the European Bank for Reconstruction and Development (EBRD), Bank Polska Kasa Opieki S.A., Powszechna Kasa Oszczędności Bank Polski S.A., Santander Bank Polska S.A., mBank S.A. and Bank Handlowy w Warszawie S.A.
15. Amendment 1 of 1 April 2025 to the Multi-Product Umbrella Facility Agreement of 24 July 2024 between MODIVO S.A., MODIVO.EU Sp. z o.o. and mBank S.A.
16. Amendment 1 of 1 April 2025 to the Supplier Financing Agreement of 24 July 2024 between MODIVO.EU Sp. z o.o. and BNP Paribas Faktoring Sp. z o.o.
17. Amendment 2 of 20 August 2025 to the Supplier Financing Agreement of 24 July 2024 between MODIVO.EU Sp. z o.o. and BNP Paribas Faktoring Sp. z o.o.
18. Amendment 1 of 1 April 2025 to the Revolving Facility Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and Bank Handlowy w Warszawie S.A.
19. Amendment 10 of 1 April 2025 to the Agreement Concerning Payment of Receivables Under Commercial Contracts of 2 August 2018 between MODIVO.EU Sp. z o.o. and Bank Handlowy w Warszawie S.A.

20. Amendment 11 of 3 July 2025 to the Agreement Concerning Payment of Receivables Under Commercial Contracts of 2 August 2018 between MODIVO.EU Sp. z o.o. and Bank Handlowy w Warszawie S.A.
21. Framework Agreement Concerning Payment of Receivables Under Commercial Contracts of 3 July 2025 between MODIVO S.A. and Bank Handlowy w Warszawie S.A.
22. Framework Agreement Concerning Payment of Receivables Under Commercial Contracts of 3 July 2025 between HalfPrice Sp. z o.o and Bank Handlowy w Warszawie S.A.
23. Amendment 1 of 1 April 2025 to the Supplier Financing Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and Bank Polska Kasa Opieki S.A.
24. Amendment 2 of 3 June 2025 to the Supplier Financing Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and Bank Polska Kasa Opieki S.A.
25. Amendment 3 of 9 July 2025 to the Supplier Financing Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o., MODIVO S.A., HalfPrice Sp. z o.o. and Bank Polska Kasa Opieki S.A.
26. Amendment 4 of 20 August 2025 to the Supplier Financing Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o., MODIVO S.A., HalfPrice Sp. z o.o. and Bank Polska Kasa Opieki S.A.
27. Amendment 5 of 2 December 2025 to the Supplier Financing Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o., MODIVO S.A., HalfPrice Sp. z o.o. and Bank Polska Kasa Opieki S.A.
28. Amendment 3 of 1 April 2025 to the Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and PKO Faktoring S.A.
29. Amendment 4 of 18 June 2025 to the Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and PKO Faktoring S.A.
30. Amendment 5 of 15 July 2025 to the Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and PKO Faktoring S.A.
31. Amendment 6 of 21 August 2025 to the Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and PKO Faktoring S.A.
32. Amendment 7 of 11 September 2025 to the Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and PKO Faktoring S.A.
33. Amendment 8 of 14 October 2025 to the Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and PKO Faktoring S.A.
34. Amendment 2 of 1 April 2025 to the Confirming Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and Santander Factoring Sp. z o.o.
35. Amendment 3 of 25 June 2025 to the Confirming Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o., MODIVO S.A., HalfPrice Sp. z o.o. and Santander Factoring Sp. z o.o.
36. Amendment 4 of 23 December 2025 to the Confirming Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o., MODIVO S.A., HalfPrice Sp. z o.o. and Santander Factoring Sp. z o.o.
37. Reverse Factoring Agreement of 3 June 2025 between HalfPrice Sp. z o.o. and mFaktoring S.A.
38. Amendment 1 of 20 August 2025 to the Reverse Factoring Agreement of 3 June 2025 between HalfPrice Sp. z o.o. and mFaktoring S.A.
39. Amendment 2 of 17 September 2025 to the Reverse Factoring Agreement of 3 June 2025 between HalfPrice Sp. z o.o. and mFaktoring S.A.
40. Amendment 3 of 30 January 2025 to the Reverse Factoring Agreement of 3 June 2025 between HalfPrice Sp. z o.o. and mFaktoring S.A.
41. Factoring Agreement of 15 July 2025 between MODIVO S.A. and PKO Faktoring S.A.
42. Amendment 1 of 21 August 2025 to the Factoring Agreement of 15 July 2025 between MODIVO S.A. and PKO Faktoring S.A.
43. Amendment 2 of 11 September 2025 to the Factoring Agreement of 15 July 2025 between MODIVO S.A. and PKO Faktoring S.A.
44. Amendment 3 of 14 October 2025 to the Factoring Agreement of 15 July 2025 between MODIVO S.A. and PKO Faktoring S.A.
45. Factoring Agreement of 18 June 2025 between HalfPrice Sp. z o.o. and PKO Faktoring S.A.
46. Amendment 1 of 15 July 2025 to the Factoring Agreement of 18 June 2025 between HalfPrice Sp. z o.o. and PKO Faktoring S.A.
47. Amendment 2 of 21 August 2025 to the Factoring Agreement of 18 June 2025 between HalfPrice Sp. z o.o. and PKO Faktoring S.A.
48. Amendment 3 of 11 September 2025 to the Factoring Agreement of 18 June 2025 between HalfPrice Sp. z o.o. and PKO Faktoring S.A.
49. Amendment 4 of 14 October 2025 to the Factoring Agreement of 18 June 2025 between HalfPrice Sp. z o.o. and PKO Faktoring S.A.
50. Amendment 25 of 27 June 2025 to the Credit Facility Agreement of 18 April 2013 between MODIVO Czech s.r.o. and Česká spořitelna a.s.
51. Amendment 20 of 27 June 2025 to the Credit Facility Agreement of 18 April 2013 between MODIVO Slovakia, s.r.o. and Česká spořitelna a.s.
52. Amendment 1 of 12 August 2025 to the Multi-Facility Agreement of 23 July 2024 between MODIVO S.A. and Santander Bank Polska S.A.
53. Amendment 1 of 20 August 2025 to the Multi-Purpose Credit Facility Agreement of 23 July 2024 between MODIVO.EU, MODIVO S.A. and Bank Polska Kasa Opieki S.A.
54. Amendment 2 of 26 August 2025 to the Multi-Purpose Credit Facility Agreement of 23 July 2024 between Modivo.eu, MODIVO S.A. and Bank Polska Kasa Opieki S.A.

55. Confirming Agreement of 20 August 2025 between MODIVO.EU Sp. z o.o., MODIVO S.A., HalfPrice Sp. z o.o. and Santander Factoring Sp. z o.o.
56. Amendment 1 of 23 December 2025 to the Confirming Agreement of 20 August 2025 between MODIVO.EU Sp. z o.o., MODIVO S.A., HalfPrice Sp. z o.o. and Santander Factoring Sp. z o.o.
57. Amendment 2 of 22 August 2025 to the Multi-Purpose Credit Facility Agreement of 23 July 2024 between MODIVO S.A., MODIVO.EU Sp. z o.o. and Powszechna Kasa Oszczędności Bank Polski S.A.
58. Amendment 3 of 27 August 2025 to the Multi-Purpose Credit Facility Agreement of 23 July 2024 between MODIVO S.A., MODIVO.EU Sp. z o.o. and Powszechna Kasa Oszczędności Bank Polski S.A.
59. Amendment 4 of 22 January 2026 to the Multi-Purpose Credit Facility Agreement of 23 July 2024 between MODIVO S.A., MODIVO.EU Sp. z o.o. and Powszechna Kasa Oszczędności Bank Polski S.A.
60. Amendment 2 of 21 August 2025 to the Multi-Purpose Credit Facility Agreement of 24 July 2024 between MODIVO.EU Sp. z o.o., MODIVO S.A. and BNP Paribas Bank S.A.
61. Amendment 3 of 30 December 2025 to the Multi-Purpose Credit Facility Agreement of 24 July 2024 between MODIVO.EU Sp. z o.o. and BNP Paribas Bank S.A.
62. Reverse Factoring Agreement of 17 September 2025 between CCC Retail Sp. z o.o. and mFaktoring S.A.
63. Amendment 1 of 30 January 2026 to the Reverse Factoring Agreement of 17 September 2025 between CCC Retail Sp. z o.o. and mFaktoring S.A.
64. Reverse Factoring Agreement of 17 September 2025 between HalfPrice Retail Sp. z o.o. and mFaktoring S.A.
65. Amendment 1 of 30 January 2026 to the Reverse Factoring Agreement of 17 September 2025 between HalfPrice Retail Sp. z o.o. and mFaktoring S.A.
66. Reverse Factoring Agreement of 14 October 2025 between CCC Retail Sp. z o.o. and PKO Faktoring S.A.
67. Reverse Factoring Agreement of 14 October 2025 between HalfPrice Retail Sp. z o.o. and PKO Faktoring S.A.

Credit facility agreements, reverse factoring agreements, and guarantee facility agreements executed after the reporting date

1. Amendment 2 of 6 February 2026 to the Multi-Product Umbrella Facility Agreement of 24 July 2024 between MODIVO S.A., MODIVO.EU Sp. z o.o. and mBank S.A.
2. Amendment 2 of 19 February 2026 to the Reverse Factoring Agreement of 17 September 2025 between CCC Retail Sp. z o.o. and mFaktoring S.A.
3. Amendment 8 of 19 February 2026 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO S.A. and mFaktoring S.A.
4. Amendment 7 of 19 February 2026 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and mFaktoring S.A.
5. Amendment 4 of 19 February 2026 to the Reverse Factoring Agreement of 3 June 2025 between HalfPrice Sp. z o.o. and mFaktoring S.A.
6. Amendment 2 of 19 February 2026 to the Reverse Factoring Agreement of 17 September 2025 between HalfPrice Retail Sp. z o.o. and mFaktoring S.A.
7. Amendment 4 of 25 February 2026 to the Multi-Purpose Credit Facility Agreement of 24 July 2024 between MODIVO.EU Sp. z o.o., MODIVO S.A. and BNP Paribas Bank S.A.
8. Amendment 9 of 26 February 2026 to the Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and PKO Faktoring S.A.
9. Amendment 1 of 26 February 2026 to the Reverse Factoring Agreement of 14 October 2025 between CCC Retail Sp. z o.o. and PKO Faktoring S.A.
10. Amendment 1 of 26 February 2026 to the Reverse Factoring Agreement of 14 October 2025 between HalfPrice Retail Sp. z o.o. and PKO Faktoring S.A.
11. Amendment 5 of 26 February 2026 to the Factoring Agreement of 18 June 2025 between HalfPrice Sp. z o.o. and PKO Faktoring S.A.
12. Amendment 4 of 26 February 2026 to the Factoring Agreement of 15 July 2025 between MODIVO S.A. and PKO Faktoring S.A.
13. Amendment 12 of 9 March 2026 to the Agreement Concerning Payment of Receivables Under Commercial Contracts of 2 August 2018 between MODIVO.EU Sp. z o.o. and Bank Handlowy w Warszawie S.A.
14. Amendment 1 of 9 March 2026 to the Agreement Concerning Payment of Receivables Under Commercial Contracts of 3 July 2025 between CCC S.A. and Bank Handlowy w Warszawie S.A.
15. Amendment 1 of 9 March 2026 to the Agreement Concerning Payment of Receivables Under Commercial Contracts of 3 July 2025 between HalfPrice Sp. z o.o. and Bank Handlowy w Warszawie S.A.
16. Amendment 3 of 19 March 2026 to the Reverse Factoring Agreement of 17 September 2025 between CCC Retail Sp. z o.o. and mFaktoring S.A.
17. Amendment 9 of 20 March 2026 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO S.A. and mFaktoring S.A.
18. Amendment 8 of 19 March 2026 to the Reverse Factoring Agreement of 23 July 2024 between MODIVO.EU Sp. z o.o. and mFaktoring S.A.
19. Amendment 5 of 19 March 2026 to the Reverse Factoring Agreement of 3 June 2025 between HalfPrice Sp. z o.o. and mFaktoring S.A.
20. Amendment 3 of 19 March 2026 to the Reverse Factoring Agreement of 17 September 2025 between HalfPrice Retail Sp. z o.o. and mFaktoring S.A.

21. Amendment 2 of 28 April 2026 to the Confirming Agreement of 20 August 2025 between MODIVO S.A., MODIVO.EU Sp. z o.o., mBank S.A. and Santander Factoring
22. Amendment 5 of 28 April 2026 to the Confirming Agreement of 1 April 2025 between MODIVO S.A., MODIVO.EU Sp. z o.o., mBank S.A. and Santander Factoring

MODIVO Business Unit

1. Amendment 18 of 29 April 2025 to the Multi-Purpose Credit Facility Agreement of 26 October 2017 between MODIVO.COM S.A. and PEKAO S.A.
2. Amendment 19 of 27 May 2025 to the Multi-Purpose Credit Facility Agreement of 26 October 2017 between MODIVO.COM S.A. and PEKAO S.A.
3. Amendment 9 of 3 June 2025 to the Multi-Purpose Credit Facility Agreement of 2 June 2021 between MODIVO.COM S.A. and PKO BP S.A.
4. Amendment 10 of 21 November 2025 to the Multi-Purpose Credit Facility Agreement of 2 June 2021 between MODIVO.COM S.A. and PKO BP S.A.
5. Amendment 11 of 19 December 2025 to the Multi-Purpose Credit Facility Agreement of 2 June 2021 between MODIVO.COM S.A. and PKO BP S.A.
6. Amendment 9 of 3 June 2025 to Factoring Agreement No. 9/2019 of 14 January 2019 between MODIVO.COM S.A. and PEKAO Faktoring Sp. z o.o.
7. Amendment 4 of 3 June 2025 to Factoring Agreement No. 623/2023 of 13 July 2023 between MODIVO.COM S.A. and PEKAO Faktoring Sp. z o.o.
8. Amendment 9 of 21 November 2025 to Factoring Agreement No. 2437/07/2021 of 30 July 2021 between MODIVO.COM S.A. and PKO Faktoring S.A.
9. Amendment 10 of 19 December 2025 to Factoring Agreement No. 2437/07/2021 of 30 July 2021 between MODIVO.COM S.A. and PKO Faktoring S.A.
10. Credit Facility Agreement of 3 June 2025 between MODIVO.COM S.A. and UniCredit S.p.A.

Credit facility agreements, reverse factoring agreements, and guarantee facility agreements executed after the reporting date

1. Amendment 12 of 28 April 2026 to the Multi-Purpose Credit Facility Agreement of 2 June 2021 between MODIVO.COM S.A. and PKO BP S.A.
2. Amendment 20 of 28 April 2026 to the Multi-Purpose Credit Facility Agreement of 26 October 2017 between MODIVO.COM S.A. and PEKAO S.A.

8. ANALYSIS OF SELECTED FINANCIAL AND OPERATING DATA OF MODIVO S.A.

8.1 SELECTED FINANCIAL AND OPERATING DATA OF MODIVO S.A.

	PLN MILLION		EUR MILLION	
Selected financial data from the statement of comprehensive income	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025
Revenue	**2,947.8**	**2,774.6**	**695.7**	**646.3**
Gross profit/(loss)	1,063.6	867.3	251.0	202.0
Operating profit/(loss)	91.3	68.5	21.5	16.0
Profit/(loss) before tax	65.8	61.0	15.5	14.2
Net profit/(loss)	**48.3**	**55.7**	**11.4**	**13.0**

	PLN MILLION		EUR MILLION	
Selected financial data from the statement of financial position	31 Jan 2026	31 Jan 2025	31 Jan 2026	31 Jan 2025
Non-current assets	**4,653.3**	**2,713.0**	**1,104.5**	**644.0**
Current assets, including:	**1,078.3**	**665.6**	**255.9**	**158.0**
Inventories	445.8	464.5	105.8	110.3
Cash	51.6	47.9	12.2	11.4
Total assets	**5,731.6**	**3,378.6**	**1,360.4**	**801.9**
Non-current liabilities, including:	**950.8**	**752.9**	**225.7**	**178.7**
Bank borrowings and bonds payable	329.1	348.5	78.1	82.7
Lease liabilities	602.3	399.6	143.0	94.8
Current liabilities, including:	**1,038.0**	**622.5**	**246.4**	**147.8**
Bank borrowings and bonds payable	16.2	11.0	3.8	2.6
Trade and other payables	645.9	274.9	153.3	65.3
Total liabilities	**1,988.8**	**1,375.4**	**472.1**	**326.5**
Equity	**3,742.8**	**2,003.2**	**888.4**	**475.5**

	PLN MILLION		EUR MILLION	
Selected financial data from the separate statement of cash flows	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025
Net cash flows from operating activities	181.4	241.3	42.8	56.2
Net cash flows from investing activities	-1,503.1	30.4	-354.7	7.1
Net cash flows from financing activities	1,325.5	-257.2	312.8	-59.9
Total cash flows	**3.8**	**14.5**	**0.9**	**3.4**
Capital expenditure	-143.8	-100.9	-33.9	-23.5

Operating data	31 Jan 2026	31 Jan 2025
Number of stores	508	467
Retail space (thousand m^2)	318.6	293.8

8.2 SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

How we define the individual components of the result

Revenue includes revenue from sale of merchandise and from rendering of management and sublease services in the ordinary course of business, as well as income from the distribution of gift cards and sale of leasehold improvements (mainly to KSI and MKRI).

As **costs of sales** the Company recognises: cost of goods sold, cost of packaging sold, provision for product returns, cost of sublease services, cost incurred in selling leasehold improvements, inventory write-downs, and cost of stock-taking deficits.

Gross profit on sales is calculated as the difference between revenue and cost of sales, and gross profit margin as the ratio of gross profit to revenue.

We also use the following measures in the analysis: revenue per square metre of retail space, and sales of like-for-like store (definitions of these measures are given in the respective tables).

REVENUE

REVENUE			
	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
CCC omnichannel	2,650.2	2,750.4	-3.6%
Other	297.6	24.2	>100%
Total	**2,947.8**	**2,774.6**	**6.2%**

GROSS PROFIT

Gross profit rose year on year by PLN 196.3 million, to PLN 1,063.6 million (up 22.6%).

STORE-OPERATING AND SELLING EXPENSES

Store-operating and selling expenses			
	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
Salaries, wages and employee benefits	-342.9	-281.0	22.0%
Other rental costs – utilities and other variable costs	-183.3	-163.7	12.0%
Depreciation and amortisation	-161.5	-140.8	14.7%
Other general expenses	-48.7	-46.6	4.5%
Transport services	-33.4	-38.2	-12.6%
Taxes and charges	-17.8	-18.2	-2.2%
Raw material and consumables used	-14.4	-16.0	-10.0%
Advertising	-0.1	-0.1	0.0%
Total	**-802.1**	**-704.6**	**13.8%**

ADMINISTRATIVE EXPENSES

Administrative expenses			
	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
Other general expenses	-101.3	-54.0	87.6%
Other rental costs – utilities and other variable costs	-24.3	-12.1	>100%
Depreciation and amortisation	-12.0	-10.9	10.1%
Salaries, wages and employee benefits	-31.6	-8.2	>100%
Raw material and consumables used	-1.9	-2.9	-34.5%
Taxes and charges	-0.9	-0.9	0.0%
Transport services	-0.4	-0.6	-33.3%
Advertising	0.0	0.0	-
Total	**-172.4**	**-89.6**	**92.4%**

Effect of other income and expenses

How we define the individual components of the result

Other income and expenses include income and expenses from non-core activities, such as gains or losses on disposal of property, plant and equipment, penalties and fines, donations, etc. This item also includes foreign exchange gains and losses on trade receivables/payables.

Finance income and costs of the Company include interest expense, commission fees, and foreign exchange gains and losses on financial receivables/liabilities.

Income tax comprises current and deferred tax.

OTHER INCOME AND EXPENSES

Net other income and expenses showed a net positive of PLN 2.2 million, compared with a net negative of PLN 4.6 million in the prior year. The largest components were compensation received (PLN 5.9 million) and a gain on the settlement of lease contracts (PLN 5.1 million). Also in the reporting period, a PLN 6.3 million loss allowance was recognised on receivables.

FINANCE INCOME AND COSTS

In the reporting period, finance income was PLN 57.1 million, a decrease of PLN 26.3 million year on year.

The principal source of finance income in the reporting period was interest income of PLN 36.4 million (compared with PLN 61.4 million in the same period last year), and dividend income of PLN 18.4 million.

Finance costs amounted to PLN 62.0 million, a decrease of PLN 51.9 million year on year. The largest component of finance costs in the reporting period was interest expense on leases, borrowings and bonds payable, amounting to PLN 50.1 million, compared with PLN 108.4 million in the prior year.

Expected credit loss allowances were presented separately, totalling PLN -20.6 million.

INCOME TAX

Income tax for the period amounted to PLN 17.5 million, comprising current tax of PLN 33.2 million, deferred tax of PLN 16.0 million and prior-year current-tax adjustments of PLN -0.3 million.

NET PROFIT OR LOSS

Net profit after finance items and tax amounted to PLN 48.3 million, down PLN 7.4 million year on year.

8.3 STATEMENT OF FINANCIAL POSITION (SUMMARY OF KEY ITEMS)

	31 Jan 2026	31 Jan 2025	Change [%]
Non-current assets, including:	**4,653.3**	**2,713.0**	**71.5%**
Property, plant and equipment	454.1	353.2	28.6%
Right-of-use assets	452.0	378.2	19.5%
Deferred tax assets	92.1	76.1	21.0%
Loans	524.0	462.6	13.3%
Long-term investments	2,844.4	1,310.3	>100%
Current assets, including:	**1,078.3**	**665.6**	**62.0%**
Inventories	445.8	464.5	-4.0%
Trade receivables	300.7	42.9	>100%
Other receivables	194.3	38.1	>100%
Cash and cash equivalents	51.6	47.9	7.7%
TOTAL ASSETS	**5,731.6**	**3,378.6**	**69.6%**
Non-current liabilities, including:	**950.8**	**752.9**	**26.3%**
Financing liabilities	329.1	348.5	-5.6%
Lease liabilities	602.3	399.6	50.7%
Current liabilities, including:	**1,038.0**	**622.5**	**66.7%**
Financing liabilities	16.2	11.0	47.3%
Trade and other payables	645.9	274.9	>100%
Lease liabilities	239.5	205.1	16.8%
TOTAL LIABILITIES	**1,988.8**	**1,375.4**	**44.6%**
EQUITY	**3,742.8**	**2,003.2**	**86.8%**

Non-current assets

How we define the individual components of assets

Property, plant and equipment include leasehold improvements (expenditure on leased premises used in the retail business) and property, plant and equipment used in the distribution and other activities.

Right-of-use assets are measured at cost as at the contract inception date. The cost of a right-of-use asset includes the amount of the initial measurement of the lease liability, any lease payments paid on or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee, an estimate of the costs to be incurred by the lessee to dismantle and remove the underlying asset, refurbish the site on which it is located, or bring the underlying asset to the condition required by the lease terms, unless those costs are incurred to produce inventories.

Deferred tax assets and liabilities are recognised (i) as a result of temporary differences between the carrying amounts of assets and liabilities and their corresponding tax bases and (ii) in respect of unused tax losses.

As at the reporting date, non-current assets comprised property, plant and equipment (PLN 454.1 million), intangible assets (PLN 1.6 million), goodwill (PLN 48.8 million), right-of-use assets (PLN 452.0 million), loans (PLN 524.0 million), long-term investments (PLN 2,844.4 million), lease receivables (PLN 206.9 million), and deferred tax assets (PLN 92.1 million). The carrying amount of non-current assets rose by 71.5% to PLN 4,653.3 million over the comparative period, due chiefly to a PLN 1,534.1 million increase in long-term investments.

The increase in long-term investments resulted from the acquisition of the remaining shares (20.3%) in MODIVO.COM S.A. for PLN 1,252.8 million, acquisition of 75% of the shares in Szopex Sp. z o.o. of Olsztyn for PLN 34.7 million, and acquisition of 50% of the shares in MKRI Sp. z o.o. for PLN 1.6 million. These transactions are discussed in the section 'Investments in subsidiaries and associates' of the separate financial statements.

The PLN 129.4 million increase in lease receivables primarily reflects the sublease of retail space within the worldbox network in Poland to MKRI Sp. z o.o., a franchisee that became a subsidiary prior to the reporting date.

Current assets

How we define the individual components of assets

Inventories are stated at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less variable costs necessary to make the sale.

Cash and cash equivalents include cash in hand and bank deposits payable on demand.

Current assets amounted to PLN 1,078.3 million and comprised inventories (PLN 445.8 million), trade receivables (PLN 300.7 million), other receivables (PLN 194.3 million), lease receivables (PLN 62.5 million), cash and cash equivalents (PLN 51.6 million) and loans advanced (PLN 23.4 million).

For the most part, the change was attributable to an increase in trade receivables, comprised primarily of receivables from the subsidiaries MODIVO.EU Sp. z o.o., MKRI Sp. z o.o. and MODIVO.COM S.A., resulting mainly from the sale of leasehold improvements to MKRI Sp. z o.o. as a franchisee. Other receivables rose mainly as a result of the recognition of prepayments for contracted construction works within the franchise operations, as well as prepaid deliveries of merchandise.

INVENTORIES

The Company's objective is to minimise inventories, while maintaining an adequate volume of merchandise to maximise sales. As at the reporting date, inventories were PLN 445.8 million, down by 4.0 % year on year.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the reporting date totalled PLN 51.6 million, up by PLN 7.7% year on year. As at the reporting date, 99% of cash was held in hand or in bank accounts.

Equity and financing liabilities

How we define the individual components of assets

Equity is recognised with a breakdown into specific components, in accordance with legal regulations and the relevant provisions of the Articles of Association. Components of equity:

- share capital is recognised at the amount specified in the Articles of Association and disclosed in the court register,
- share premium,
- retained earnings created from distribution of profit or loss, retained earnings, and net profit (loss) for the reporting period, and based on the existing employee stock option plan.

Dividend payments to owners are recognised as a liability in the Company's financial statements in the period in which they were approved by shareholders of the Company.

Trade payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, and are classified as current liabilities if they mature within one year or are settled in the normal operating cycle. Otherwise, liabilities are disclosed as non-current. Other payables are measured at amounts due.

As at the reporting date, equity amounted to PLN 3,742.8 million, having increased by PLN 1,739.6 million or 86.8%.

As at the reporting date, non-current liabilities amounted to PLN 950.8 million, and comprised mainly liabilities under bank borrowings (PLN 329.1 million) and lease liabilities (PLN 602.3 million). Non-current liabilities rose by PLN 197.9 million (+26.3%) over the end of the comparative period, mainly on account of a PLN 202.7 million increase in lease liabilities.

As at the reporting date, current liabilities amounted to PLN 1,038.0 million, and consisted of trade payables (PLN 645.9 million), lease liabilities (PLN 239.5 million), provisions (PLN 37.7 million), bank borrowings (PLN 16.2 million) and other liabilities (PLN 81.9 million). Current liabilities went up by PLN 415.5 million, or 66.7%, from the previous reporting period. For information on financing liabilities, see the section 'Debt and liquidity of MODIVO S.A.'.

8.4 STATEMENT OF CASH FLOWS (SUMMARY OF KEY ITEMS)

	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
Profit before tax	**65.8**	**61.0**	**7.9%**
Adjustments	231.5	179.8	28.8%
Income tax paid	-25.6	-12.5	>100%
Cash flow before changes in working capital	**271.7**	**228.3**	**19.0%**
Changes in working capital	-90.3	13.0	<-100%
Cash flows from operating activities	**181.4**	**241.3**	**-24.8%**
Cash flows from investing activities	**-1,503.1**	**30.4**	**<-100%**
Cash flows from financing activities, including:	**1,325.5**	**-257.2**	**<-100%**
Proceeds from borrowings	0.0	510.0	-100.0%
Repayments of borrowings	-8.6	-549.4	-98.4%
Lease payments	-147.5	-115.3	27.9%
Interest paid	-66.4	-99.8	-33.5%
Total cash flows	**3.8**	**14.5**	**-73.8%**
Cash and cash equivalents at end of period	**51.6**	**47.9**	**7.7%**

8.5 PROFIT GUIDANCE

For information on the published profit guidance, see the section 'Analysis of selected financial and operating data of the MODIVO Group'.

9. MANAGEMENT OF FINANCIAL RESOURCES AND LIQUIDITY

9.1 DEBT AND LIQUIDITY OF MODIVO S.A.

MODIVO S.A. finances its operations using equity and external capital, including bank and non-bank borrowings as well as bonds.

Bank and non-bank borrowings, and bonds

At the reporting date, the Company carried non-current debt of PLN 329.1 million and current debt of PLN 16.2 million.

For further details of credit facilities and guarantee limits in force during the period, refer to the consolidated financial information in the section 'Analysis of selected financial and operating data of the MODIVO Group'.

Bonds

Not applicable.

Covenants

For information on the covenants, see the section 'Analysis of selected financial and operating data of the MODIVO Group'.

Financial instruments

For information on the financial instruments, see the section 'Analysis of selected financial and operating data of the MODIVO Group'.

Issue of securities and use of proceeds

For information on the issue of securities, see the section 'Analysis of selected financial and operating data of the MODIVO Group'.

Feasibility of investment plans

For assessment of the feasibility of investment plans, see the section 'Analysis of selected financial and operating data of the MODIVO Group'.

Agreements executed by MODIVO S.A.

LOANS

For the MODIVO Group's loan agreements involving loans advanced by MODIVO S.A. which were in effect in the reporting period, see consolidated data in the section 'Analysis of selected financial and operating data of the MODIVO Group'.

SURETIES, GUARANTEES AND OTHER CONTINGENT LIABILITIES

For the sureties and guarantees provided and received by MODIVO S.A. which were in effect in the reporting period, see consolidated data in the section 'Analysis of selected financial and operating data of the MODIVO Group'.

Material related-party transactions

For information on material related-party transactions, see the section 'Analysis of selected financial and operating data of the MODIVO Group'.

Description of significant agreements

For a description of significant agreements, see the section 'Analysis of selected financial and operating data of the MODIVO Group'.

10. SIGNIFICANT RISK FACTORS

The risks identified by MODIVO S.A., with relevant descriptions and measures taken to minimise their impact, are provided below.

RISK	DEFINITION	ACTION
Footfall at offline stores	If there is a lasting and significant decline in foot traffic at offline stores due to the COVID-19 pandemic, the Group's offline segment may deliver financial results significantly below the target set in the Strategy.	➢ ongoing monitoring of store performance and store chain management, including store closures and openings, space reductions and expansions, relocations, etc. ➢ consistent expansion of digital distribution channels – online and mobile sales platforms, ➢ monitoring the activities of other market operators.
Aligning products with customer expectations	The Group's ability to offer footwear and other products in line with current trends in fashion and consumer expectations is crucial in driving customers' interest in purchasing them.	➢ building on the long track-record in designing, manufacturing and sale of footwear, ➢ influencing fashion trends through promotional and marketing activities and collaboration with influencers, ➢ implementing improvements in the process of creating, ordering and delivering collections to shorten design-to-shelf lead times.
Strength and recognition of the brands under which the Group trades (primarily CCC, HalfPrice, eobuwie, MODIVO and worldbox), its proprietary product brands (notably Lasocki, Gino Rossi, DeeZee, Sprandi and Jenny Fairy) and its licensed brands, including Reebok, Kappa and others	Declining brand recognition affects customer interest, leading to lower traffic in offline and digital stores, which may cause financial performance to be significantly below the target set in the Strategy.	➢ promotional and marketing activities aimed at strengthening individual brands, ➢ building a footwear retail ecosystem integrating numerous touchpoints to increase customer loyalty, ➢ rollout of up-to-date offline store formats to boost brand image.
Risk of manufacturing delays/supply chain disruption	The Company's proprietary products are supplied by a fragmented group of Asian manufacturers, while third-party brands are sourced mainly from European suppliers. In the event of any delays in such supplies, there is a risk that the Company will not be able to deliver well-timed products (matched to the current season or BTS period) sought by its customers. Moreover, in extreme cases, supply chains may get disrupted, preventing the Group from sourcing merchandise.	➢ ongoing monitoring of goods in transit helps manage the risk of delayed deliveries, ➢ relationships with many forwarders allow, in the event of a delay risk, to switch shipowners or modes of transport of goods from Asia to Poland.
Freight price risk	The Company's proprietary products are sourced from a fragmented group of Asian manufacturers. Such goods are supplied mostly by sea. Given that freight prices are variable and depend, among other factors, on the prevailing macroeconomic conditions, their sudden growth may adversely affect the Company's financial performance. Moreover, in extreme cases, supply chains may get disrupted, preventing the Group from sourcing merchandise.	➢ in order to mitigate the risk of fluctuations in freight prices for supplies originating in Asia, cooperation with forwarders is based on quarterly price quotes and partially on contracts guaranteeing a fixed freight price in the long term regardless of current market rates, ➢ continuous monitoring of the freight market and relationships maintained with a number of forwarders help diversify the risk of supply chain disruption in the short term.
Risk related to merchandise stocks/purchase orders	The Company orders seasonal collections some time in advance. This entails a risk of insufficient or excessive order volumes, which in turn may necessitate future sales with lower margins.	➢ monthly budget revisions, ➢ increasing the volume of year-round products, reducing seasonal stocks,

	This risk is mitigated by optimising purchase orders: reducing the number of colour options, focus on the fastest-moving categories, increased depth of replenishment orders, as well as phasing and sequencing of order deliveries to warehouses;	➢ increasing the number of NOOS (Never Out Of Stock) items, products, splitting of orders into several lots.
Risk of termination of contracts with key suppliers	In the course of its business, the Group works with a number of suppliers of third-party brands (Including Adidas, Champion etc.). If any of these supplier relationships are terminated, the attractiveness of the Group's commercial offering could deteriorate, which in turn could result in an outflow of customers. This risk is mitigated by maintaining long-standing relationships with suppliers and diversifying the supplier base.	➢ the portfolio of suppliers of third-party brands allows the Group to make portfolio shifts and fill any potential gaps, ➢ development of proprietary brands – in terms of products and marketing (brand awareness), ➢ long-term experience in building business partnerships, besides CCC, the Group includes MODIVO – a strategic partner to suppliers given the unique omnichannel concept.
Liquidity risk	The Group's business is partly financed with external capital, e.g. raised through credit facilities or bonds. Such instruments are subject to a number of requirements/covenants. Their potential breaches could accelerate repayment of such liabilities in whole or in part. If any such acceleration trigger materialises rendering those liabilities immediately due and payable, the structure of the Group's balance sheet and its liquidity position could materially deteriorate. This risk is minimised through the capital accumulation plan (e.g. working capital improvement, investor in HP, profitability improvement with a deleveraging effect), strong relationships maintained with banks, etc.	➢ the risk is minimised in the budgeting and performance monitoring process by matching available capital to liquidity requirements, ➢ implementation of liquidity improvement projects (e.g. to improve working capital by reducing inventory turnover, extending the average payment period), ➢ the Company seeks to optimise its indebtedness chiefly through cost-effective financing products, including reverse factoring, which lower financing costs, and through improved profitability.
Trade credit risk	Some wholesale operations are conducted on a deferred payment basis, which exposes the Group to the risk of financing its customers. In order to maintain the leading position on the footwear market, the Group uses trade credit to additionally increase its attractiveness to wholesale trading partners. The source of this risk lies in uncertainty as to whether and when amounts due to the Company will be settled.	➢ ongoing checks of customers' financial condition; ➢ ongoing checks of customers' credit history.
Currency risk	The MODIVO Group companies generate revenue in PLN, EUR, CZK, HUF, HRK, BGN, RSD and most of their costs are denominated in foreign currencies. This means the CZK, HUF, HRK, BGN, RSD, CHF, USD and EUR exchange rates (virtually all imports are denominated in USD and EUR, and a large percentage of rental costs is denominated in EUR) will affect the Group's income and expenses. The key supply market for the Group is the Chinese market and, consequently, the exchange rate of CNY against major global currencies may also have a significant impact on the Group's expenses. A stronger CNY may lead to deterioration in import terms and increase costs for consumers.	➢ hedging of foreign exchange risk, mainly for USD-denominated purchases, ➢ implementation of a natural hedging strategy for EUR, continuous monitoring of movements in currency exchange rates relevant to the Group.
Interest rate risk	The MODIVO Group is exposed to interest rate risk as a result of contracted credit facilities, which bear interest at floating rates based on WIBOR or BLR. An increase in interest rates will affect the amount of interest paid on bank borrowings.	➢ diversification of capital sources, ➢ monitoring of key interest rates.
Risk related to overall economic conditions	The MODIVO Group operates primarily in the Polish, Czech, Hungarian, Slovak and Romanian markets, so the purchasing power of consumers in these markets and their propensity to consume are important factors to the Group. Any deterioration of the economic conditions may have an adverse effect on the Group's operating results and financial standing. The MODIVO Group also operates in several other foreign markets (including Croatia, Slovenia, Bulgaria, and Serbia).	➢ diversifying its operations in terms of countries in which it is present (reducing the correlation of economic situation between countries); ➢ monitoring the economic situation globally and in the countries relevant to the Group, and adjusting the Group's strategy accordingly, ➢ monitoring important economic indicators in selected countries (unemployment rate, GDP per capita, CPI).
Seasonality of sales and weather conditions	Sales and the value of inventories depend on seasonal movements in demand (with peak demand in spring and autumn). Disruptive weather conditions can result in customers postponing purchasing decisions or in a shortened peak sales season.	➢ the Group mitigates the risk of weather conditions impacting its sales chiefly by increasing the proportion of year-round products in its portfolio, including sports shoes marketed under its proprietary brand Sprandi and under recognisable third-party brands.
Risk related to possible escalation of the conflict in the Middle East	The Group's private-label and licensed-brand products are manufactured in Asia, with reputable shipping lines engaged to transport them to Europe. Any further	➢ striving to enter into long-term contracts to lock in freight rates for the next several months/about a year and thus ensure transport price stability;

	escalation of the ongoing conflict in the Middle East could drive up the oil and fuel prices as well as the USD/PLN exchange rate, which in turn would be reflected in higher freight rates and transport costs.	➢ diversifying the supply chain; ➢ relying largely on trade routes that bypass the Middle East (including the route via the Cape of Good Hope), and on alternative delivery modes (e.g. rail).

11. CORPORATE GOVERNANCE STATEMENT

This 2025 Corporate Governance Statement of MODIVO S.A. has been prepared pursuant to Section 72(7)(5) of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 6 June 2025.

11.1 CORPORATE GOVERNANCE RULES APPLICABLE TO THE COMPANY IN 2025

By Resolution No. 13/1834/2021 of 29 March 2021, the Warsaw Stock Exchange Supervisory Board adopted a new set of corporate governance principles for companies listed on the WSE Main Market – the Code of Best Practice for WSE Listed Companies 2021 ('Code of Best Practice 2021'). The Code of Best Practice 2021 entered into force on 1 July 2021 and has been applied by MODIVO S.A. since its effective date.

The Code of Best Practice is a set of corporate governance principles and rules of conduct underpinning the relations of listed companies with their market environment. The document was developed by experts comprising the WSE Corporate Governance Committee, representing interests of various groups of capital market participants. The corporate governance code in effect since July 2021 consists of general principles, indicating goals to be pursued by companies in a given area, as well as specific principles subject to disclosure obligations. The Company's Management Board has exercised due care to ensure compliance with the Code of Best Practice 2021.

The Code of Best Practice is published on the official website of the Warsaw Stock Exchange dedicated to corporate governance principles: https://www.gpw.pl/dobre-praktyki2021.

11.1.1 Disclosure policy, investor communications

In the interest of all market participants and their own interest, listed companies ensure quality investor communications and pursue a transparent and fair disclosure policy.

MODIVO S.A. runs a corporate website, which is a reliable and useful source of information on the Company for capital market participants. It features an investor relations section designed specifically for the Company's shareholders, investors and stock market analysts (https://modivoplatform.com/relacje-inwestorskie). It provides transparent, reliable and complete content to enable investors and analysts to make informed decisions. The corporate website is available in Polish and English.

The MODIVO Group ensures equal access to information on the Company through strict compliance with disclosure obligations that arise from its presence on a regulated market, application of corporate governance rules and use of best market standards and practices to communicate with capital market participants.

The activities taken under the disclosure policy are addressed to particular capital market participants, including retail and institutional investors, shareholders, regulated market entities (the Financial Supervision Authority and the Warsaw Stock Exchange), and stock market analysts.

In order to properly discharge its disclosure obligations, MODIVO S.A. publishes:

1) information required under the laws applicable to companies listed on the WSE and under the Code of Best Practice for WSE Listed Companies 2021;
2) financial results and periodic reports within the time limits prescribed under applicable laws. The Company seeks to ensure that its financial results and periodic reports are published in the shortest possible time;
3) communications concerning major events affecting the price of Company shares immediately upon their occurrence, unless otherwise required by law;
4) communications concerning material related-party transactions, in accordance with applicable laws.

The tools used to communicate with capital market participants include, without limitation:

1) Electronic Information Transmission System (ESPI) – used to discharge disclosure obligations arising from the fact that Company shares are traded on a regulated market;
2) GPW Data – used for distribution of corporate governance reports;
3) Investor Relations section of the corporate website (https://modivoplatform.com/relacje-inwestorskie) containing all relevant information on the Company, including current reports, presentations, financial statements, information on the Company's governing bodies, current shareholding structure, contact details, etc.;
4) live-streamed conferences for investors, analysts and media representatives (video recordings are available on the Investor Relations section of the corporate website);
5) conference calls for domestic and foreign investors and analysts;
6) meetings of representatives of the Management Board and the Investor Relations team with retail and institutional investors and analysts, including Open Days and Investors' Days held at the Company's registered office;
7) participation of representatives of the Management Board and the Investor Relations team in investor conferences in Poland and abroad;
8) ensuring the Investor Relations team is available to capital market participants by phone and electronic means of communication. The Company strives to answer all queries as soon as practicable but not later than within three (3) business days of their receipt. The processing time may be extended in well justified cases and in circumstances that are beyond the Company's control;
9) posting materials relating to General Meetings, including video recordings, on the Investor Relations site.
10) The Investor Relations website at https://modivoplatform.com/relacje-inwestorskie is periodically reviewed and updated so that the content best meets the information needs of capital market participants.

Investor Relations

The Investor Relations Office of the MODIVO Group is responsible for the implementation of the Group Disclosure Policy (see 'Disclosure Policy of the MODIVO Group'), whose aim is mainly to ensure equal access to information and effective communication and to build confidence among capital market participants, particularly retail and institutional investors from Poland and abroad. The persons responsible for investor relations use best communication practices in line with expectations and best practices applied in international markets, as demonstrated by the '10 Out of 10 – Investor Friendly Company' certificate awarded by the Association of Retail Investors in an awards programme held under the honorary patronage of the 'Shareholder Democracy. Informed Investments' educational campaign.

In connection with the disclosure policy, the Company applies the following principles of the Code of Best Practice 2021:

1.1. Companies maintain efficient communications with capital market participants and provide fair information about matters that concern them. For that purpose, companies use diverse tools and forms of communication, including in particular the corporate website where they publish all information relevant for investors.

The principle is applied by the Company.

In order to properly discharge its disclosure obligations, MODIVO S.A. publicly communicates all information required to be published under the laws applicable to companies listed on the WSE and pursuant to the Code of Best Practice for WSE Listed Companies, its financial results and periodic reports within the time limits set by applicable laws, and communications concerning major events affecting the price of Company shares immediately upon their occurrence, unless otherwise required by law.

Described below are the tools used to communicate with capital market participants.

1.2. Companies make available their financial results compiled in periodic reports as soon as possible after the end of each reporting period; should that not be feasible for substantial reasons, companies publish at least preliminary financial estimates as soon as possible.

The principle is applied by the Company. The Company publishes periodic reports as soon as possible and presents preliminary financial data.

1.3. Companies integrate ESG factors in their business strategy, including in particular:

1.3.1 environmental factors, including measures and risks relating to climate change and sustainable development;

The principle is applied by the Company. In addition to embedding ESG considerations in its business strategy, the Company has adopted a dedicated Sustainability Strategy that sets out specific metrics and action plans. The relevant metrics and risks are addressed in the Sustainability Strategy and the Opportunity-and-Risk Assessment.

1.3.2. social and employee factors, including among others actions taken and planned to ensure equal treatment of women and men, decent working conditions, respect for employees' rights, dialogue with local communities, customer relations.

The principle is applied by the Company.

The relevant strategy was published on the corporate website. It sets out the objectives for 2025 and the Company's ambitions until 2030 concerning products, the environment, its employees and society https://modivoplatform.com/raporty-i-polityki.

1.4. To ensure quality communications with stakeholders, as a part of the business strategy, companies publish on their website information concerning the framework of the strategy, measurable goals, including in particular long-term goals, planned activities and their status, defined by measures, both financial and non-financial. ESG information concerning the strategy should among others:

1.4.1. explain how the decision-making processes of the company and its group members integrate climate change, including the resulting risks;

The principle is applied by the Company.

1.4.2. present the equal pay index for employees, defined as the percentage difference between the average monthly pay (including bonuses, awards and other benefits) of women and men in the last year, and present information about actions taken to eliminate any pay gaps, including a presentation of related risks and the time horizon of the equality target.

The principle is applied by the Company.

Further information is provided in the Sustainability Report.

1.5. Companies disclose at least on an annual basis the amounts expensed by the company and its group in support of culture, sports, charities, the media, social organisations, trade unions, etc. If the company or its group pay such expenses in the reporting year, the disclosure presents a list of such expenses.

The principle is applied by the Company. Further information is provided in the Sustainability Report.

1.6. Companies participating in the WIG20, mWIG40 or sWIG80 index hold on a quarterly basis and other companies hold at least on an annual basis a meeting with investors to which they invite in particular shareholders, analysts, industry experts and the media. At such meetings, the management board of the company presents and comments on the strategy and its implementation, the financial results of the company and its group, and the key events impacting the business of the company and its group, their results and outlook. At such meetings, the management board of the company publicly provides answers and explanations to questions raised.

The principle is applied by the Company. MODIVO S.A. holds meetings with investors and analysts to present the Company's and the Group's financial results, key developments affecting their operations, performance and outlook, and also meets with them on request to address specific information needs.

1.7. If an investor requests any information about the Company, it replies immediately and in any case no later than within 14 days.

The principle is applied by the Company. The Company strives to answer all queries as soon as practicable but not later than within seven days of their receipt. The processing time may be extended in well justified cases and in circumstances that are beyond the Company's control.

11.1.2 Management Board and Supervisory Board

To ensure top standards of the responsibilities and effective performance of the management board and the supervisory board of a company, only persons with the adequate competences, skills and experience are appointed to the management board and the supervisory board.

Management board members act in the interest of the company and are responsible for its activity. The management board is responsible among others for the company's leadership, engagement in setting and implementing its strategic objectives, and ensuring the company's efficiency and safety.

Supervisory board members acting in their function and to the extent of their responsibilities on the supervisory board follow their independent opinion and judgement, including in decision making, and act in the interest of the company.

The supervisory board functions in the spirit of debate and analyses the position of the company in the context of the sector and the market on the basis of information provided by the management board of the company and via the company's internal systems and functions and obtained from external sources, using the output of its committees. The supervisory board in particular provides opinions on the company's strategy, evaluates the work of the management board in pursuit of defined strategic objectives, and monitors the company's performance.

Composition and operation of the Company's Management and Supervisory Boards and their committees

MANAGEMENT BOARD

As at 31 January 2025, the Management Board of the Company consisted of:

Full name of Management Board Member	Position held
Dariusz Miłek	President of the Management Board
Karol Półtorak	Vice President of the Management Board

At its meeting on 23 January 2025, the Supervisory Board resolved to increase the number of Management Board members to three and, with effect from 1 February 2025, appointed Łukasz Stelmach as Vice President, Finance.

On 19 April 2025, Karol Półtorak tendered his resignation as Vice President and member of the Management Board, effective 21 April 2025, citing plans to join the Management Board of MODIVO.COM S.A. (formerly MODIVO S.A.) and focus on digital sales and the development of MODIVO.

As at 31 January 2026 and the issue date of this Report, the Management Board of the Company consisted of:

Full name of Management Board Member	Position held
Dariusz Miłek	President of the Management Board
Łukasz Stelmach	Vice President of the Management Board



Dariusz Miłek
PRESIDENT OF
THE MANAGEMENT BOARD

Appointed President of the Management Board on 11 May 2023.

In 1993–2003, Dariusz Miłek conducted business activities under the name MIŁEK in Lubin and, from 1995, in Chróstnik. In 1999–2004, he worked at MODIVO Sp. z o.o. of Polkowice as its registered attorney and, from 2002, as President of the Management Board. From 15 June 2004 to 11 April 2019, he served as President of the Management Board of MODIVO S.A. He subsequently served as Chairman of the Supervisory Board before returning as President of the Management Board in May 2023. Winner of coveted management awards. In 2007, he received the title of Entrepreneur of the Year 2007 and was given the opportunity to represent Poland in the World Entrepreneur of the Year in Monte Carlo. In 2014, he was awarded the Kisiel Award in the entrepreneur category. Winner of the Bulls and Bears award from Gazeta Parkiet as the CEO of the Year 2014. Awarded the title of Free Poland Sports Ambassador. In 2025, he was honoured with the Economic Award of the European Congress of Small and Medium-Sized Enterprises. The award is presented to companies and individuals who have made an outstanding contribution to Poland's economic development in recent years through the promotion of entrepreneurship, innovation and responsible business practices.



Karol Półtorak
VICE PRESIDENT OF
THE MANAGEMENT BOARD

Served as Vice President of the Management Board from 1 December 2016 to 21 April 2025.

In 2014–2016, he served as Vice President of the Warsaw Stock Exchange.

Previously, he worked for the Citibank Group as Vice President of the Management Board of Dom Maklerski Banku Handlowego (2011–2014), Director at UniCredit CAIB in Warsaw and London (2000–2011), and for PwC (1999–2000), Deutsche Bank Securities (1999) and Grant Thornton in London (1998).

He currently also serves as a member of the Management Board of MODIVO.COM S.A. (formerly MODIVO S.A./eobuwie.pl S.A.). Previously, he served on the Supervisory Boards of Krajowy Depozyt Papierów Wartościowych S.A. and Centrum Giełdowe S.A., among other companies.

He graduated from the Warsaw School of Economics and University of Derby and completed numerous executive education courses (1998).



Łukasz Stelmach
VICE PRESIDENT OF
THE MANAGEMENT BOARD

Appointed Vice President of the Management Board on 1 February 2025.

Łukasz Stelmach is a graduate of the University of Economics in Wrocław. He joined the MODIVO Group in 2021 and for the past two years has served as Managing Director, Finance. Within the Group he also holds the post of Vice-President of the Management Boards of HalfPrice Sp. z o.o., CCC Shoes and Bags Sp. z o.o. and Rawaki Sp. z o.o.

Earlier, Mr Stelmach worked in the KGHM Group, where he was Vice-President, Risk Management System, at KGHM TFI S.A. (2020–2021) and, at KGHM Polska Miedź S.A. (2011–2020), Chief Accounting Officer and Head of the Accounting Services Centre as well as Director of the Tax Department.

From 2002 to 2011 he was employed by the audit and advisory firm EY.

Mr Stelmach is a corporate-finance executive with more than 20 years' experience of managing large, diverse teams in an international environment. His career spans financial reporting for a listed international group, alongside oversight of controlling, planning and funding-structure optimisation.

Non-competition and personal interests

A Management Board member who holds 10% or more of Company shares may not, without the prior consent of the General Meeting, engage in any competing activity, become a partner in a competing partnership, or sit on the governing body of any company or other legal entity that competes with the Company.

If a conflict of interest arises between the Company and a Management Board member, the member's spouse, any relative by blood or marriage to the second degree or any person personally connected to the member, the member must abstain from deliberations on that matter and may request that this be noted in the minutes of the Management Board meeting.

Organisation of the Management Board's work

The Company's business is managed by the Management Board, which directs the Company's business, represents it in dealings with third parties, performs activities required under civil law, makes decisions concerning the Company's affairs in accordance with applicable laws, and assumes responsibility for such decisions, except for any matters reserved for the General Meeting or the Supervisory Board under the Commercial Companies Code and the Company's Articles of Association.

The Management Board has authority over all matters of MODIVO S.A. which are not reserved for other governing bodies of the Company under the Commercial Companies Code or the Articles of Association. All Management Board members are authorised and obliged to manage MODIVO S.A.'s affairs, direct all activities of the Company, represent it in dealings with third parties and manage its assets. The Management Board is required to exercise due care in managing the Company's assets and affairs and to comply with the law, the Articles of Association, the Rules of Procedure for the Management Board and the resolutions passed by the Supervisory Board and the General Meeting, which are binding on the Management Board pursuant to applicable laws or the Articles of Association.

The Management Board is headed by the President of the Management Board, who directs all aspects of the Company's business in compliance with applicable laws and resolutions of the Company's governing bodies, and supervises the performance of tasks assigned to individual members of the Management Board.

In the absence of the President of the Management Board, the chair will be taken by the Vice President of the Management Board or Director designated by the President.

The Management Board members perform their duties in person.

The powers and responsibilities of Management Board members in matters falling within the ordinary course of business have been divided into areas, each of them led by the individual Management Board members.

A relevant scope of responsibilities has been assigned to each Management Board member as part of their respective remits.

Rules governing the appointment and removal of management personnel and their powers, including decision-making powers to issue or buy back shares

The Company's Management Board consists of one to seven members, including the President. The other members serve as Vice Presidents. Members of the Management Board are appointed for a joint three-year term of office. The Company's Management Board or its individual members are appointed and removed from office by the Supervisory Board.

In addition, members of the Management Board may at any time be removed or suspended from office by the Supervisory Board and by the General Meeting before the expiry of their term of office. The Supervisory Board may delegate Supervisory Board members to temporarily perform the duties of Management Board members.

In order to tender their resignation to the Company, a Management Board member must submit a letter or statement of resignation to one Management Board member or the Company's registered attorney. A Management Board member must also notify the Chair of the Supervisory Board of the resignation.

The powers and rules of procedure for the Management Board of MODIVO S.A. are set out in the following regulations:

1) Commercial Companies Code,
2) Articles of Association of the Company, available on the Company's website (https://modivoplatform.com/lad-korporacyjny),
3) Rules of Procedure for the Management Board, available on the Company's website (https://modivoplatform.com/lad-korporacyjny),
4) Chart showing the division of responsibility for particular areas of the Company's operations among the Management Board members (https://modivoplatform.com/wladze-modivo).

The powers and responsibilities of the Management Board:

1) establishing internal rules and regulations of the Company,
2) submitting proposals on allocation of profit and coverage of loss to the Supervisory Board,
3) entering into employment contracts with the Company's employees other than Management Board members,
4) granting commercial powers of attorney,
5) passing resolutions to establish and close Company branches,
6) submitting proposals on any other matters to the Supervisory Board and the General Meeting,
7) calling General Meetings,
8) managing the Company's internal affairs,

9) representing the Company in its dealings with external private and public entities.

The Management Board is required to perform all its duties and obligations prescribed by applicable laws and the Company's Articles of Association. The President of the Management Board directs the work of the Management Board, particularly by coordinating, supervising and organising the work of individual Management Board members.

A Management Board member may raise any matter falling within the scope of powers of the Management Board for consideration at a Management Board meeting and may request that a Management Board meeting be called for that purpose.

New shares may be issued subject to a resolution of the Company's General Meeting, and a new share issue results in an increase in the Company's share capital. The rules applicable to new share issues and share buybacks are laid down in the Commercial Companies Code and the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies.

Management Board meetings

The Management Board meets on an as needed basis. Other invited persons may attend Management Board meetings subject to consent of all Management Board members. Management Board meetings are called and chaired by the President of the Management Board or, in his or her absence, a Vice President of the Management Board.

Also, the President of the Management Board is required to call a meeting at a written request of another Management Board member. In such a case, the meeting should be held within seven (7) days of the date of request, unless the requesting party sets a different time limit.

Rules governing amendments to the Company's Articles of Association

Any amendments to the Articles of Association are governed by the applicable provisions of the Commercial Companies Code.

Amendments to the Articles of Association require a resolution of the General Meeting adopted by a majority of ¾ of the votes and an entry to the National Court Register. When authorised to do so by the General Meeting, the Supervisory Board of the Company may determine the consolidated text of the amended Articles of Association or make other editorial changes specified in the respective resolution of the General Meeting.

A resolution to amend the Articles of Association takes effect from the date of entry in the Business Register.

As at 31 January 2025, the division of remits was as follows:



As at 31 January 2026 and the issue date of this Report, the division of remits was as follows:



SUPERVISORY BOARD

As at 31 January 2025, the Supervisory Board of the Company consisted of:

Full name of Supervisory Board Member	Position held
Wiesław Oleś	Member of the Supervisory Board (appointed on 24 June 2015), Chair of the Supervisory Board (appointed on 12 June 2023).
Filip Gorczyca	Member of the Supervisory Board (appointed on 11 April 2019), Chairman of the Audit Committee (appointed on 8 August 2019)
Zofia Dzik	Member of the Supervisory Board (appointed on 18 June 2019), member of the Audit Committee (appointed on 8 August 2019)
Piotr Kamiński	Member of the Supervisory Board (appointed on 12 June 2023)
Marcin Stańko	Member of the Supervisory Board (appointed on 12 June 2023)

Following the expiry of the mandates of Supervisory Board members, on 4 June 2025 the Annual General Meeting appointed the Supervisory Board for another joint three-year term of office comprising: Wiesław Oleś as Chair and Tomasz Rejman, Paweł Małyska, Piotr Kamiński and Marcin Czyczerski as Members of the Supervisory Board.

On 15 January 2026, the Extraordinary General Meeting of the Company increased the number of members of the Supervisory Board to six and appointed Adrian Skłodowski to the Supervisory Board of the current term of office.

As at 31 January 2026 and the issue date of this Report, the Supervisory Board consisted of:

Full name of Supervisory Board Member	Position held
Wiesław Oleś	Member of the Supervisory Board (appointed on 24 June 2015), Chairman of the Supervisory Board (appointed on 12 June 2023).
Marcin Czyczerski	Deputy Chair of the Supervisory Board (appointed on 4 June 2025)
Tomasz Rejman	Member of the Supervisory Board (appointed on 4 June 2025)
Paweł Małyska	Member of the Supervisory Board (appointed on 4 June 2025)
Piotr Kamiński	Member of the Supervisory Board (appointed on 12 June 2023)
Adrian Skłodowski	Member of the Supervisory Board (appointed on 15 January 2026)



Wiesław Oleś founded the law firm Kancelaria Radców Prawnych Oleś, Rysz, Sarkowicz sp.k. and Forum TFI S.A. He holds a degree in Law from the Faculty of Law and Administration of the Jagiellonian University of Kraków. Following completion of legal training as a judge, he passed a judge examination in 1991, and he obtained a licence to practise as a legal counsel in 1993. After completing his studies, he was a member of the board of the Regional Audit Chamber in Kraków, a consultant of the United States Agency for International Development (USAID) programmes, collaborating with Harvard Institute for International Development, and a member of the Board of the Lesław Paga Foundation. He practises law with the law firm Kancelaria Radców Prawnych Oleś & Rodzynkiewicz, specialising in capital markets and investment funds. His previously held positions include serving as Chair of the Supervisory Board and President of the Management Board of Forum TFI S.A. At present, he also serves as Chair of the Supervisory Boards of Black Red White S.A. and Raport S.A. and as member of the Supervisory Board of CPD S.A.

Wiesław Oleś
CHAIR OF THE
SUPERVISORY BOARD



Marcin Czyczerski
DEPUTY CHAIR OF THE SUPERVISORY BOARD

Member of supervisory boards, strategic adviser and co-founder of GCG Partners, a boutique advisory and investment firm specialising in business transformation, growth strategies and capital markets transactions. Former Chief Executive Officer of the CCC Group and the MODIVO Group, with extensive C-suite experience in corporate leadership and organisational transformation.

He holds a PhD in Economics from the Wrocław University of Economics and Business and is a graduate of the University of Wrocław and Wrocław University of Science and Technology.

Between 2017 and 2023, he held the positions of Chief Financial Officer and subsequently Chief Executive Officer of CCC S.A., leading the Group's comprehensive transformation, including its digital transformation, technological advancement and market repositioning. From 2023 to 2024, he served as Chief Executive Officer of MODIVO S.A., focusing on improving profitability, enhancing working capital efficiency and refining the assortment strategy, marketing approach and customer experience.
From 2010 to 2016, as Managing Director of SITECH (Volkswagen Group), he led the company's transformation into a strategic systems supplier to the Volkswagen Group. In this role, he oversaw the expansion of research and development capabilities, the establishment of new production facilities and the industrialisation of operations.

He also brings extensive supervisory experience, having served on the supervisory boards of Polskie Koleje Linowe, Esotiq & Henderson, MODIVO and PRONOS (FutureLab CCC).

His areas of expertise include omnichannel and e-commerce transformation, growth strategy and value creation planning, crisis management, shareholder advisory, and collaboration with investment funds. His experience also extends to customer-centric strategy development and the application of artificial intelligence in retail.



Tomasz Rejman
MEMBER OF THE SUPERVISORY BOARD

Graduate of engineering and mathematics programmes at the Technical University of Denmark in Lyngby and Wrocław University of Science and Technology.

An accomplished manager with extensive experience in CEO, COO, CFO and CMO roles. He has a strong track record in business transformation, efficiency improvement, operational management and strategy, with experience spanning organisations across Europe, Asia and Latin America.

Throughout his career, he has held executive and supervisory positions in private companies, multinational corporations and investment funds. He has worked with the ORLEN Group, FTF Columbus Fund, Cersanit, Allianz Polska and Procter & Gamble. Between 1999 and 2004, and again from 2016 to 2021, he served as Senior Vice President at McKinsey & Company, based in London, Buenos Aires, Prague and Warsaw, where he led projects across the FMCG, technology, financial services, healthcare and chemicals sectors.



Paweł Małyska
MEMBER OF THE SUPERVISORY BOARD

PhD in Economics and a specialist in asset management and investment strategy. An experienced manager and business adviser with a strong track record in strategy development and business model transformation.

He has extensive capital markets experience, encompassing investment fund and portfolio management, new product development, and the leadership of analytical and investment teams. His expertise includes financial modelling, investment analysis and investment decision support, as well as business development and corporate restructuring projects.

He has delivered advisory and strategic projects across a range of industries, including fintech and fit-out services, encompassing strategy development and implementation, as well as the management of complex growth and transformation initiatives.

He also brings significant corporate governance experience, having served on the supervisory boards and audit committees of listed companies, including Alumetal, Amica, Atende, Develia and PZ Cormay.



Piotr Kamiński
MEMBER OF THE SUPERVISORY BOARD

Graduate of the Faculty of Management at the University of Warsaw and the Tempus CUBIS postgraduate programme (Milan, Amsterdam and Leuven, 1994). He completed the Advanced Management Program at IESE Business School in 2007.
Between 1992 and 2000, he worked at the Polish Securities and Exchange Commission, where he held a number of positions, including Head of the Public Companies and Finance Department. He subsequently served as Vice President of the Management Board of the Warsaw Stock Exchange from 2000 to 2003. Between 2003 and 2006, he was a member of the Management Board of PKO Bank Polski, responsible for corporate banking.

From 2006 to 2009, he served as President of the Management Board of Bank Pocztowy. He has also served on the supervisory boards of the Warsaw Stock Exchange, PZU (during its initial public offering), Budimex and numerous other listed companies. Between 2011 and 2013, he served as Management Board Member for Finance and Acting President of Totalizator Sportowy. From 2020 to 2022, he was Vice President and Chief Financial Officer of Wielton Group.

He currently serves on the supervisory boards of several companies and institutions, including Wielton, Pamapol and Platige Image. He is also President of the Queen Hedvig Scholarship Foundation. For many years, he has been actively

involved in employers' organisations and audit oversight, including as a member of the Polish Agency for Audit Oversight and Vice President of Employers of Poland.



Adrian Skłodowski
MEMBER OF THE SUPERVISORY BOARD

Manager and strategic adviser with nearly 15 years of experience in strategy development, capital markets and value creation oversight in listed companies. He is a graduate of the Faculty of Economic Sciences and the Faculty of Management at the University of Warsaw.

Between 2010 and 2025, he held a range of analytical and managerial positions at PKO BP Brokerage House. As an equity analyst, he was responsible for valuing companies across multiple sectors and preparing macroeconomic analyses. Between 2016 and 2022, he specialised in equity research covering consumer-sector companies in Central and Eastern Europe (CEE), including Allegro, InPost, LPP, CCC, Dino and Jerónimo Martins, with a combined market capitalisation of more than PLN 180 billion. He participated in the IPOs and SPOs of companies including Żabka, InPost, Allegro, Pepco, Dino, Shoper and CCC. He also served on PKO BP's Credit Committee for retail-sector companies, contributing to financing decisions and credit risk assessments. From 2022 to 2025, he was Head of Market Research, leading a team of ten analysts and overseeing the systematic evaluation of approximately 150 listed companies. He was recognised as Best Retail Sector Analyst by *Parkiet* for four consecutive years (2018–2021).

Since August 2025, he has served as Director of Strategic Projects and Investor Relations at the Eurocash Group, supporting the Management Board in shaping a new business model and developing the Group's strategy for 2026–2027. Since December 2025, he has been a member of the Extended Board (Executive Team), where his responsibilities include evaluating strategic initiatives, capital allocation and overseeing strategy execution, including a cost optimisation programme valued at approximately PLN 180 million.



Filip Gorczyca

MEMBER OF THE SUPERVISORY BOARD

Member of the Board of the Association of Independent Supervisory Board Members. He represents the Association at ecoDa, the European Confederation of Directors' Associations, and chairs ecoDa's Working Group on Corporate Governance of State-Controlled Companies. He is also a member of the advisory panel to the Investors and Other Stakeholders Working Group of the International Forum of Independent Audit Regulators (IFIAR).

He serves on the Supervisory Boards of PZU, MODIVO, Ferro, Develia and Artifex Mundi. He also chairs the Audit Committees of MODIVO and Develia. Previously, he served as a member of the Supervisory Board of Protektor and Chair of the Supervisory Board of Money Makers TFI.

Between 2017 and 2019, he served as Vice President of the Management Board and Chief Financial Officer of Alior Bank. From 2020 to 2021 he served as a Management Board member of the private-equity fund Luma Holding Ltd. Earlier, in 2016–2017, he was Senior Investment Director at the Medicover Group, where he helped lead the company's initial public offering and listing on the Stockholm Stock Exchange. From 2004 to 2016 he worked at PwC; beginning in 2011, as Associate Director, he headed PwC's capital-markets services in Central and Eastern Europe.

He completed management programmes at Harvard Business School and Singularity University and holds a degree in Finance and Banking from the Warsaw School of Economics. He holds a licence to practise as a statutory auditor and an ACCA certificate (FCCA).



Zofia Dzik
MEMBER OF THE SUPERVISORY BOARD

Graduate of the Kraków University of Economics, the University of Illinois Chicago and SWPS University in Warsaw. She has also completed executive programmes at Stanford University and INSEAD and holds an MBA from Manchester Business School. A recognised leadership expert and mentor, she is a certified member of both the Association for Project Management and The John Maxwell Team.

She began her professional career with Arthur Andersen and Andersen Business Consulting, where she led strategic projects for financial sector clients as Director of the Insurance Practice. In 2003, she joined the Intouch Insurance (RSA) Group. From 2004 to 2007, she served as President of the Management Board of Link4, the first direct insurer in Central and Eastern Europe. She subsequently served as a member of the Management Board and Chief Executive Officer for the CEE region (2007–2009), leading market expansion initiatives and overseeing start-up projects across the region.

She brings extensive corporate governance experience, having served on the supervisory boards of numerous listed companies, including PKO Bank Polski, AmRest, InPost, ERBUD, KOPEX, PEP and Benefit Systems. She currently serves as an independent member of the supervisory boards of Black Red White (BRW), PKP Cargo and Arctic Paper.

Since 2010, she has been active as an investor and social innovator. She is President of the Management Board of the Humanites Foundation, a think-and-do tank advancing social transformation at the intersection of people and technology. She is the creator of the Spójne Przywództwo™ (Coherent Leadership) concept and the founder of the Academy of Leadership for Leaders in Education.

Member of the IDEAS NCRB Scientific Board and the Wrocław University of Technology Social Council.



Marcin Stańko

MEMBER OF THE SUPERVISORY BOARD

Marcin Stańko is an experienced retail manager with a strong track record in Poland and across Europe, specialising in the development and operational management of modern retail chains. He has more than 25 years of experience gained with leading retail organisations, including Jerónimo Martins and the Pepco Group.

Between 2004 and 2020, he played a key role in the development and expansion of Pepco across 12 European countries. During this period, he served as COO for the CEE region, sat on the management boards of several European companies and was General Manager of Pepco Lithuania. He was responsible for sales, investment and international expansion, including the brand's entry into Western European markets. Following Pepco's IPO in 2021, he served as Business Development Director for the Dealz brand in Poland, while also overseeing its European expansion strategy.

He brings extensive supervisory and investment experience, serving on the supervisory boards of Profi Rom Food and Allied Funds TFI, where he also acts as Deputy Chair. He also collaborates with the private equity fund MidEuropa.

He is a graduate of the Poznań University of Economics and Business and has completed an executive programme at Babson College in the United States. He is a regular participant and speaker at industry conferences. In 2018, he was nominated for the Manager of the Year award and has been one of the key contributors to Pepco's success, with the company receiving numerous distinctions, including Forbes Diamonds and Business Gazelles.

Rules governing appointment and removal of the Supervisory Board Members

Members of the Supervisory Board of MODIVO S.A. are appointed for a joint two-year term of office. Individual members of the Management Board and the entire Supervisory Board may be dismissed at any time before the end of the term of office. The General Meeting of MODIVO S.A. appoints the Chair of the Supervisory Board from among its members. The Supervisory Board of MODIVO S.A. is composed of five to seven members. Members of the Supervisory Board are appointed and removed from office by the General Meeting. The Supervisory Board elected by the Annual General Meeting on 4 June 2025 (Current Report No. 48/2025) was subsequently expanded when the Ordinary General Meeting of 15 June 2026 appointed additional members to the Supervisory Board (Current Report No. 4/2026). Until 4 June 2025, the Company's Supervisory Board was composed of members appointed by the Annual General Meeting on 15 June 2022.

In accordance with the Articles of Association of MODIVO S.A. and the Code of Best Practice of the WSE Listed Companies, at least two members of the Supervisory Board should meet the independence criteria. Independent members of the Supervisory Board should meet the independence criteria specified in the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017 and set out in the Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board (2005/162/EC), also taking into account the Code of Best Practice for WSE Listed Companies 2021.

The Supervisory Board verified the representations submitted by Supervisory Board members on meeting the independence criteria:

- following appointment by the Annual General Meeting on 4 June 2025 of the five-member Supervisory Board of a new term, at its meeting on 12 June 2025 the Supervisory Board assessed its members' representations on meeting the independence criteria and passed Resolution No. 02/06/2025/RN to determine the number of Supervisory Board members meeting the independence criteria, stating that two out of the five Supervisory Board members met the independence criteria,
- following the addition by the Annual General Meeting on 15 January 2026 of one new member to the Supervisory Board, at its meeting on 2 February 2026 the Supervisory Board assessed its members' representations on meeting the independence criteria and passed Resolution No. 01/02/2026/RN to determine the number of Supervisory Board members who meet the independence criteria, stating that four out of the six Supervisory Board members met the independence criteria.

Powers and responsibilities of the Supervisory Board

The Supervisory Board takes steps to ensure that the Management Board provides it with regular and exhaustive reports on all matters of importance and risks connected with MODIVO S.A.'s business, as well as on how the risks are managed. Detailed powers and rules of procedure for the Supervisory Board of MODIVO S.A. are set out in the following documents:

- Articles of Association of the Company, available on the Company's website (https://modivoplatform.com/lad-korporacyjny),
- Rules of Procedure for the Supervisory Board, available on the Company's website (https://modivoplatform.com/lad-korporacyjny),
- Resolutions of the General Meeting, (https://modivoplatform.com/walne-zgromadzenie-akcjonariuszy),
- Commercial Companies Code and other generally applicable laws.

Operation and organisation of the Supervisory Board

The procedures to be followed by the Supervisory Board are defined in the Company's Articles of Association and Rules of Procedure for the Supervisory Board. The Supervisory Board performs its duties collectively. However, it may delegate certain supervisory duties to its individual members. The Supervisory Board meets on an as needed basis, at least three times in a financial year.

Meetings are called at least at a week's notice, by fax, registered mail or email. Supervisory Board meetings are called by the Chair of the Supervisory Board on his or her own initiative or at the request of other members of the Supervisory Board or Management Board. If such request is submitted to the Chair, a Supervisory Board meeting should be held within two weeks from the date of the request. A resolution of the Supervisory Board may be passed without a formal meeting provided that all Supervisory Board members agree thereto. Each Supervisory Board member may request that a particular matter be included in the agenda of the next Supervisory Board meeting, however the request must be submitted no later than three days prior to the date of the meeting.

The Supervisory Board may only adopt resolutions if at least half of its members are in attendance and all of its members have been invited. Any resolution adopted in contravention of these rules is invalid.

Supervisory Board members may vote on resolutions by written ballot or using means of remote communication. A resolution is valid if all Supervisory Board members have been provided with its draft.

Diversity policy

MODIVO makes every effort to ensure that the skills, experience, knowledge and diversity of members of its corporate bodies are well balanced. The Company has a diversity policy in place with respect to its governing bodies and is currently working to revise the existing policy by defining the objectives to be pursued by the Company in the coming years. The revised Diversity Policy will be adopted by the Supervisory Board and the General Meeting, respectively.

With respect to the Management Board and the Supervisory Board, the Company complies with the following principles of the Code of Best Practice 2021:

2.1. Companies should have in place a diversity policy applicable to the management board and the supervisory board, approved by the supervisory board and the general meeting, respectively. The diversity policy defines diversity goals and criteria, among others including gender, education, expertise, age, professional experience, and specifies the target dates and the monitoring systems for such goals. With regard to gender diversity of corporate bodies, the participation of the minority group in each body should be at least 30%.

The principle is applied by the Company.

The Company has a diversity policy in place applicable to its governing bodies, which sets out diversity goals and criteria. The adopted diversity policy aims to prevent discrimination at work, and to build a corporate culture open to staff diversity (applying also to members of the Management Board and Supervisory Board). The diversity policy is published on the corporate website (https://modivoplatform.com/raporty-i-polityki). The Company is also working to revise its existing policy by updating the objectives to be pursued by the Company in the coming years. The revised Diversity Policy will be adopted by the Supervisory Board and the General Meeting, respectively.

2.2. Decisions to elect members of the management board or the supervisory board of companies should ensure that the composition of those bodies is diverse by appointing persons ensuring diversity, among others in order to achieve the target minimum participation of the minority group of at least 30% according to the goals of the established diversity policy referred to in principle 2.1.

The principle is applied by the Company.

Persons taking decisions on the election of members of the Management Board or Supervisory Board make every effort to ensure that the skills, experience, knowledge and diversity of members of its corporate bodies are well balanced. Decisions concerning any changes in the composition of the Company's governing bodies are made based on the Company's current needs and objective criteria, covering primarily professional competence, education and work experience, taking into account the need to ensure comprehensive and diverse composition of the governing bodies. The Company has a diversity policy in place applicable to the Company's governing bodies. The Company is also working to revise its existing policy by updating the objectives to be pursued by the Company in the coming years.

2.3. At least two members of the supervisory board meet the criteria of being independent referred to in the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017, and have no actual and material relations with any shareholder who holds at least 5% of the total vote in the company.

The principle is applied by the Company.

Candidates for Supervisory Board members are required to provide the Company with written representations to the effect that they meet the independence criteria prescribed in the Code of Best Practice for WSE Listed Companies and other applicable laws. After each election or change in its composition made by the General Meeting, the Supervisory Board adopts a resolution stating how many of its members meet the independence criteria and reasons for granting them the independence status.

2.4. The supervisory board and the management board vote in an open ballot unless otherwise required by law.

The principle is applied by the Company. Supervisory Board resolutions are adopted by open vote unless the Articles of Association or the Supervisory Board Rules stipulate otherwise.

2.5. Members of the supervisory board and members of the management board who vote against a resolution may have their dissenting vote recorded in the minutes.

The principle is applied by the Company. The required contents of the minutes – including the obligation to record any dissenting opinion – are set out in the Supervisory Board Rules and the Management Board Rules.

2.6. Functions on the management board of a company are the main area of the professional activity of management board members. Management board members should not engage in additional professional activities if the time devoted to such activities prevents their proper performance in the company.

The principle is applied by the Company. Provisions on the Management Board's powers and duties – including non-competition and conflict-of-interest rules – are set out in the Management Board Rules.

2.7. A company's management board members may sit on corporate bodies of companies other than members of its group subject to the approval of the supervisory board.

The principle is applied by the Company.

2.8. Supervisory board members should be able to devote the time necessary to perform their duties.

The principle is applied by the Company.

2.9. The chair of the supervisory board should not combine this function with that of chair of the audit committee of the supervisory board.

The principle is applied by the Company. In appointing members of the Audit Committee, the Supervisory Board takes into account any issues arising from the holding of multiple positions.

2.10. Companies allocate administrative and financial resources necessary to ensure efficient functioning of the supervisory board in a manner adequate to their size and financial standing.

The principle is applied by the Company. In appointing members of the Audit Committee, the Supervisory Board takes into account any issues arising from the holding of multiple positions.

2.11. In addition to its responsibilities laid down in the legislation, the supervisory board prepares and presents an annual report to the annual general meeting once per year. Such report includes at least the following:

2.11.1 information about the members of the supervisory board and its committees, including indication of those supervisory board members who fulfil the criteria of being independent referred to in the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017 and those supervisory board members who have no actual and material relations with any shareholder who holds at least 5% of the total vote in the company, and information about the members of the supervisory board in the context of diversity;

The principle is applied by the Company.

2.11.2. summary of the activity of the supervisory board and its committees;

The principle is applied by the Company.

2.11.3. assessment of the company's standing on a consolidated basis, including assessment of the internal control, risk management and compliance systems and the internal audit function, and information about measures taken by the supervisory board to perform such assessment; such assessment should cover all significant controls, in particular reporting and operational controls;

The principle is applied by the Company.

2.11.4. assessment of the company's compliance with the corporate governance principles and the manner of compliance with the disclosure obligations concerning compliance with the corporate governance principles defined in the Exchange Rules and the regulations on current and periodic reports published by issuers of securities, and information about measures taken by the supervisory board to perform such assessment;

The principle is applied by the Company.

2.11.5. assessment of the rationality of expenses referred to in principle 1.5;

The principle is applied by the Company.

2.11.6. information regarding the degree of implementation of the diversity policy applicable to the management board and the supervisory board, including the achievement of goals referred to in principle 2.1.

The principle is applied by the Company. The Company has declared compliance with the principle as of the effective date of the Code of Best Practice 2021.

11.1.3 Internal systems and functions

Efficient internal systems and functions are an indispensable tool of exercising supervision over a company.

The systems cover the company and all areas of activity of its group which have a significant impact on the position of the company.

Key features of the internal control and risk management systems in preparing financial statements and consolidated financial statements

In preparing its financial statements and consolidated financial statements, the Company applies the following internal control and risk management mechanisms:

1. Principles of supervision over the preparation of financial statements.

Financial statements and consolidated financial statements are prepared in accordance with:

- International Financial Reporting Standards as endorsed by the European Union,
- Accounting Act of 29 September 1994 (consolidated text: Dz.U. of 2026, item 522),
- Articles of Association of MODIVO S.A.,
- Accounting policies applied by MODIVO S.A. and rules applied by its subsidiaries,
- Internal accounting procedures.

MODIVO has in place an accounting policy prepared in accordance with the International Financial Reporting Standards (IFRSs) endorsed by the European Union.

The accounting policy is updated to incorporate any amendments to applicable laws or in the event of material events not previously described in the policy.

Prior to each reporting period, consolidated companies receive detailed guidance from MODIVO S.A. on the manner and timing of closing their accounting records, preparation and submission of reporting packages, and the up-to-date template of a reporting package for a given period.

The process of preparing financial statements is covered by the internal control and risk management systems, which contribute to ensuring the reliability and accuracy of financial reporting and compliance with internal laws and regulations.

The internal control system comprises:

1) control activities performed by MODIVO Group employees as part of their assigned responsibilities,
2) functional control provided through supervision of subordinate organisational units by all employees in management positions,
3) control provided by the internal audit function for independent and objective assessment of the risk management and internal control systems.

Risk management in the process of preparing financial statements consists in identifying and assessing relevant risks and then defining and implementing measures to reduce or eliminate them. The process of preparing the Company's financial statements is overseen by Chief Accountant of the MODIVO Group and by the chief financial executive, who is in charge of the financial and accounting departments.

2. Mechanisms for managing IT systems used for record-keeping and financial reporting, as well as mechanisms designed to ensure their security.

The Company and the Group have appropriate procedures in place to prepare their financial statements, ensuring that all business transactions in a period are completely and properly accounted for. The Company's accounting policy for financial reporting is applied in the process of budgeting, forecasting and periodic management reporting. The financial data underlying the financial statements and periodic reports is compiled by senior and middle management after the accounts for each calendar month have been closed. The Company maintains its accounting records in the SAP system, which supports a comprehensive analysis of all economic and financial aspects, made available to the reasonable extent at all the Company's organisational units. The SAP system has full technical documentation and access to its information resources is determined by relevant authorisations. In preparing consolidated financial statements, the MODIVO Group companies use the same consolidation system and apply the same presentation rules. The consolidation framework is reviewed whenever there is a change in the shareholding structure. The MODIVO Group has a system for collecting and processing data obtained from its subsidiaries. The unit responsible for the preparation of the Company's and the Group's financial statements is the Consolidation and Reporting Department. Expert oversight and organisational supervision over the preparation of financial statements are the responsibility of the Head of Accounting of the MODIVO Group. Financial statements are authorised by the Management Board, and then are audited by an independent auditor and assessed by the Supervisory Board.

3. Principles for the verification and assessment of reports.

The management personnel of individual Group companies are responsible for the preparation of reporting packages to be consolidated. The management are responsible for the preparation and approval of data. In addition, the reporting packages of significant subsidiaries are verified by the parent's reporting team and by an independent auditor. The reporting data of subsidiaries is also analysed by the parent for potential deviations from financial plans and comparative periods.

The MODIVO Group's Chief Accountant is responsible for the preparation of separate and consolidated financial statements. Independent reviews of the financial statements of the MODIVO Group and the consolidated companies for reliability and accuracy are performed by external auditors.

The policy for the selection of an audit firm to audit the separate financial statements and the consolidated financial statements of the MODIVO Group, as well as the procedure for the selection of an auditor to audit the separate financial statements of MODIVO S.A. and the consolidated financial statements of the MODIVO Group, ensure their independence from the Company and the Group.

Assessment of the MODIVO Group's separate and consolidated financial statements is performed by the Supervisory Board based the Audit Committee's recommendation. The financial statements are subject to approval by the General Meeting.

4. Internal audit, enterprise risk management and other elements of control.

The Company has an internal-audit function that conducts independent, objective assessments of business processes across the Group, helping to ensure that risk-management, control, and corporate-governance systems are effective and robust. The function operates under an annual audit plan and undertakes both scheduled reviews and ad-hoc assignments commissioned by the MODIVO Management Board at the parent and across the Group. The internal-audit team supports the MODIVO Group in achieving its objectives by providing assurance on the effectiveness of risk-management, control, and governance processes and by issuing recommendations for improvement. Audit findings and follow-up recommendations — together with their implementation status — are reported to the Management Board and the Audit Committee.

As part of control activities, periodic management reports are assessed for the validity of information contained therein, in particular based on an analysis of potential deviations from the financial plans. The risk-management process starts at operational level within the Group to ensure that predefined objectives are achieved. The risk management process at the MODIVO Group is overseen by the Management Board and key management personnel. Independent internal audits of finance and accounting processes are also conducted. Proper preparation of financial statements is also verified by members of the Audit Committee. In order to confirm that the data contained in financial statements is correct and consistent with the Company's accounting records, the financial statements are audited by an independent auditor, who then issues an opinion thereon. All actions taken by the Company are designed to ensure compliance with all legal requirements and the facts and to identify and eliminate any potential risks early so that the reliability and accuracy of the presented financial data is not affected.

Risk levels acceptable to the MODIVO Group

The MODIVO Group relies on basic criteria for identifying, assessing and determining risk relevance, developed on the basis of the concept of risk tolerance. An important task of the Group's management personnel is to define a strategy and acceptable level of risk that must factor in the amount of risk the Group is willing to accept in order to deliver on its objectives. This level of risk is updated on a regular basis and every time the MODIVO Group changes its operating strategy.

Scope of the risk management system

Key risk management objectives:

1) to ensure security of the Company's operations;
2) to ensure effective decision-making to maximise profits at acceptable risk levels.

The risk management policy of the MODIVO Group sets out the relevant assumptions, policies, risk factors and risk mitigation methods to maximise control of risks that could adversely affect the operations of the MODIVO Group. Compliance with this Policy is mandatory for — and observed by — all Group entities. The risk management policy is constantly refined and supplemented by detailed regulations covering the individual risk areas within the Group, including:

- remuneration policy for Members of the Management Board and Supervisory Board;
- code of ethics;
- supplier code of conduct;
- procurement policy;
- IT system security policy;

- OHS policy;
- environmental policy;
- human resources policy.

Bodies responsible for risk management at the MODIVO Group

Bodies responsible for risk management at the MODIVO Group and their respective areas of responsibilities

MANAGEMENT BOARD	Approves the MODIVO Group Risk Management Policy, which forms the basis for implementation of the Risk Management System.
AUDIT COMMITTEE	Monitors the effectiveness of the risk management system with respect to risks materially affecting the Company's operations, including the effectiveness of any corrective actions taken. For more information on its scope of responsibilities, see the section devoted to the Audit Committee.
SUPERVISORY BOARD	Periodically verifies the correctness and effectiveness of the Risk Management Policy to ensure that all key risks have been identified and appropriate corrective actions have been implemented.
INTERNAL AUDITOR	Periodically reports on the effectiveness of the systems and their functions with regard to implementation and maintenance of effective internal control systems, risk management, legal compliance, and internal audit functions.
FINANCIAL DEPARTMENT	Implements the MODIVO Group Risk Management System, Exercises supervision of risk management personnel at the MODIVO Group, Constantly gathers knowledge and techniques to improve the effectiveness of risk management systems, Monitors the Risk Management System and ensures it is integrated with the MODIVO Group's processes.
MANAGEMENT PERSONNEL	Raise awareness of the importance of the Risk Management System; Manage the available resources to implement and maximise the effectiveness of the Risk Management System; Review plans and assumptions for expanding the Risk Management System.

COMMITTEES

The Supervisory Board of MODIVO S.A. may appoint standing or ad hoc committees to act as its collective advisory and opinion-forming bodies.

The Company has had an Audit Committee since 2016.

After the Supervisory Board's term ended in 2025, the Annual General Meeting appointed a new Board on 4 June 2025. At its first meeting thereafter, on 12 June 2025, the Board established the fourth-term Audit Committee from among its members, in compliance with the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight. Until 4 June 2025, the Company's Audit Committee was composed of members appointed by the Annual General Meeting on 15 June 2022.

Within the Audit Committee, Piotr Kamiński, Tomasz Rejmam and Paweł Małyska provide the requisite accounting and audit expertise, while Piotr Kamiński contributes sector-specific knowledge and experience.

Under the Act on Statutory Auditors, Audit Firms, and Public Oversight and Annex II to Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board, as well as requirements stipulated in the Code of Best Practice for WSE Listed Companies 2021, Tomasz Rejman, Paweł Małyska and Piotr Kamiński were deemed to be independent members of the Audit Committee.

Authorisation and role of the Audit Committee

The Audit Committee is a standing committee of the Supervisory Board of MODIVO S.A. The Audit Committee performs the tasks and exercises the powers provided for that body in the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2019 (the 'Act on Statutory Auditors') and other regulations applicable to public companies, as well as those provided for in resolutions of the Supervisory Board, the Rules of Procedure and other internal regulations in place at the Company. The Committee also follows the recommendations set out in the Code of Best Practice for WSE Listed Companies, which – with regard to the supervisory board committees – require the application of Annex I to Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board.

The Committee provides expert advice to the Supervisory Board and supports it in the correct and effective application by the Company of financial reporting standards, operation of internal controls and cooperation with the Company's auditor.

Election and composition of the Audit Committee

The Audit Committee consists of at least three members, including the Chair of the Audit Committee appointed by the Supervisory Board for its term of office from among its members.

The Supervisory Board elects the Committee members, including the Chair, at the first meeting of the Supervisory Board of a new term.

A majority of the Committee members, including the Chair, should have the status of independent members, in accordance with generally applicable laws.

At least one of its members should be qualified and experienced in accounting or financial auditing.

At least one member must have the knowledge and skills relevant to the industry in which the Company operates, or individual members must have the knowledge and skills relevant to different aspects of the industry.

The independence of Audit Committee members is verified based on the criteria stipulated in Art. 129.3.1-10 of the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017 (Dz.U. of 2017, item 1089) and Annex II to Commission Recommendation 2005/162/EC of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board.

Should the number of Committee members decrease, the Supervisory Board will forthwith elect a new member to fill the vacancy by calling a Supervisory Board meeting to be held as soon as practicable.

Powers and responsibilities of the Audit Committee

The Audit Committee supports the Supervisory Board in the performance of its statutory control and supervisory duties with respect to:

1) monitoring of the financial reporting process at MODIVO S.A. and its Group,
2) monitoring of the effectiveness of the internal control and risk management systems at the MODIVO Group,
3) monitoring of the effectiveness of the internal audit function at the MODIVO Group, including the financial reporting function,
4) monitoring of the proper operation of the risk identification and management systems,
5) monitoring of the independence of internal and external auditors,
6) monitoring of the financial audit process.

The Supervisory Board may require the Audit Committee to assist it in performing other supervisory functions.

In the exercise of oversight over financial reporting, the Audit Committee in particular:

1) monitors the financial reporting process, including by issuing opinions on the accounting policies and rules of preparation of financial statements adopted by the Company,

2) analyses the full-year, half-year and quarterly financial statements together with the Company's governing bodies,

3) monitors the performance of auditing tasks, including, without limitation, audits performed by an auditing firm, taking into account any conclusions and findings made by the Polish Audit Oversight Commission based on inspections carried out at the auditing firm. This includes discussion of the results of audits of full-year separate and consolidated financial statements,

4) notifies the Supervisory Board of the audit findings, and explains how the audit contributed to the reliability of MODIVO S.A.'s financial reporting and what role the Audit Committee played in the audit,

5) provides recommendations to ensure reliability of MODIVO S.A.'s financial reporting process,

6) issues opinions on the Directors' Reports and the Management Board's proposals concerning allocation of profit or coverage of loss, and provides recommendations to the Supervisory Board regarding their assessment,

7) issues opinions on material financial information published by the Company.

In the exercise of oversight over internal control, the Audit Committee in particular:

- examines the adequacy of the Management Board's systems for identifying, monitoring and mitigating threats to the Company's operations,
- monitors the effectiveness of the Company's internal control system, including the effectiveness of corrective measures taken,
- supervises the operation of internal audit, including by approving internal audit plans, monitoring its work plans and work results, and by evaluating resources,
- monitors compliance of the Company's operations with applicable laws and other regulations.

In the exercise of oversight over risk management, the Audit Committee in particular:

- monitors the effectiveness of the system for managing risks materially affecting the Company's operations,
- provides opinions on draft rules for sound and prudent management and acceptable levels of risk in each area of the Company's operations,
- provides opinions on the Company's material draft compliance regulations and changes in compliance regulations, including non-compliance risk policies,
- evaluates application by relevant units of the Company of the procedure for reporting irregularities identified at the Company.

In order to ensure the independence of external auditors, the Committee in particular:

- provides recommendations to the Supervisory Board concerning selection of an auditor for the Company, change of the auditor and the auditor's fees,
- checks and monitors the independence of the auditor and the auditing firm, particularly where the auditing firm provides non-audit services to MODIVO S.A.,
- expresses opinions on the engagement of an external auditor to perform non-audit services, and presents its position on the Company's policy in this respect,
- assesses the independence of the auditor and approves the provision of permitted non-audit services by the auditor at MODIVO S.A. and entities controlled by MODIVO S.A.,
- develops a policy for selecting an audit firm to perform audits,
- develops a policy for the provision of permitted non-audit services by the auditing firm, its affiliates and members of its network,
- establishes procedures for selecting an auditing firm by MODIVO S.A.,
- reviews the effectiveness of the external audit process and the Management Board's response to the external auditor's recommendations.

At the beginning of each year, the Audit Committee approves an annual plan of its activities that meets its statutory obligations, and agrees with the Supervisory Board on a planned meeting schedule.

In order to perform the activities specified in Section 3, the Audit Committee may:

- request such information, explanations and documents as may be required by the Audit Committee to discharge its responsibilities;
- demand that the lead auditor discuss with the Audit Committee, the Management Board, or the Supervisory Board of MODIVO S.A. the key audit-related issues raised in the additional report referred to in Article 11 of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC,
- receive information from the Company's governing bodies and employees, who must provide the Committee members with such information or with access to such information,
- participate in the meetings of Company employees,
- invite external advisers to attend Committee meetings and seek information and opinions from such advisers – the costs of any such advisory services, first approved by the Supervisory Board, will be borne by the Company.

Responsibilities of the Audit Committee

The Audit Committee submits the following to the Supervisory Board:

- conclusions, positions and recommendations made in connection with the performance of its functions early enough to allow the Supervisory Board to promptly take appropriate action,
- at least once per fiscal quarter – information on oversight activities carried out and their outcomes. This requirement is considered met by forwarding the minutes of Audit Committee meetings and copies of Audit Committee resolutions passed to the Supervisory Board after the end of each fiscal quarter,
- at least once every six months, within the same time limits as prescribed for authorisation of the Company's full-year and half-year financial statements – a report on the Audit Committee's activities,
- a report on its activities in a given financial year, delivered sufficiently early so as to enable the Supervisory Board to include the report's insights in the annual evaluation of the Company's condition.

In its reports, the Audit Committee must include information concerning the tasks assigned, its composition, number of meetings held and attendance, and its main activities, particularly those relating to the assessment of independence of the auditing firm. This information is required to be published in the corporate governance report.

The Audit Committee should perform its duties in accordance with its remit and should ensure that the Supervisory Board is regularly informed of its activities and work results.

Pursuant to Par. 70.1.8 and Par. 71.1.8 of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated 29 March 2018, the Supervisory Board of MODIVO S.A. represented that:

- the laws and regulations governing the appointment, composition and operation of the Audit Committee at MODIVO S.A. and the MODIVO Group, including the requirements for its members to meet the independence criteria and have knowledge and skills relevant for the industry in which MODIVO S.A. operates and knowledge and skills in accounting or auditing, are complied with,
- The Audit Committee performed the tasks of an audit committee laid down in applicable laws.

Audit Committee Meetings in 2025

In 2025, the Audit Committee met eight times. At its meetings, the Audit Committee analysed the financial statements for the period from 1 February 2024 to 31 January 2025: i.e., the Company's separate financial statements, the consolidated financial statements of the MODIVO Group and the Directors' Report on the operations of the MODIVO Group. The Audit Committee also held regular meetings with representatives of the audit firm Ernst & Young Audyt Polska Sp. z o.o. sp.k. The Committee analysed the Company's separate financial statements for the first half of 2025 and the consolidated financial statements of the MODIVO Group for the same period. In 2025, the Audit Committee approved the annual work plan for the Audit Committee and the internal audit plan for the financial year from 1 February 2025 to 31 January 2026.

In 2025, the Audit Committee also considered:

- the risk-management system, including identification and assessment of key risks,
- the timetable for the 2025 year-end audit,
- changes in financial reporting, their materiality, and the timeliness of report filings,
- the compliance framework, including a review of material disputes and business-partner due-diligence procedures,
- the findings of internal and external audits, together with the status of implementation of the resulting recommendations,
- the effectiveness of internal control, risk-management and compliance systems,
- IT information security,
- liquidity position of the MODIVO Group and activities related to the refinancing of the Group,
- the anti-corruption compliance programme and whistle-blower protection arrangements,
- organisational structure and competencies relating to the management of sustainability/ESG matters and related reporting,
- contract management, including contract archiving procedures,
- shareholder communications and the Group's investor-relations strategy,
- review of tax functions and tax risk management, review of the tax strategy, and information on the implemented tax strategy.

As required under the Act on Statutory Auditors, Audit Firms, and Public Oversight of 11 May 2017 (the 'Statutory Auditors Act'), on 13 March 2025 the Audit Committee adopted updated Rules of Procedure for the Audit Committee, which detail the Committee's responsibilities and procedures. The Audit Committee of the Supervisory Board of MODIVO S.A. also updated:

- Policy for selecting and appointing the audit firm (statutory auditor) to audit the separate financial statements of the Company and the consolidated financial statements of the MODIVO Group and to perform the sustainability reporting assurance engagement,
- Procedure for selecting and appointing the audit firm (statutory auditor) to audit the separate financial statements of the Company and the consolidated financial statements of the MODIVO Group and to perform the sustainability reporting assurance engagement,
- Policy on the provision of non-audit services and services other than sustainability reporting assurance by the statutory auditor or audit firm to the MODIVO Group.

Under the permitted non-audit services policy, neither the statutory auditor of MODIVO S.A. nor any of its network firms may, directly or indirectly, provide prohibited non-audit services to MODIVO S.A. or any MODIVO Group entity.

On 24 December 2025, pursuant to the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight (Dz.U. item 1089) (the "Act on Statutory Auditors") and the Policy on the provision of non-audit services by the statutory auditor or audit firm to the MODIVO Group, the Audit Committee, having assessed the threats to independence and the safeguards applied in accordance with Articles 69–73 of the Act on Statutory Auditors, approved the provision by Ernst & Young Audyt Polska sp. z o.o. sp.k., the Company's statutory auditor, of a non-audit service, as referred to in Article 136(2)(5) of the Act. The service comprised the review of consolidation packages of MODIVO Group entities for the purposes of the review and audit of the Group's consolidated financial statements, including those of:
MODIVO.COM S.A.
MODIVO.EU Sp. z o.o.
HalfPrice Sp. z o.o.
Modivo Tech Sp. z o.o.
Szopex Sp. z o.o.
MODIVO CZECH S.R.O.
MODIVO SLOVAKIA S.R.O.
MODIVO ROMANIA S.A.
epantofi modivo s.r.l.
The Audit Committee approved the provision by the statutory auditor of the services described above for the financial years ended 31 January 2026 and 31 January 2027, as well as for the six months ended 31 July 2026.

On 28 August 2025, pursuant to the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Oversight (Dz.U. item 1089) (the "Act on Statutory Auditors") and the Policy on the provision of non-audit services by the statutory auditor or audit firm to the MODIVO Group, the Audit Committee, having assessed the threats to independence and the safeguards applied in accordance with Articles 69–73 of the Act on Statutory Auditors, approved the provision to MODIVO.COM S.A., a subsidiary of the Company, of a non-audit service comprising agreed-upon procedures relating to the calculation of bank covenant ratios included in compliance certificates, based on

financial information derived from the consolidated financial statements of the MODIVO Group prepared for interim and annual reporting periods, for the purposes of financing provided to MODIVO.COM S.A. The service was to be performed by the statutory auditor of UniCredit S.p.A. The Audit Committee approved the provision of the above service by the statutory auditor to MODIVO.COM S.A. for the 2025–2026 period.

As required by the Policy and Procedure for the selection of an auditor, the process of appointing an audit firm to audit the financial statements of the Company and the consolidated financial statements of the MODIVO Group must be compliant with the Policy and Procedure and with mandatory provisions of law, including, without limitation, the Statutory Auditors Act and the Accounting Act.

The audit firm is appointed by the Supervisory Board. The first audit engagement agreement with the audit firm is concluded for no less than two years, with an option to extend its term for subsequent periods of two years or more.

The maximum continuous duration of a statutory audit engagement of the same audit firm may not exceed ten (10) years, with the proviso that the lead auditor may not conduct statutory audits for more than five (5) years and that the lead auditor may again audit the financial statements only after at least three years have elapsed since the end of the last audit of the financial statements.

From 31 January 2025 to 4 June 2025, the Audit Committee of the Supervisory Board serving its previous term of office comprised the following members:

Full name of Supervisory Board Member	Position on the Audit Committee
Filip Gorczyca	Chair
Zofia Dzik	Member
Piotr Kamiński	Member

As at 31 January 2026 and the issue date of this Report, the Audit Committee comprised the following members:

Full name of Supervisory Board Member	Position on the Audit Committee
Piotr Kamiński	Chair
Tomasz Rejman	Member
Paweł Małyska	Member

In connection with its internal systems and functions in place, the Company applies the following principles of the Code of Best Practice 2021:

3.1. Listed companies maintain efficient internal control, risk management and compliance systems and an efficient internal audit function adequate to the size of the company and the type and scale of its activity; the management board is responsible for their functioning.

The principle is applied by the Company.

3.2. Companies' organisation includes units responsible for the tasks of individual systems or functions unless it is not reasonable due to the size of the company or the type of its activity.

The principle is applied by the Company.

3.3. Companies participating in the WIG20, mWIG40 or sWIG80 index appoint an internal auditor to head the internal audit function in compliance with generally accepted international standards for the professional practice of internal auditing. In other companies which do not appoint an internal auditor who meets such requirements, the audit committee (or the supervisory board if it performs the functions of the audit committee) assesses on an annual basis whether such person should be appointed.

The principle is applied by the Company.

3.4. The remuneration of persons responsible for risk and compliance management and of the head of internal audit should depend on the performance of delegated tasks rather than short-term results of the company.

The principle is applied by the Company.

3.5. Persons responsible for risk and compliance management report directly to the president or other member of the management board.

The principle is applied by the Company.

3.6. The head of internal audit reports organisationally to the president of the management board and functionally to the chair of the audit committee or the chair of the supervisory board if the supervisory board performs the functions of the audit committee.

The principle is applied by the Company.

3.7. Principles 3.4 to 3.6 apply also to members of the company's group which are material to its activity if they appoint persons to perform such tasks.

The principle is applied by the Company.

3.8. The person responsible for internal audit or the management board if such function is not performed separately in the company reports to the supervisory board at least once per year with their assessment of the efficiency of the systems and functions referred to in principle 3.1 and tables a relevant report.

The principle is applied by the Company.

3.9. The supervisory board monitors the efficiency of the systems and functions referred to in principle 3.1 among others on the basis of reports provided periodically by the persons responsible for the functions and the company's management board, and makes annual assessment of the efficiency of such systems and functions according to principle 2.11.3. Where the company has an audit committee, the audit committee monitors the efficiency of the systems and functions referred to in principle 3.1, which however does not release the supervisory board from the annual assessment of the efficiency of such systems and functions.

The principle is applied by the Company.

3.10. Companies participating in the WIG20, mWIG40 or sWIG80 index have the internal audit function reviewed at least once every five years by an independent auditor appointed with the participation of the audit committee.

The principle is applied by the Company.

11.1.4 General Meeting, shareholder relations

The management board and the supervisory board of listed companies should encourage the engagement of shareholders in matters of the company, in particular through active participation in the general meeting, either in person or through a proxy.

The general meeting should proceed by respecting the rights of all shareholders and ensuring that passed resolutions do not infringe on legitimate interests of different groups of shareholders.

Shareholders who participate in a general meeting exercise their rights in accordance with the rules of good conduct.

Participants of a general meeting should come prepared to the general meeting.

Operation and key powers of the General Meeting; shareholder rights and how they are exercised

The General Meeting operates on the basis of information published by the Company, including on the MODIVO S.A. website, The Articles of Association of the Company and the Rules of Procedure, and to the extent not provided for in these documents – on the basis of the Commercial Companies Code.

Convening and cancelling the General Meeting:

(i) The General Meeting may be convened as an ordinary (annual) or extraordinary meeting of shareholders.

(ii) The General Meeting may be held at the Company's registered office, in Warsaw or in Wrocław, at the venue and on the date specified in the notice of the General Meeting.

(iii) The Annual General Meeting is held annually, within six months of the end of the financial year.

(iv) The Management Board gives notice of a General Meeting, specifying the venue and time, in the form of a current report and on the Company's website.

Powers of the General Meeting

The powers and responsibilities of the General Meeting include, in addition to any matters related to the Company's operations and matters specified in applicable laws, except for the acquisition and disposal of real property, perpetual usufruct right to real property or interest in real property:

- Appointment and removal of Supervisory Board members,
- Approval of the Rules of Procedure for the Supervisory Board,
- Determination of the rules of remuneration for Supervisory and Management Board members,
- Determination of remuneration for Supervisory Board members.

The powers of the General Meeting are defined in the following documents:

1) Articles of Association of the Company, available on the Company's website,
2) Rules of Procedure for the General Meeting of MODIVO S.A., available on the Company's website,
3) Commercial Companies Code,
4) Code of Best Practice for WSE Listed Companies.

Participation in General Meetings of the Company

Members of the Management and Supervisory Boards may participate in a General Meeting. The auditor should be present if financial matters of the Company are to be considered during the Meeting.

The Management Board may also invite other experts and advisers to participate in a General Meeting in order to present their opinions to participants of the Meeting on matters included on the agenda. To the extent permitted by law and acting in the best interests of the Company, MODIVO S.A. may also allow members of the media to attend a General Meeting.

The Management and Supervisory Board members and the Company's auditor, within their respective remits and to the extent necessary to resolve matters discussed at the General Meeting, provide General Meeting participants with relevant explanations and information concerning the Company. Answers to questions raised by General Meeting participants are provided in keeping with the laws governing the operation of the capital market, and all information must be provided in a manner prescribed therein.

Shareholders may attend General Meetings of MODIVO S.A. and exercise voting rights in person or by proxy. Powers of proxy to vote should be granted in writing or in electronic form. A power of proxy granted in electronic form will not require a secure electronic signature verifiable with a valid qualified certificate.

Shareholders are required to notify the Company that a power of proxy has been granted in electronic form and send the power of proxy to wza@MODIVO.eu. If further powers of proxy have been granted, a complete sequence of powers of proxy must be presented along with documents confirming the authority to act on behalf of preceding proxies.

Since 2016, shareholders may participate in a General Meeting by electronic means of communication if the notice of the General Meeting provides for such option. Participation via electronic means includes in particular:

1) real-time broadcast of the General Meeting;
2) real-time two-way communication where shareholders may speak during the General Meeting from a location other than the venue of the General Meeting;
3) exercise of voting rights at the General Meeting by the shareholder in person or through a proxy.

Voting at the General Meeting of the Company

Presented below are the rules of voting at the Company's General Meeting, which are consistent with the Rules of Procedure for the General Meeting, the Company's Articles of Association, and the Commercial Companies Code:

- Voting is by open ballot. A secret ballot is ordered with regard to an election, removal from office of members of the Company's governing bodies or bringing them to account, and personnel matters. A secret ballot will also be ordered at the request of at least one shareholder or his representative.

- The General Meeting may appoint a Ballot Counting Committee, whose responsibilities will be to ensure that each vote is properly conducted, to oversee the provision of computer services (in the case of electronic voting) and to count the votes and deliver the voting results to the Chair of the General Meeting.
- One share carries the right to one vote at the General Meeting. In the case of Series A1 preference shares (registered preference shares), one share confers the right to two votes.
- The Chair of the General Meeting declares the voting results, which are then recorded in the minutes of the meeting.

Four General Meetings were held in 2025.

On 17 March 2025, an **Extraordinary General Meeting** was held at which shareholders approved:

a. conditional increase of the Company's share capital through the issue of Series O ordinary shares, the disapplication in full of existing shareholders' pre-emptive rights, and the related amendments to the Company's Articles of Association. The General Meeting also passed resolutions regarding:
b. issue of Series D subscription warrants, the disapplication in full of existing shareholders' pre-emptive rights in respect of all Series D subscription warrants, the application for the admission and introduction of Series O shares to trading on the regulated market operated by the Warsaw Stock Exchange, and the dematerialisation of the Series O shares and Series D subscription warrants,
c.conditional increase of the Company's share capital through the issue of Series N ordinary bearer shares, the disapplication in full of existing shareholders' pre-emptive rights in respect of all Series N shares, the application for the admission and introduction of the Series N shares to trading on the regulated market operated by the Warsaw Stock Exchange, the dematerialisation of the Series N shares and allotment certificates over Series N shares, authorisation to enter into an agreement for the registration of the Series N shares and allotment certificates over Series N shares in the securities depository, and the related amendments to the Company's Articles of Association,
d. adoption of an incentive scheme, the issue of subscription warrants with the disapplication in full of shareholders' pre-emptive rights in respect of both the subscription warrants and the shares to be issued under the conditional share capital, a conditional increase of the Company's share capital, and the related amendments to the Company's Articles of Association.

On 24 April 2025, an **Extraordinary General Meeting** was held at which shareholders approved the establishment of, or amendments to, a registered pledge (registered pledges) over a set of assets and rights forming an organised whole with variable composition included in the Company's enterprise as security for claims under a credit facility agreement.

On 4 June 2025, the **Annual General Meeting** was held, at which the shareholders approved the Directors' Reports on the Company's and the MODIVO Group's operations and the financial statements for the period from 1 February 2024 to 31 January 2025. The Annual General Meeting resolved to allocate the 2024 profit of PLN 55,648,606.35 in full to the Company's statutory reserve funds.

In addition, the Annual General Meeting passed resolutions approving Report on remuneration of members of the Management Board and Supervisory Board of the Company for 2024, adopted by the Supervisory Board under Resolution No. 04/04/2025/RN of 29 April 2025, and the updated Remuneration Policy for Members of the Management Board and Supervisory Board of MODIVO S.A. Following the expiry of the ninth term of office of the Supervisory Board, the Annual General Meeting determined the number of members of the Supervisory Board for its tenth term of office and appointed Wiesław Oleś, Piotr Kamiński, Tomasz Rejman, Paweł Małyska and Marcin Czyczerski as members of the Supervisory Board, electing Wiesław Oleś as its Chair.

On 15 January 2026, an **Extraordinary General Meeting** was held at which shareholders passed resolutions to:

a. authorise the Management Board to acquire the Company's own shares and establish a reserve capital for the purposes of the share buyback programme,
b. adopt amendments to the Company's Articles of Association relating to the change of the Company's name to MODIVO S.A. and changes to the rules of representation,
c. determine the number of Supervisory Board members and appoint Adrian Skłodowski to the Supervisory Board.

Dividend policy

In view of the Company's financial results and its intention to share profits with the shareholders, on 28 April 2015 the Management Board of MODIVO S.A. adopted a dividend policy (the dividend policy was later updated by a resolution of the Management Board on 17 March 2017).

- The Management Board of the MODIVO Group intends to recommend to the General Meeting that dividend be paid of 33% and 66% of the consolidated net profit of the MODIVO Group (attributable to owners of the parent), assuming that the net debt to EBITDA ratio at the end of the relevant financial year is below 3.0.
- In recommending the amount of profit distribution, the Management Board will take into account the financial condition and liquidity position of the MODIVO Group, its existing and future liabilities (including potential restrictions under credit facility agreements and debt instruments in issue), as well as the assessment of the MODIVO Group's prospects in specific market and macroeconomic conditions.
- The new dividend policy applies as of distribution of the Group's consolidated net profit for the financial year ended 31 December 2016.

None of the MODIVO Group shares carry any dividend preference.

On 17 March 2025, the Management Board of MODIVO S.A. announced that it had adopted a resolution to revise the Company's dividend policy.

The revised policy now reads as follows:

"The Management Board of MODIVO intends to propose to the General Meeting a dividend distribution of:

- 25%–66% of the MODIVO Group's consolidated net profit attributable to the owners of the parent for the financial year ending 31 January 2026; and
- 50%–66% of the MODIVO Group's consolidated net profit attributable to the owners of the parent for each of the financial years ending 31 January 2027, 31 January 2028 and 31 January 2029;

provided that the distribution would not breach the financing documents of the MODIVO Group or its affiliates, including a requirement that the Group's net-debt-to-EBITDA ratio at the close of the financial year to which the proposed profit distribution relates is below 3.0.

In formulating its profit-distribution recommendation for any given year, the Management Board will take into account the Group's financial position and liquidity, existing and future obligations (including potential constraints under facility agreements and debt-instrument terms) and its assessment of the MODIVO Group's outlook in prevailing market and macroeconomic conditions.

This dividend policy will take effect with the distribution of consolidated net profit for the financial year ending 31 January 2026."

Dividend history

FINANCIAL YEAR	PAYOUT RATIO (% OF CONSOLIDATED NET PROFIT)	TOTAL DIVIDEND (PLN MILLION)	DIVIDEND PER SHARE
2025	0%	-	-
2024	0%	-	-
2023	0%	-	-
2022	0%	-	-
2021	0%	-	-
2020	0%	-	-
2019	0%	-	-
2018	35%	19.8	0.5
2017	33%	94.7	2.3
2016	33%	101.4	2.6
2015	33%	86.0	2.2
2014	*27%	115.2	3.0
2013	49%	61.4	1.6
2012	58%	61.4	1.6
2011	50%	61.4	1.6
2010	49%	57.6	1.5
2009	46%	38.4	1.0
2008	37%	38.4	1.0
2007	0%	-	-
2006	72%	38.4	1.0
2005	88%	38.4	1.0

* As a result of adjusting net profit for the effect of non-recurring factors, the payout ratio was 50%.

The Company complies with the following principles of the Code of Best Practice 2021 regarding general meetings and shareholder relations:

4.1. Companies should enable their shareholders to participate in a general meeting by means of electronic communication (e-meeting) if justified by the expectations of shareholders notified to the company, provided that the company is in a position to provide the technical infrastructure necessary for such general meeting to proceed.

The principle is applied by the Company.

4.2. Companies set the place and date and the form of a general meeting so as to enable the participation of the highest possible number of shareholders. For that purpose, companies strive to ensure that the cancellation of a general meeting, change of its date or break in its proceedings take place only if justified and do not prevent or limit the exercising of the shareholders' rights to participate in the general meeting.

The principle is applied by the Company.

4.3. Companies provide a public real-time broadcast of the general meeting.

The principle is applied by the Company.

4.4. Presence of representatives of the media is allowed at general meetings.

The principle is applied by the Company.

4.5. If the management board becomes aware of a general meeting being convened pursuant to Art. 399.2–4 of the Commercial Companies Code, the management board immediately takes steps which it is required to take in order to organise and conduct the general meeting. The foregoing applies also where a general meeting is convened under authority granted by the registration court according to Art. 400.3 of the Commercial Companies Code.

The principle is applied by the Company.

4.6. To help shareholders participating in a general meeting to vote on resolutions with adequate understanding, draft resolutions of the general meeting concerning matters and decisions other than points of order should contain a justification, unless it follows from documentation tabled to the general meeting. If a matter is put on the agenda of the general meeting at the request of a shareholder or shareholders, the management board requests presentation of the justification of the proposed resolution, unless previously presented by such shareholder or shareholders.

The principle is applied by the Company.

4.7. The supervisory board issues opinions on draft resolutions put by the management board on the agenda of the general meeting.

The principle is applied by the Company.

4.8. Draft resolutions of the general meeting on matters put on the agenda of the general meeting should be tabled by shareholders no later than three days before the general meeting.

The principle is applied by the Company.

4.9. If the general meeting is to appoint members of the supervisory board or members of the supervisory board for a new term of office:

4.9.1. candidates for members of the supervisory board should be nominated with a notice necessary for shareholders present at the general meeting to make an informed decision and in any case no later than three days before the general meeting; the names of candidates and all related documents should be immediately published on the company's website;

The principle is applied by the Company.

4.9.2. candidates for members of the supervisory board make a declaration concerning fulfilment of the requirements for members of the audit committee referred to in the Act on Statutory Auditors, Audit Firms and Public Oversight of 11 May 2017 and having actual and material relations with any shareholder who holds at least 5% of the total vote in the company.

The principle is applied by the Company.

4.10. Any exercise of the rights of shareholders or the way in which they exercise their rights must not hinder the proper functioning of the governing bodies of the company.

The principle is applied by the Company.

4.11. Members of the management board and the supervisory board participate in a general meeting, at the location of the meeting or via means of bilateral real-time electronic communication, as necessary to speak on matters discussed by the general meeting and answer questions asked at the general meeting. The management board presents to participants of an annual general meeting the financial results of the company and other relevant information, including non-financial information, contained in the financial statements to be approved by the general meeting. The management board presents key events of the last financial year, compares presented data with previous years, and presents the degree of implementation of the plans for the last year.

The principle is applied by the Company.

4.12. Resolutions of the general meeting concerning an issue of shares with subscription rights should specify the issue price or the mechanism of setting the price or authorise the competent governing body to set the price prior to the subscription right record date within the timeframe necessary for investors to make decisions.

The principle is applied by the Company.

4.13. Resolutions concerning a new issue of shares with the exclusion of subscription rights which grant pre-emptive rights for new issue shares to selected shareholders or other entities may pass subject at least to the following three criteria:

a) the company has a rational, economically justified need to urgently raise capital or the share issue is related to rational, economically justified transactions, among others such as a merger with or the acquisition of another company, or the shares are to be taken up under an incentive scheme established by the company;

b) the persons granted the pre-emptive right are to be selected according to objective general criteria;

c) the purchase price of the shares is in a rational relation with the current share price of the company or is to be determined in book-building on the market.

The principle is applied by the Company.

4.14. Companies should strive to distribute their profits by paying out dividends. Companies may retain all their earnings subject to any of the following criteria:

a) the earnings are minimal and consequently the dividend would be immaterial in relation to the value of the shares;

b) the company reports uncovered losses from previous years and the earnings are used to reduce such losses;

c) the company can demonstrate that investment of the earnings will generate tangible benefits for the shareholders;

d) the company generates insufficient cash flows to pay out dividends;

e) a dividend payment would substantially increase the risk to covenants under the company's binding credit facilities or terms of bonds issue;

f) retention of the company's earnings follows recommendations of the authority which supervises the company by virtue of its business activity.

The principle is applied by the Company.

11.1.5 Conflict of interest, related-party transactions

For the purposes of this section, 'related party' is a related party within the meaning of international accounting standards as adopted under Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards.

A company and its group should have transparent procedures in place for managing conflicts of interest and executing related-party transactions where a conflict of interest may occur.

The procedures should provide for ways to identify, disclose and manage such cases.

Members of the management board and members of the supervisory board should refrain from professional or other activities which might cause a conflict of interest or adversely affect their reputation as members of the governing bodies of the company, and where a conflict of interest arises - promptly disclose it.

With respect to conflicts of interest and related-party transactions, the Company applies the following principles of the Code of Best Practice 2021:

5.1. Members of the management board and members of the supervisory board notify the management board or the supervisory board, respectively, of any conflict of interest which has arisen or may arise, and should not participate in discussions concerning an issue which may give rise to such a conflict of interest on their part.

The principle is applied by the Company.

5.2. Where a member of the management board or the supervisory board concludes that a decision of the management board or the supervisory board, respectively, is in conflict with the interest of the company, he or she should request that his or her opinion on the issue be recorded separately in the minutes of the meeting of the management board or the supervisory board, as applicable.

The principle is applied by the Company.

5.3. No shareholder should be privileged over any other shareholder in related-party transactions. The foregoing also applies to transactions executed by a company's shareholders with other companies within the same group.

The principle is applied by the Company.

5.4. Companies may buy back their own shares only in a procedure which respects the rights of all shareholders.

The principle is applied by the Company.

5.5. If a transaction concluded by a company with its related party requires the consent of the supervisory board, before giving its consent the supervisory board assesses whether to ask a prior opinion of a third party which can provide valuation of the transaction and review its economic impact.

The principle is applied by the Company.

5.6. If a related party transaction requires the consent of the general meeting, the supervisory board issues an opinion on the rationale of such transaction. In that case, the supervisory board assesses whether to ask a prior opinion of a third party referred to in principle 5.5.

The principle is applied by the Company.

5.7. If a decision concerning a company's significant transaction with a related party is made by the general meeting, the company should give all shareholders access to information necessary to assess the impact of the transaction on the interest of the company before the decision is made, including an opinion of the supervisory board referred to in principle 5.6.

The principle is applied by the Company.

Wages and salaries

A company and its group protect the stability of their management teams, among others by transparent, fair, consistent and non-discriminatory terms of remuneration, including equal pay for women and men.

A company's remuneration policy applicable to members of the company's governing bodies and key management staff should define, in particular, the remuneration form, structure, and the method of determination and payment.

REMUNERATION OF MODIVO S.A.'S GOVERNING BODIES

Rules of remuneration for management and supervisory staff

The remuneration rules for members of the Management and Supervisory Boards are defined in the Remuneration Policy for Members of the Management Board and Supervisory Board of CCC S.A., adopted by the Annual General Meeting on 24 June 2020 and updated by the next Annual General Meeting on 15 June 2022. The remuneration policy was introduced in view of the key role of the Management Board and Supervisory Board members at the Company. It aims to support delivery of the Company's business strategy and promote its long-

term interests and stability, including by motivating Management and Supervisory Board members to work effectively for the Company, encouraging them to stay with the Company over the long term and linking the interests of the Management Board members to those of the Company. The amount of remuneration for the Management Board and Supervisory Board members is determined taking into account the amount of work necessary to properly perform the functions of individual members of the above bodies and the scope of duties, responsibilities and competencies connected with the performance of those functions. Remuneration is aligned with the scale of the Company's operations and is kept at a reasonable level relative to its financial performance.

Bonus rules

In order to improve the quality and efficiency of the work of Management Board members, their remuneration is determined taking into account its incentivising role and smooth and effective management of the Company. Therefore, the remuneration consists of a fixed component, which is a monthly pay determined by the Supervisory Board in a resolution, and variable components in the form of an annual cash bonus awarded at the discretion of the Supervisory Board and a cash award. The annual bonus is linked to the achievement of individual objectives and the financial performance of the MODIVO Group, while the cash award is granted in recognition of outstanding achievements in the execution of individual responsibilities. Both components are awarded by the Supervisory Board. In the case of the President of the Management Board, they are granted at the Supervisory Board's own initiative, while in the case of other members of the Management Board they may also be awarded following a recommendation by the President of the Management Board. The granting of either component is contingent upon the fulfilment of both financial and non-financial performance criteria. The level of variable remuneration depends on the extent to which financial targets are met, including targets linked to the Company's profitability and overall financial performance. The non-financial performance criteria include fulfilment of tasks assigned individually or collectively to each Management Board member by the Supervisory Board under a business strategy adopted by the Company and not directly linked to financial criteria, in particular strategic tasks set taking into account the Company's current situation, taking into account sustainability criteria.

Members of the Management Board are awarded variable remuneration in the form of:

1) Annual bonus – a cash award linked to the achievement of individual objectives and the MODIVO Group's financial performance, expressed as a multiple of the executive's base salary,

2) Discretionary cash award – granted for exceptional performance in delivering individual tasks.

The decision to grant cash bonuses and cash awards to members of the Management Board lies within the remit of the Supervisory Board.

In addition to those awards, Management Board members may participate in share-based incentive plans established by the Company, under which they may be granted options over Company shares, provided such plans are approved by the General Meeting and on the terms set out in the relevant plan documentation, with the Supervisory Board exercising the powers assigned to it therein.

Remuneration of the Management Board of MODIVO S.A. including bonuses

1 Feb 2025–31 Jan 2026		Fixed components of remuneration:		Variable components of remuneration:			Total
Gross remuneration of Management Board members	Position	Remuneration under service contract	Additional monetary and non-monetary benefits	Short-term bonus	Long-term bonus	One-off compensation	
Dariusz Miłek	President of the Management Board	200,000.0	11,805.0	0.0	0.0	0.0	**211,805.0**
Karol Półtorak	Vice President of the Management Board	256,667.0	9,357.0	0.0	0.0	0.0	**266,024.0**
Łukasz Stelmach	Vice President of the Management Board	770,000.0	15,742.0	0.0	0.0	0.0	**785,742.0**
Total		**1,226,667.0**	**36,904.0**	**-**	**-**	**-**	**1,263,571.0**

1 Feb 2024–31 Jan 2025		Fixed components of remuneration:		Variable components of remuneration:			Total
Gross remuneration of Management Board members	Position	Remuneration under service contract	Additional monetary and non-monetary benefits	Short-term bonus	Long-term bonus	One-off compensation	
Dariusz Miłek	President of the Management Board	1,200,000.0	9,771.0	0.0	592,000.0	0.0	**1,801,771.0**
Karol Półtorak	Vice President of the Management Board	840,000.0	14,643.0	0.0	592,000.0	140,000.0	**1,586,643.0**
Igor Matus	Vice President of the Management Board	593,333.3	6,878.0	0.0	592,000.0	140,000.0	**1,332,211.3**
Total		**2,633,333.3**	**31,292.0**	**-**	**1,776,000.0**	**280,000.0**	**4,720,625.3**

Remuneration of the Supervisory Board of MODIVO S.A.

1 Feb 2025–31 Jan 2026		Fixed components of remuneration:		Total
Gross remuneration of Supervisory Board members	Position	Remuneration under service contract	Additional monetary and non-monetary benefits	
Wiesław Oleś	Chair of the Supervisory Board (from 12 June 2023), Deputy Chair of the Supervisory Board (until 11 June 2023)	240,000.0	0.0	**240,000.0**
Marcin Czyczerski	Deputy Chair of the Supervisory Board (on the Supervisory Board since 4 June 2025)	138,000.0	0.0	**138,000.0**
Piotr Kamiński	Member of the Supervisory Board, Member of the Audit Committee (until 3 June 2025), Chair of the Audit Committee (since 4 June 2025)	205,800.0	0.0	**205,800.0**
Tomasz Rejman	Member of the Supervisory Board, Member of the Audit Committee (on the Supervisory Board since 4 June 2025)	110,400.0	0.0	**110,400.0**
Paweł Małyska	Member of the Supervisory Board, Member of the Audit Committee (on the Supervisory Board since 4 June 2025)	110,400.0	0.0	**110,400.0**
Filip Gorczyca	Member of the Supervisory Board, Chair of the Audit Committee (on the Supervisory Board since 4 June 2025)	91,800.0	0.0	**91,800.0**
Zofia Dzik	Member of the Supervisory Board, Member of the Audit Committee (on the Supervisory Board since 4 June 2025)	81,600.0	0.0	**81,600.0**
Marcin Stańko	Member of the Supervisory Board (on the Supervisory Board since 4 June 2025)	61,200.0	0.0	**61,200.0**
Total		**1,039,200.0**	**-**	**1,039,200.0**

1 Feb 2024–31 Jan 2025		Fixed components of remuneration:		Total
Gross remuneration of Supervisory Board members	Position	Remuneration under service contract	Additional monetary and non-monetary benefits	
Wiesław Oleś	Chair of the Supervisory Board (from 12 June 2023), Deputy Chair of the Supervisory Board (until 11 June 2023)	240,000.0	0.0	**240,000.0**
Mariusz Gnych	Deputy Chairman of the Supervisory Board (from 12 June 2023 to 31 October 2024), Member of the Supervisory Board (until 11 June 2023), Member of the Audit Committee (until 31 October 2024)	240,000.0	3,960.0	**243,960.0**
Filip Gorczyca	Member of the Supervisory Board, Chairman of the Audit Committee	216,000.0	0.0	**216,000.0**
Zofia Dzik	Member of the Supervisory Board, Member of the Audit Committee	192,000.0	0.0	**192,000.0**
Piotr Kamiński	Member of the Supervisory Board (from 12 June 2023), Member of the Audit Committee (from 1 November 2024)	152,000.0	0.0	**152,000.0**
Marcin Stańko	Member of the Supervisory Board (since 12 June 2023)	144,000.0	0.0	**144,000.0**
Total		**1,184,000.0**	**3,960.0**	**1,187,960.0**

Members of the Management Board receive within the MODIVO Group other income in addition to that disclosed at MODIVO S.A. (such other income not being related to their service as Management Board Members).

A report on remuneration of the Management and Supervisory Boards, covering the reporting periods which are consistent with the actual financial years of the MODIVO Group (from 1 February 2025 to 31 January 2026), will be published following the issue of the Group's annual report.

6.1. The remuneration of members of the management board and members of the supervisory board and key managers should be sufficient to attract, retain and motivate persons with skills necessary for proper management and supervision of the company. The level of remuneration should be adequate to the tasks and responsibilities delegated to individuals and their resulting accountability.

The principle is applied by the Company.

6.2. Incentive schemes should be designed in a way necessary among others to tie the level of remuneration of members of the company's management board and key managers to the actual long-term standing of the company measured by its financial and non-financial results as well as long-term shareholder value creation, sustainable development and the company's stability.

The principle is applied by the Company.

6.3. If companies' incentive schemes include a stock option programme for managers, the implementation of the stock option programme should depend on the beneficiaries' achievement, over a period of at least three years, of pre-defined, realistic financial and non-financial targets and sustainable development goals adequate to the company, and the share price or option exercise price for the beneficiaries cannot differ from the value of the shares at the time when such programme was approved.

The principle is applied by the Company.

6.4. As the supervisory board performs its responsibilities on a continuous basis, the remuneration of supervisory board members cannot depend on the number of meetings held. The remuneration of members of committees, in particular the audit committee, should take into account additional workload on the committee.

The principle is applied by the Company.

6.5. The level of remuneration of supervisory board members should not depend on the company's short-term results.

The principle is applied by the Company.

11.2 NON-COMPLIANCE WITH CORPORATE GOVERNANCE RULES

MODIVO S.A. has complied with the recommendations and principles set out in the Code of Best Practice 2021, as stated in the report on compliance with the Code of Best Practice 2021, published on 30 July 2021, pursuant to Section 29.3 of the Rules of the Warsaw Stock Exchange.

For information on the Company's compliance with the principles set out in the Code of Best Practice for WSE Listed Companies 2021, see the corporate website, corporate governance section:

https://modivoplatform.com/lad-korporacyjny.

12. SHARE CAPITAL AND SHAREHOLDERS

SERIES/ISSUE	TYPE OF SHARES	NUMBER OF SHARES	PAR VALUE OF THE SERIES/ISSUE (PLN)	FORM OF PAYMENT FOR SHARES
'A1'	voting preferences – 2 votes per share	6,550,000	655,000	cash
'A1'	ordinary bearer shares	100,000	10,000	cash
'A2'	ordinary bearer shares	13,600,000	1,360,000	cash
B	ordinary bearer shares	9,750,000	975,000	cash
C	ordinary bearer shares	2,000,000	200,000	cash
D	ordinary bearer shares	6,400,000	640,000	cash
E	ordinary bearer shares	768,000	76,800	cash
H	ordinary bearer shares	2,000,000	200,000	cash
I	ordinary bearer shares	6,850,000	685,000	cash
J	ordinary bearer shares	6,850,000	685,000	cash
L	ordinary bearer shares	5,878,535	587,854	cash
M	ordinary bearer shares	8,121,465	812,147	cash
N	ordinary bearer shares	8,157,894	815,789	cash
Total		**77,025,894**	**7,702,589**	

As at 31 January 2026, MODIVO S.A.'s share capital stood at PLN 7,702,589.00, divided into 77,025,894 shares with a par value of PLN 0.10 per share. The total comprises 6,550,000 registered voting-preference shares, each carrying two votes, and 70,475,894 registered ordinary shares.

On 17 February 2025, the Management Board of MODIVO S.A. announced that it had held preliminary discussions with the minority shareholders of MODIVO.COM S.A. and had decided to open negotiations on the proposed acquisition by MODIVO S.A. of MODIVO.COM shares held by those minority shareholders. The intention was to finance the buyout with proceeds from a new share issue by MODIVO S.A. The transaction was intended to achieve full ownership consolidation of the MODIVO.COM Group, a prerequisite for MODIVO.COM's further comprehensive operational integration with the Company's other group entities.

On 17 March 2025, the Company's Extraordinary General Meeting resolved to authorise the issue of up to 10,000,000 Series N shares. On 19 March 2025, the Management Board of MODIVO S.A. set the issue price at PLN 190.00 per share and confirmed that 8,157,894 shares would be issued.

On 2 April 2025, the District Court for Wrocław-Fabryczna registered amendments to the Company's Articles of Association, including an increase in its share capital from PLN 6,886,800.00 to PLN 7,702,589.40 through the issue of 8,157,894 Series N ordinary bearer shares.

Total proceeds from the share issue amounted to PLN 1,550.0 million. Ultro Investment PSA, an entity controlled by Dariusz Miłek, subscribed shares with an aggregate value of PLN 500.0 million.

Pursuant to Resolution No. 506/2025 of 9 April 2025 concerning the admission and introduction to trading on the WSE main market of the Series N ordinary bearer shares, the Warsaw Stock Exchange Management Board resolved to introduce, with effect from 14 April 2025, the 8,157,894 (eight million, one hundred and fifty-seven thousand, eight hundred and ninety-four) Series N ordinary bearer shares in the

Company, with a par value of PLN 0.10 per share (the "**New Shares**"), to trading on the WSE main market, subject to the registration of the New Shares with the Central Securities Depository of Poland under ISIN code PLMODIVO0000016 by 14 April 2025.

The Series N shares were admitted to trading on the regulated market on 14 April 2025. On 7 May 2025, the Warsaw Stock Exchange Management Board (the "WSE Management Board") passed Resolution No. 597/2025 concerning the admission and introduction to trading on the WSE main market of Series A1 ordinary bearer shares in CCC (the "Resolution"), whereby the WSE Management Board resolved to introduce, with effect from 14 May 2025, the 100,000 (one hundred thousand) Series A1 ordinary bearer shares in the Company, with a par value of PLN 0.10 per share (the "Shares"), to trading on the WSE main market, subject to the assimilation of the Shares by the Central Securities Depository of Poland on 14 May 2025 with the other CCC shares already listed on that market under ISIN code PLCCC0000016.

Agreements concerning potential changes in the shareholding structure.

The Management Board of the MODIVO Group is not aware of any agreements – whether entered into before or after the reporting date – that could in future alter the proportions of shares held by the Company's existing shareholders or bondholders.

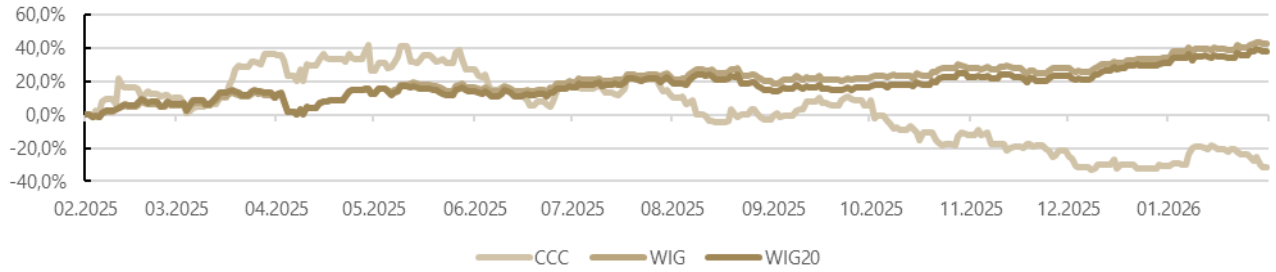
MODIVO shares on the Warsaw Stock Exchange

MODIVO stock price

MODIVO shares have been listed in the continuous trading system on the main market of the Warsaw Stock Exchange since 2 December 2004, and they are currently included in the key indices: WIG, WIG20, WIG30, WIG-Poland, WIG-Div, WIG-Odzież, and WIG ESG.

On 31 January 2026, MODIVO shares traded at PLN 117.8, giving the Group a market capitalisation of more than PLN 9.0 billion. The highest price in the year (closing price) was PLN 244.5, while the lowest price was PLN 114.9. The maximum transaction price in 2024 was PLN 247.2, while the minimum price was PLN 110.4.

MODIVO stock price from 1 February 2025 to 31 January 2026



On 4 June 2025, the Annual General Meeting approved the 2024 Directors' Reports on the operations of the Company and the MODIVO Group together with their financial statements, and resolved to allocate the net profit of PLN 55,648,606.35 for the financial year 1 February 2024 – 31 January 2025 in full to the Company's statutory reserve funds.

Selected information on the price of MODIVO shares in 2024–2025:

DATA	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025	Change [%]
		RESTATED	
Consolidated net profit/(loss) attributable to owners [PLN million]	21.8	956.9	-97.7%
Separate net profit attributable to owners [PLN million]	48.3	55.7	-13.3%
Consolidated earnings per share [PLN]	0.3	13.9	-97.9%
Separate earnings per share [PLN]	0.6	0.8	-21.0%
High [PLN]	247.2	219.0	12.9%
Low [PLN]	110.4	57.0	93.7%
Share price at end of period [PLN]	117.8	172.0	-31.5%
Average share price in the period [PLN]	179.6	135.3	32.8%
Average P/E ratio	619.4	9.7	>100%
P/E ratio at end of period	406.2	12.4	>100%
Weighted average number of free float shares at end of period	75,600,000.0	68,868,000.0	9.8%
Free float at end of period	0.4	0.5	-22.0%
Capitalisation at end of period [PLN million]	8,112,650,400.0	11,845,296,000.0	-31.5%
Dividend paid per share [PLN]	0.0	0.0	-

Research coverage of MODIVO stock

The performance and strategy of MODIVO S.A. are monitored by research analysts representing different financial institutions, brokers and banks. The list of institutions providing regular research coverage of MODIVO stock and analysts issuing recommendations for MODIVO stock is set out below.

INSTITUTION	ANALYST	CONTACT
Citi	Rafał Wiatr	RAFAL.WIATR@CITI.COM
DM BOŚ S.A.	Sylwia Jaśkiewicz	S.JASKIEWICZ@BOSSA.PL
DM Santander	Tomasz Sokołowski	TOMASZ.SOKOLOWSKI@SANTANDER.PL
Dom Maklerski BDM S.A.	Anna Madziar	ANNA.MADZIAR@BDM.PL
MBANK	Janusz Pięta	JANUSZ.PIETA@MBANK.PL
Erste Group	Piotr Bogusz	PIOTR.BOGUSZ@ERSTEGROUP.COM
Ipopema	Dariusz Dziubiński	DARIUSZ.DZIUBINSKI@IPOPEMA.PL
PKO BP	Piotr Łopaciuk	PIOTR.LOPACIUK@PKOBP.PL
ODDO BHF	Jakub Krawczyk	JAKUB.KRAWCZYK@ODDO-BHF.COM
Trigon	Grzegorz Polański	GRZEGORZ.KUJAWSKI@TRIGON.PL
UBS	Michał Potyra	MICHAL.POTYRA@UBS.COM
Wood&Company	Łukasz Wachełko	LUKASZ.WACHELKO@WOOD.COM
PEKAO S.A.	Martin Przybysz	MARTIN.PRZYBYSZ@PEKAO.COM.PL

Shareholders with major holdings

According to the information available to the Company, shareholders holding 5% or more of total voting rights in MODIVO S.A. as at 31 January 2026 were:

1) ULTRO S.a.r.l. and ULTRO INVESTMENT P.S.A. (entities controlled by Dariusz Miłek), which held 25,641,578 Company shares, representing 33.29% of the share capital and 38.52% of total voting rights;
2) Aviva Polska OFE*, which held 4,878,255 Company shares, representing 6.33% of the share capital and 5.84% of total voting rights;
3) Nationale-Nederlanden OFE*, which held 6,963,000 Company shares, representing 9.04% of the share capital and 8.33% of total voting rights;
4) AgioFunds TFI, which held 4,868,348 Company shares, representing 6.32% of the share capital and 5.83% of total voting rights.

SHAREHOLDER	NUMBER OF SHARES HELD	% OWNERSHIP INTEREST	NUMBER OF VOTING RIGHTS	% VOTING INTEREST
ULTRO S.a.r.l. and ULTRO INVESTMENT P.S.A. (entities controlled by Dariusz Miłek)	25,641,578	33.29%	32,191,578	38.52%
Allianz Polska OFE*	4,878,255	6.33%	4,878,255	5.84%
Nationale-Nederlanden OFE*	6,963,000	9.04%	6,963,000	8.33%
AgioFunds TFI**	4,868,348	6.32%	4,868,348	5.83%
Other investors***	34,674,713	45.02%	34,674,713	41.49%
total:	**77,025,894**	**100.00%**	**83,575,894**	**100.00%**

* In accordance with the list of shareholders entitled to attend the Company's Extraordinary General Meeting of 15 January 2026.
** According to a notification of 5 March 2026.
*** Other investors holding less than 5% of voting rights.

On 12 March 2025, ULTRO S.à r.l. ("ULTRO") entered into a contribution-in-kind agreement (the "Contribution Agreement") with ULTRO INVESTMENT P.S.A. ("ULTRO INVESTMENT") to settle the issue price of newly issued Series B shares in ULTRO INVESTMENT, as authorised by a resolution of its General Meeting adopted the same day. Following execution and settlement of the Contribution Agreement, ULTRO INVESTMENT acquired 13,000,000 ordinary bearer shares (in book-entry form) in MODIVO S.A. The shares were valued at PLN 148.07 each, being the arithmetic mean of the volume-weighted average daily prices recorded for MODIVO during the 12-month period from 11 March 2024 to 11 March 2025.
The holding represents 18.88% of MODIVO S.A.'s issued share capital and carries 13,000,000 votes at the Company's General Meeting, equivalent to 17.21% of the total voting rights. As a consequence, ULTRO INVESTMENT exceeded the 5%, 10% and 15% voting-rights thresholds in MODIVO S.A.
Because both ULTRO and ULTRO INVESTMENT are entities controlled by Dariusz Miłek, the transaction does not alter Mr Miłek's aggregate voting interest in the Company.

Shares of the parent and of related entities held by managing and supervising persons

SHAREHOLDER	NUMBER OF SHARES AS AT THE DATE OF ISSUE OF THIS REPORT	PAR VALUE OF SHARES AS AT THE DATE OF ISSUE OF THIS REPORT (PLN)
Management Board		
ULTRO S.a.r.l. and Ultro Investment P.S.A. (entities controlled by Dariusz Miłek)	25,641,578	2,641,578.00
Tomasz Rejman (member of the Supervisory Board)	310	31

The other members of the Management Board and the Supervisory Board did not hold any shares in MODIVO S.A. Members of the Management Board and the Supervisory Board did not hold any shares in entities related to MODIVO S.A.

Company shareholders holding special control rights

According to the Articles of Association of the Company, MODIVO S.A. shares are divided into two classes:

- ordinary bearer shares, each conferring one voting right in the Company,
- registered shares with voting preference, each conferring two voting rights in the Company.

SHAREHOLDER	NUMBER OF REGISTERED SHARES HELD	% OWNERSHIP INTEREST (REGISTERED SHARES ONLY)	NUMBER OF VOTING RIGHTS (REGISTERED SHARES ONLY)	% VOTING INTEREST (REGISTERED SHARES ONLY)
Ultro S.a.r.l. and Ultro Investment P.S.A. (entities controlled by MODIVO S.A. President Dariusz Miłek)	6,550,000	9.51%	13,100,000	17.35%
Lech Chudy	50,000	0.07%	100,000	0.13%
PERA Fundacja Rodzinna	50,000	0.07%	100,000	0.13%
As at 1 Feb 2025	**6,650,000**	**9.66%**	**13,300,000**	**17.61%**

On 14 April 2025, the Management Board of MODIVO S.A. received requests from two MODIVO shareholders to convert a total of 100,000 registered Series A1 preference shares (ISIN PLMODIVO0000032) carrying two votes per share (the "Shares") into ordinary bearer shares and to take all steps necessary for the admission and introduction of the Shares to trading on the regulated market operated by the Warsaw Stock Exchange (the "WSE"), and the assimilation of the Shares with the existing MODIVO ordinary bearer shares already listed on that market.

Accordingly, on 15 April 2025 the Management Board of MODIVO S.A. adopted a resolution, pursuant to Article 334(2) of the Polish Commercial Companies Code, approving the conversion of the Shares into ordinary bearer shares and authorising the actions required for their assimilation and listing on the WSE (the "Resolution").

The conversion will take effect upon registration of the Shares in the securities depository maintained by the Central Securities Depository of Poland (the "CSDP"), after which the Shares will rank pari passu with all other ordinary bearer shares in the Company. Following the

conversion, the total number of votes attached to all MODIVO shares will decrease from 83,675,894 to 83,575,894. The conversion will not affect the Company's share capital or the total number of shares in issue.

On 25 April 2025, the CSDP issued Statement No. 373/2025 confirming that, on 30 April 2025, 100,000 registered Series A1 shares with enhanced voting rights (ISIN PLCCC0000032) will be converted into ordinary bearer shares (ISIN PLCCC0000164).

SHAREHOLDER	NUMBER OF REGISTERED SHARES HELD	% OWNERSHIP INTEREST (REGISTERED SHARES ONLY)	NUMBER OF VOTING RIGHTS (REGISTERED SHARES ONLY)	% VOTING INTEREST (REGISTERED SHARES ONLY)
Ultro S.a.r.l. and Ultro Investment P.S.A. (entities controlled by MODIVO S.A. President Dariusz Miłek)	6,550,000	8.50%	13,100,000	15.67%
As at 31 Jan 2026	**6,550,000**	**8.50%**	**13,100,000**	**15.67%**

Restrictions on voting rights attached to existing shares

There are no restrictions on the exercise of voting rights.

Restrictions on transfer of ownership rights to securities

Shareholders have the pre-emptive right to acquire registered preference shares intended for sale. If the right is not exercised with respect to all or any of the shares, the transfer of ownership of the shares requires approval by the Company's Management Board.

13. STRUCTURE OF THE MODIVO GROUP AND ORGANISATIONAL LINKS

The MODIVO Group comprises MODIVO S.A. (the parent) and its subsidiaries. During the reporting period ended 31 January 2026, the composition of the Group changed relative to 31 January 2025; these changes are discussed in more detail further below. The structure of the MODIVO Group as at the reporting date is presented below.

SUBSIDIARIES OF MODIVO S.A.	REGISTERED OFFICE/COUNTRY	PRINCIPAL BUSINESS	EQUITY INTEREST AS AT 31 JAN 2026	EQUITY INTEREST AS AT 31 JAN 2025
MODIVO Czech s.r.o. (formerly CCC Czech s.r.o.)	Prague, Czech Republic	trade	100%	100%
MODIVO Slovakia s.r.o. (formerly CCC Slovakia s.r.o.)	Bratislava, Slovakia	trade	100%	100%
Modivo Hungary Kft. (formerly CCC Hungary Shoes Kft.)	Budapest, Hungary	trade	100%	100%
MODIVO Slovenija d.o.o. (formerly CCC Obutev d.o.o.)	Maribor, Slovenia	trade	100%	100%
MODIVO CROATIA D.O.O. (formerly CCC Hrvatska d.o.o.)	Zagreb, Croatia	trade	100%	100%
C-AirOP Ltd. [1]	Douglas, Isle of Man	services	50%	50%
MODIVO.eu Sp. z o.o. (formerly CCC.eu Sp. z o.o.) [2]	Polkowice, Poland	procurement and sale	100%	100%
CCC Shoes & Bags Sp. z o.o.	Polkowice, Poland	investments	100%	100%
Modivo Bulgaria EOOD (formerly CCC Shoes Bulgaria EOOD)	Sofia, Bulgaria	trade	100%	100%
MODIVO.COM S.A. (formerly MODIVO S.A.) [3]	Zielona Góra, Poland	trade	100%	77%
Modivo S.R.L.	Alme, Italy	services	100%	77%
eobuwie.pl Logistics Sp. z o.o.	Zielona Góra, Poland	logistics	100%	77%
eschuhe.de GmbH	Frankfurt am Oder, Germany	trade	100%	77%
eschuhe.CH GmbH	Zug, Switzerland	trade	100%	77%
Modivo.cz s.r.o.	Prague, Czech Republic	trade	100%	77%
epantofi modivo s.r.l.	Bucharest, Romania	logistics	100%	77%
eapavi.lv SIA (formerly Modivo.lv SIA)	Riga, Latvia	logistics	100%	77%
Modivo.sk s.r.o.	Bratislava, Slovakia	trade	100%	77%
Ecipo Modivo Kft.	Budapest, Hungary	trade	100%	77%
Fashion Tech Solutions Sp. z o.o.	Warsaw, Poland	services	100%	77%
Modivo d.o.o. Beograd-Novi Beograd (formerly CCC Shoes & Bags d.o.o. Beograd)	Belgrade, Serbia	trade	100%	100%

MODIVO Romania S.A. (formerly Shoe Express S.A.) [4]	Bucharest, Romania	trade	100%	100%
DeeZee Sp. z o.o. [5]	Kraków, Poland	trade	87%	87%
HalfPrice Sp. z o.o.	Polkowice, Poland	trade	100%	100%
OFP Austria GmbH [6]	Graz, Austria	trade	100%	100%
OÜ Modivo Estonia (formerly OU CCC Estonia)	Tallinn, Estonia	trade	100%	100%
UAB Modivo Lithuania (formerly UAB CCC Lithuania)	Vilnius, Lithuania	trade	100%	100%
SIA MODIVO LATVIA (formerly SIA CCC Shoes Latvia)	Riga, Latvia	trade	100%	100%
MODIVO Ukraine LLC (formerly CCC Ukraina Sp. z o.o.)	Lviv, Ukraine	trade	75%	75%
MODIVO TECH Sp. z o.o. (formerly CCC TECH Sp. z o.o.)	Polkowice, Poland	services	100%	100%
First Distribution s.r.o.	Prague, Czech Republic	trade	100%	100%
Boardriders s.r.o. [7]	Bratislava, Slovakia	trade	100%	100%
Rawaki Sp. z o.o.	Warsaw, Poland	trade	100%	100%
HALFPRICE ESPAÑA, S.L.	Madrid, Spain	trade	100%	100%
CCC Retail Sp. z o.o.	Polkowice, Poland	trade	100%	100%
HalfPrice Retail Sp. z o.o.	Polkowice, Poland	trade	100%	100%
Szopex Sp. z o.o. [8]	Olsztyn, Poland	trade	75%	0%
Worldbox Sp. z o.o. [9]	Gdańsk, Poland	trade	60%	10%
MKI Sp. z o.o. [10]	Gdańsk, Poland	logistics	45%	7.5%

ASSOCIATES	REGISTERED OFFICE/COUNTRY	PRINCIPAL BUSINESS	EQUITY INTEREST AS AT 31 JAN 2026	EQUITY INTEREST AS AT 31 JAN 2025
HR Group Holding s.a.r.l. [11]	Luxembourg	trade	31%	31%

[1] C-AirOp Ltd. is a subsidiary of CCC S.A. (50%). Following its analysis of the rights and responsibilities of the company's shareholders, the Management Board has concluded that the Group retains control over the company.
[2] MODIVO.EU Sp. z o.o. (formerly CCC.eu Sp. z o.o.) is a subsidiary of MODIVO S.A. (86.69%) and a subsidiary of CCC Shoes & Bags Sp. z o.o. (13.31%).
[3] MODIVO.COM S.A. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (77.19%). On 9 April 2025, MODIVO S.A. acquired 20.3% of the shares in the company and, on 4 August 2025, the remaining 2.51%. As a result, MODIVO S.A. obtained full control of MODIVO.COM S.A. and its subsidiaries. For details of the accounting treatment of the transaction, see note 6.1.
[4] The shares in MODIVO Romania S.A. (formerly Shoe Express S.A.) are held by CCC Shoes & Bags Sp. z o.o. (95%) and MODIVO.EU Sp. z o.o. (formerly CCC.eu Sp. z o.o.) (5%).
[5] DeeZee Sp. z o.o. is a subsidiary of CCC Shoes & Bags Sp. z o.o. (87.28%). After the reporting period, CCC Shoes & Bags Sp. z o.o. acquired the remaining 12.72%.
[6] OFP Austria GmbH is a subsidiary of HalfPrice Sp. z o.o. (100%).
[7] Boardriders s.r.o. is a subsidiary of First Distribution s.r.o. (100%).
[8] On 28 May 2025, MODIVO S.A. acquired a 75% equity interest in Szopex Sp. z o.o. of Olsztyn, for a total consideration of PLN 34.7 million. For information on how the transaction was provisionally accounted for, see note 6.2.
[9] On 30 January 2026, MODIVO S.A. entered into a share purchase agreement with ARCA REO P.S.A. under which MODIVO acquired 50% of the shares in MKRI Sp. z o.o. of Gdańsk ("MKRI"), conferring 50% of total voting rights at the general meeting (the "Shares"). The Shares were acquired by MODIVO for PLN 1.6 million. Following the acquisition of the Shares, after aggregation with the previously held 10% interest, MODIVO holds 60% of the share capital of MKRI, representing 60% of the voting rights. The estimated carrying amount of the acquired net assets, following consolidation in the MODIVO Group, is not less than PLN 100 million. The acquisition will be provisionally accounted for in the full-year financial statements for 2025, with the final accounting to be completed within 12 months of the acquisition date. The acquisition of a controlling interest in MKRI will support the rollout of the worldbox network and diversification of the MODIVO Group's product offering.
[10] MKI Sp. z o.o. is a subsidiary of MKRI Sp. z o.o. (75%).
[11] On 12 April 2023, the Management Board of HR Group filed for bankruptcy with the District Court of Osnabrück.

CHANGES IN THE ORGANISATION OF THE MODIVO GROUP IN THE PERIOD FROM 1 FEBRUARY 2025 TO 31 JANUARY 2026

On 28 May 2025, MODIVO S.A. acquired a 75% equity interest in Szopex Sp. z o.o. of Olsztyn, for a total consideration of PLN 34.7 million.

On 30 January 2026, MODIVO S.A., as the purchaser, entered into a share purchase agreement with ARCA REO P.S.A. of Kraków, as the seller ("Arca Reo"), under which CCC acquired 50% of the shares in MKRI Sp. z o.o. of Gdańsk ("MKRI"), conferring 50% of total voting rights at the general meeting (the "Shares"). The Shares were acquired by CCC for PLN 1.6 million. Following the acquisition of the Shares, after aggregation with the previously held 10% interest, CCC holds 60% of the share capital of MKRI, representing 60% of the voting rights.

Given that MKRI Sp. z o.o. holds 75% of the share capital of MKI Sp. z o.o., as a result of the above acquisition and the existing shareholding, MODIVO S.A. indirectly acquired a stake in MKI Sp. z o.o.

After the reporting date, CCC Shoes&Bags Sp. z o.o., a subsidiary of MODIVO S.A., acquired 12.72% of the shares in DeeZee Sp. z o.o., which – after aggregation with the previously held 87.28% stake – results in the 100% ownership interest.

CHANGES IN THE ORGANISATION OF THE MODIVO GROUP AFTER THE REPORTING DATE

No changes in the Group's organisation have occurred subsequent to the reporting date.

CHANGES TO THE GOVERNANCE FRAMEWORK AND MANAGEMENT STRUCTURES DURING THE PERIOD 1 FEBRUARY 2025 – 31 JANUARY 2026

On 23 January 2025, Łukasz Stelmach was appointed to the Company's Management Board as Vice President, Finance, effective 1 February 2025.

On 19 April 2025, Karol Półtorak tendered his resignation as Vice President and member of the Management Board, effective 21 April 2025, citing plans to join the Management Board of MODIVO S.A. and focus on digital sales and the development of MODIVO.

CHANGES TO THE GOVERNANCE FRAMEWORK AND MANAGEMENT STRUCTURES AT THE MODIVO GROUP AFTER THE REPORTING DATE

There were no such changes.

14. EMPLOYEES OF THE MODIVO GROUP

The care for our people is a key pillar of the MODIVO Group's sustainability strategy. Our day-to-day work is guided by three core values: 'We are powered by customers', 'We work as a team', and 'We create business innovations'. These values underpin all critical talent recruitment, onboarding and staff-development processes. The MODIVO Group also operates to high ethical standards, which is why an Ethics Officer role was established in 2022 to oversee compliance with the Code of Ethics across the organisation. The role is responsible for implementing procedures to prevent breaches and taking action whenever conduct violates the law, internal regulations or accepted ethical norms.

In addition, the Group undertakes initiatives aimed at supporting employee wellbeing, fostering an ethical work environment and strengthening work–life balance. In 2025, a wellbeing policy was adopted to provide a consistent direction for efforts designed to support our employees in achieving the work–life balance and to promote their mental and physical health.

The Group actively supports initiatives promoting a healthy lifestyle and wellbeing at both local and nationwide levels. This included support for the 'We want no hate' campaign and the Polkowice Night Run, as well as the provision of access to the Be Active Tour 2025 powered by Reebok workshops. Held in eight cities, the workshops comprised joint workout sessions and panels dedicated to healthy eating. Employees were also offered vouchers for participation in the Wings for Life run, which combines the promotion of physical activity with charitable giving. Additionally, the Company supported the 'Night Shift Run' initiative, aimed at activating local communities, strengthening community ties and promoting physical activity through running.

The Group also supports grassroots and employee-led social initiatives. An example is the 'Letters to Santa' campaign, aimed at supporting children's homes during Christmas season, while providing employees with an opportunity to engage in social and charitable activities.

In line with its commitment to maintain continuous and transparent communication with employees, the Group provides regular updates on key developments and plans. Internal communication channels include weekly newsletters, an intranet platform, internal meetings and direct exchanges via MS Teams. The intranet serves both as a window on Group life and as an operational knowledge base. A further feature is our proprietary 'kudos and commendations' programme, which enables employees to recognise and appreciate one another's achievements and everyday collaboration.

WORKFORCE STRUCTURE

As at the reporting date, the MODIVO Group had 17,528 employees, an increase of 12% compared with the previous year, reflecting the rapid pace of the Group's expansion. Store employees consistently account for the largest proportion of the workforce – approximately 79%. Administrative staff represent close to 13%, while logistics personnel constitute the smallest share of 8%.

	31 Jan 2026		31 Jan 2025	
	WOMEN	MEN	WOMEN	MEN
Store employees	12,479	1,355	10,953	1,051
Logistics employees	904	419	922	362
Administrative staff	1,644	727	1,696	720
All employees	**15,027**	**2,501**	**13,571**	**2,133**

EMPLOYMENT OF PEOPLE WITH DISABILITIES

The working conditions enable employment of people with disabilities. As at 31 January 2026, the Group employed 675 people with disabilities, accounting for 4% of total workforce.

MODIVO S.A. EMPLOYEES

WORKFORCE STRUCTURE

As at the reporting date, MODIVO S.A. had 5,066 employees, representing a 6% year-on-year increase.

MODIVO S.A. employs predominantly store employees, who accounted for 97% of the total headcount in the last financial year. Administrative staff account for 3% of the total workforce.

	31 Jan 2026		31 Jan 2025	
	WOMEN	MEN	WOMEN	MEN
Store employees	4,723	188	4,438	184
Logistics employees	1	1	1	1
Administrative staff	103	50	105	45
All employees	**4,827**	**239**	**4,544**	**230**

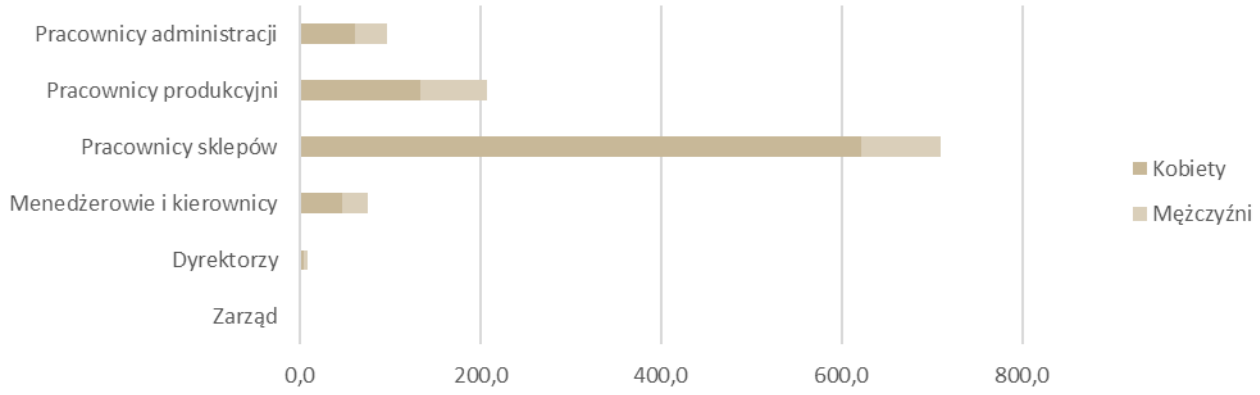
EMPLOYMENT OF PEOPLE WITH DISABILITIES

The working conditions at MODIVO S.A. enable employment of people with disabilities. As at 31 January 2026, the Company employed 289 people with disabilities, representing approximately 6% of its total workforce.

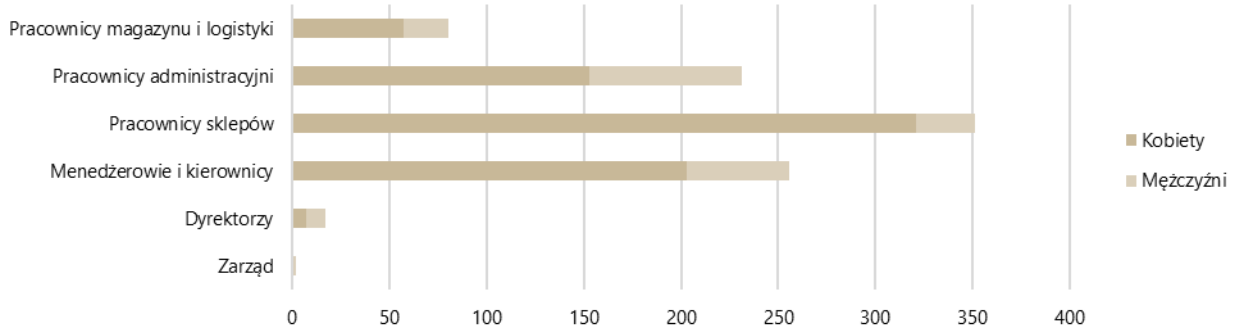
REMUNERATION POLICY FOR ALL MODIVO GROUP EMPLOYEES

The Group's remuneration policy is based on the principle of equality, which means the amount of remuneration depends on an employee's skills, competencies, and dedication.

In 2025, the distribution of remuneration expenses across the MODIVO Group was as follows:



In 2024, the relative shares of remuneration in the MODIVO Group were as follows:



ATTRACTING AND RECRUITING TALENT

As the MODIVO Group invests in employees to retain them for the long term, it values their experience and commitment, promoting internal recruitment and succession. Each recruitment process is conducted both outside and inside the organisation, as we are keen on having our employees engage in these processes.

The goal of our recruitment efforts is to attract top candidates with the requisite skills and expertise, who will not only efficiently carry out their responsibilities but also show initiative and deliver specific objectives. The recruitment process ensures equal opportunities and objective assessment of candidates with the use of appropriate selection tools. The organisational aspects of this process are provided for in the Recruitment Procedure. The recruitment process is invariably guided by the highest ethical standards, derived from our core values, Code of Ethics, and Diversity Policy. Additionally, the MODIVO Group is committed to promoting equal employment opportunities for people with disabilities.

The Group conducts extensive recruitment activities that go beyond standard job postings in order to effectively reach top talent. We collaborate with universities across Poland, actively identify and directly approach potential candidates, and engage with public employment offices, local online portals and the regional press.

A key tool we use for communicating with candidates and promoting employment opportunities is the Group's careers website. In 2025, its new version (career.modivoplatform.com) was launched, presenting professional development opportunities within the MODIVO Group in a modern and accessible manner. The platform consistently builds a cohesive image of the entire Group, while highlighting the distinct identity of its individual brands.

A key element of our strategy is also to prioritise internal recruitment and career progression for existing employees. Each recruitment process is first launched internally and communicated to employees across the retail network, warehouses and administrative functions. This approach supports internal mobility and creates real opportunities for professional development within the Group.

In 2025, the Group implemented SAP SuccessFactors, an advanced highly efficient system supporting the automation, standardisation and optimisation of HR processes. Once deployed, it has helped harmonise processes across the organisation, enhanced the transparency of HR activities and ensured easy access to key information in real time for both managers and staff members. The automation has also resulted in shorter process lead times, reduced the need for manual operations and improved the quality of HR reporting and analytics, supporting data-driven decision-making.

The MODIVO Group also focuses on the development of young talent – in 2025 it organised the Summer Camp, i.e., paid summer work placements for the best students and graduates across various business areas. Following completion of the programme, 65% of the interns chose to extend their collaboration with us. The Group continually creates opportunities for students to translate theoretical knowledge into hands-on experience through vocational placements.

As part of the strategy to attract leading talent and future leaders, we continued the 'Talent Hunters' employee-referral programme, aimed at deepening staff engagement and drawing the best candidates to the Group.

The Group is committed to re-engaging jobseekers and therefore works continuously with District Employment Offices to arrange internships, chiefly in sales and office-administration roles.

In 2025, the Group also continued to monitor hiring-manager and candidate satisfaction with the recruitment process. Based on this feedback, improvements are implemented to ensure the highest quality of this process.

DEVELOPMENT PROGRAMMES FOR EMPLOYEES

The MODIVO Group's staff development initiatives are delivered based on a coherent framework of competency models and organisational values, which underpin all training activities in the domestic market and across our international operations. This approach ensures the application of consistent development standards, transparent processes and direct alignment with the Group's business objectives.

Training programmes are delivered through a hybrid model, combining in-person activities with digital solutions. Particular efforts are focused on expanding the digital learning area so that development programmes can be effectively scaled across our international markets. Training content is primarily delivered in English, its substance consistent with programmes implemented for Polish teams, while being adapted to local contexts and delivery formats. Selected markets already benefit from local language versions, with further roll-out planned across all countries where we operate.

Coherent foundation for development – values and competencies

The MODIVO Group's development programmes are anchored in three core organisational values:

- working as a team,
- focusing on internal and external customers,
- creating business innovations.

All training initiatives are designed to embed these values in the daily practices of employees and leaders, irrespective of their role and location.

Leadership model as the aspirational framework for our leaders

A central element of the MODIVO Group's development ecosystem is the leadership model, which defines the expected managerial behaviours and mindsets across the organisation. It encompasses three key areas of responsibility:

- **the leader delivers** – achieving business objectives and driving performance,
- **the leader develops** – building effective teams and supporting employee growth,
- **the leader shapes** – driving change, managing transformation and optimising processes.

On this basis, development programmes for leaders at various career stages were operated by the Group in 2025, including the **Lider.START!** initiative for newly appointed managers, as well as initiatives run within the retail network such as the **TOP Leaders School** and **TOP Potential School**, designed to foster leadership and team management capabilities.

Talent development and a culture of continuous feedback

Talent development at the MODIVO Group is grounded in a model defined by ambition, perseverance and agility. Development activities are structured around individual development plans, competency matrices and clearly defined behavioural expectations.

The organisation actively fosters a culture of continuous feedback, supported by regular development sessions that drive ongoing capability enhancement and strengthen employee engagement.

Digital learning and flexible development formats

Digital tools and learning solutions constitute an essential component of the Group's development agenda. With access to a dedicated training platform, employees are offered e-learning modules, educational materials and structured development pathways delivered in a flexible format tailored to their individual needs and availability.

These solutions support the scalability of the Group's development initiatives and ensure equal access to knowledge for staff across our different locations, including international markets.

Flexible career pathways and developing future-ready skills

The MODIVO Group's employees are provided with opportunities to develop through flexible career pathways aligned with their potential and capabilities. Depending on business needs, our initiatives include upskilling, reskilling and the deepening of specialist expertise.

The organisation also promotes internal mobility through an internal job market, enabling employees to change roles, responsibilities or country of employment.

Onboarding and mandatory (ESG) training

Each new hire participates in a structured onboarding process, including tailored induction pathways aligned with their role and organisational area. This process includes mandatory training, which may be delivered through e-learning formats, covering:

- ethics and compliance,
- organisational policies,
- diversity and anti-discrimination,
- responsible business conduct and ESG principles.

Key documents, such as the Code of Ethics and diversity policy, are made available to teams in their local languages, ensuring they are understood and consistently applied across all markets in which the MODIVO Group operates.

External collaboration and development of young talent

The Group's development initiatives are complemented by work placement and internship opportunities provided in partnership with universities and schools. In 2025, the MODIVO Group continued its efforts to develop young talent by organising workshops and other educational projects designed to prepare participants for entry into the labour market.

These initiatives contribute to building a sustainable talent pipeline and strengthening future-ready capabilities within the organisation.

15. REPRESENTATIONS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

Representation of the Management Board regarding accuracy of the financial statements

Pursuant to the requirements of the Regulation of the Minister of Finance dated 6 June 2025 on current and periodic information to be published by issuers of securities, the Management Board of MODIVO S.A., comprising:

- President: Dariusz Miłek
- Vice President: Łukasz Stelmach

represent that, to the best of their knowledge, the full-year consolidated and separate financial statements and the comparative data have been prepared in compliance with the applicable accounting standards and give a true, clear and fair view of the MODIVO Group's assets, financial standing and financial results.

The consolidated Directors' Report on the operations of the MODIVO Group and the separate Directors' Report on the operations of MODIVO S.A. in the past financial year give a fair view of the development and performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face. The consolidated and separate Directors' Reports have been prepared in compliance with the requirements of:

1. Article 55(2a) of the Accounting Act,
2. the Accounting Act,
3. the ESRS,
4. Article 8 of Regulation (EU) 2020/852 and the delegated acts adopted pursuant to Article 8(4) thereof.

Representation of the Supervisory Board regarding appointment of the auditor

Pursuant to the requirements of the Regulation of the Minister of Finance dated 6 June 2025 on current and periodic information to be published by issuers of securities, the Management Board of MODIVO S.A. reports, based on a representation from the Supervisory Board, that the audit firm engaged to audit the full-year consolidated financial statements of the Group and separate financial statements of the Company, and to provide assurance on the sustainability statement, was appointed in accordance with applicable laws, including those governing the auditor selection and appointment procedures:

a) The audit firm and members of the audit engagement team met the conditions required to prepare an impartial and independent audit report on the full-year consolidated financial statements, in accordance with the applicable laws, professional standards and principles of professional ethics;

b) The audit firm providing assurance on the Group's sustainability statement and members of the assurance engagement team met the conditions required to prepare an impartial and independent assurance report on the Group's sustainability statement in accordance with the applicable laws, professional standards and principles of professional ethics;

c) The laws governing rotation of audit firms and lead auditors and mandatory cooling-off periods have been observed;

d) The Company has in place a policy governing the selection of an audit firm and a policy governing the provision to the Company by the audit firm, its affiliates or members of its network of permitted non-audit services, including services conditionally exempt from the prohibition on provision of certain non-audit services by the audit firm;

e) The Company has in place a policy governing the selection of an audit firm to provide assurance on the Group's sustainability statement and a policy for the provision to the Company by the audit firm engaged to provide assurance on the Group's sustainability statement, its affiliates or members of its network of permitted non-assurance services.

On 26 February 2024, the Supervisory Board resolved to extend the engagement of Ernst & Young Audyt Polska Sp. z o.o. Sp.k. of Warsaw, entered in the list of statutory auditors of financial statements maintained by the National Council of Statutory Auditors under Reg. No. 130, to review the half-year financial statements of MODIVO S.A. and the half-year consolidated financial statements of the MODIVO Group for the periods:

- from 1 February 2024 to 31 July 2024,
- from 1 February 2025 to 31 July 2025, and
- from 1 February 2026 to 31 July 2026,

and to audit the full-year separate financial statements of MODIVO S.A. and the full-year consolidated financial statements of the MODIVO Group for the financial years 2024–2026.

Assessment by the Supervisory Board

Pursuant to the requirements of the Regulation of the Minister of Finance dated 6 June 2025 on current and periodic information to be published by issuers of securities, the Management Board of MODIVO S.A. reports, based on a representation from the Supervisory Board, that the Supervisory Board has assessed the following documents submitted by the Management Board:

- Directors' Report on the operations of the MODIVO Group in the period from 1 February 2025 to 31 January 2026,
- separate financial statements of MODIVO S.A. for the period from 1 February 2025 to 31 January 2026,
- consolidated financial statements of the MODIVO Group for the period from 1 February 2025 to 31 January 2026.

Following the assessment, the Supervisory Board has concluded that the Directors' Report on the operations of the MODIVO Group and the information provided therein are consistent with the data presented in both the audited separate financial statements of the Company and the consolidated financial statements of the MODIVO Group for the reporting period from 1 February 2025 to 31 January 2026.

Moreover, the Supervisory Board is satisfied that the separate financial statements, the consolidated financial statements, and the Directors' Report on the operations of the MODIVO Group for the period from 1 February 2025 to 31 January 2026, submitted by the Company's Management Board, accurately and transparently provided all necessary and pertinent information for assessing the assets and financial standing of both the Company and the Group. These documents are consistent with the underlying accounting records, documents, and facts.

The Supervisory Board positively evaluates the separate financial statements, the consolidated financial statements, and the Directors' Report on the operations of the MODIVO Group for the period from 1 February 2025 to 31 January 2026, based on:

- the contents of the financial statements and report submitted by the Management Board;
- the final drafts of the audit reports prepared by the independent auditor, Ernst & Young Audyt Polska Sp. z o.o. sp. k. of Warsaw, covering the audit of the Company's separate financial statements and the MODIVO Group's consolidated financial statements. This also includes the supplementary report for the Audit Committee, prepared in compliance with Article 11 of Regulation (EU) No 537/2014 of the European Parliament and of the Council dated 16 April 2014, which outlines specific requirements regarding the statutory audit of public-interest entities and annuls Commission Decision 2005/909/EC, and in line with the Act on Statutory Auditors, Audit Firms, and Public Oversight dated 11 May 2017;
- meetings with representatives of the audit firm, including the key audit partner;
- information provided by the Audit Committee on the course, results and relevance of the audit for the reliability of the Company's financial reporting, as well as the Audit Committee's role in the audit of the financial statements;
- assessment of the effectiveness of the internal control, risk management and compliance systems and functions as well as the effective internal audit function;
- findings of other inspections performed in the selected financial and operating areas.

AUDITOR'S FEES	1 Feb 2025–31 Jan 2026	1 Feb 2024–31 Jan 2025
MODIVO Group and MODIVO S.A.		
Audit and review of financial statements	1.7	0.7
SUBSIDIARIES		**0.0**
Audit and review of financial statements	1.6	0.7
Other services	0.5	0.6
TOTAL	**3.8**	**2.0**

Representation of the Supervisory Board regarding compliance with regulations on the appointment, composition and operation of the Audit Committee

Pursuant to the requirements of the Regulation of the Minister of Finance dated 6 June 2025 on current and periodic information to be published by issuers of securities, the Management Board of MODIVO S.A. reports, based on a representation from the Supervisory Board, that:

a) The laws and regulations governing the appointment, composition and operation of the Audit Committee, including the requirements for its members to meet the independence criteria and have knowledge and skills relevant for the industry in which the Company operates and knowledge and skills in accounting or auditing, have been complied with;

b) Responsibilities related to sustainability reporting have been assigned to the existing Audit Committee;

c) The Audit Committee of the Supervisory Board of MODIVO S.A., which is also entrusted with audit committee responsibilities in respect of sustainability reporting and its assurance, has performed the relevant duties as provided for in the applicable regulations.

Further information is provided in the section 'GOV-5 Risk management and internal controls over sustainability reporting'.

16. OTHER INFORMATION

Corrections of prior period errors

Not applicable.

Share buy-back

In the reporting period, CCC S.A. did not perform any buy-back of its own shares.

Parent's branches (establishments)

As at the reporting date, the parent had no branches (establishments).

Major R&D achievements

Not applicable.

Key capital and equity investments within the Group in the financial year

The subsidiaries did not make any significant capital or equity investments in the reporting period. Any cash surplus is used to repay debt under overdraft facilities.

Contracts/agreements between the Company and the management staff

Subscription for new shares by Ultro Investment PSA (entity controlled by CCC S.A. President Dariusz Miłek).

Execution of an indemnification agreement between MODIVO S.A. and Łukasz Stelmach, Vice President of its Management Board.

Incentive Scheme for the Management Board of CCC S.A. implemented in 2025–2030, pursuant to a resolution of the Annual General Meeting held on 17 March 2025.

In accordance with the Remuneration Policy for Members of the Management Board and Supervisory Board of MODIVO S.A., the Scheme Beneficiary – President of the Management Board, Dariusz Miłek – as well as Additional Beneficiaries (selected key employees, associates, and members of the management bodies of the Group) are entitled to variable remuneration components, including a long-term incentive linked to the growth in MODIVO S.A.'s value, defined as an increase in its share price.

Furthermore, on 17 March 2025, the General Meeting approved the implementation of an incentive scheme entitling the Scheme Beneficiaries to subscribe for up to 3,000,000 Series P ordinary bearer shares at an issue price of PLN 200.0 per share, through the allocation of no more than 3,000,000 Series E subscription warrants, each conferring the right to subscribe for one share. Beneficiaries may apply for the grant of subscription warrants no earlier than two years and no later than five years after the scheme's approval date. The Scheme Beneficiary Dariusz Miłek, President of the Management Board of CCC S.A., is entitled to receive up to 50% of the warrants covered by a given application. The remaining 50% of the warrants may only be allocated to Additional Beneficiaries.

As at the reporting date, no warrants had been granted to the Additional Beneficiaries. The Scheme Beneficiary may apply for the grant of warrants no earlier than two years after its approval, that is on 17 March 2027.

For more information on the Scheme, see the separate financial statements.

Pending litigation, arbitration or administrative proceedings

MODIVO S.A. is not party to any court proceedings where value of the dispute would exceed 10% of the Company's equity.

Share buy-back

In the reporting period, MODIVO S.A. did not perform any buy-back of its own shares.

Restrictions on voting rights at the Company

In the reporting period, there were no restrictions on the exercise of voting rights at the Company.

Significant events subsequent to the reporting date that may have a material effect on the Company's future financial performance

After the reporting period, on 13 February 2026, the District Court in Wrocław, 9th Commercial Division of the National Court Register, registered amendments to the Company's Articles of Association adopted by Resolutions No. 4 and 5 of the Extraordinary General Meeting held on 15 January 2026. Upon entry in the Business Register, the Company operates under the name MODIVO Spółka Akcyjna and may use the abbreviation MODIVO S.A. (formerly CCC S.A.).

On 28 April 2026, the subsidiary MODIVO.COM S.A. entered into an amendment with Bank Polska Kasa Opieki S.A. extending, until 12 July 2026, the availability period of the multi-purpose credit facility agreement originally concluded on 26 October 2017 for a total amount of PLN 260 million, while maintaining the existing key financing terms and conditions. The amendment is technical in nature and is necessary for the conclusion of financing agreements for the subsequent period.

17. SUSTAINABILITY STATEMENT OF THE MODIVO GROUP



17.1 General information

ESRS 2 General disclosures

BP-1 General basis for preparation of sustainability statements

The sustainability statement presented in the section below (the "statement", the "report") has been prepared pursuant to Article 14(5) of the amended Polish Accounting Act of 6 December 2024. It also includes disclosures aligned with the provisions of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment. This statement, produced on an annual basis, has been prepared in accordance with the European Sustainability Reporting Standards (ESRS), as introduced by Commission Delegated Regulation (EU) 2023/2772.

Unless otherwise stated, the information, data, metrics, indicators and statements contained in this report refer to the MODIVO Group. Where specific data was not available, estimates were applied. This report provides sustainability information for the MODIVO Group, covering the period from 1 February 2025 to 31 January 2026. The scope of consolidation herein is consistent with that of the consolidated financial statements for the financial year ended 31 January 2026.

This report covers the Group's own operations and its upstream and downstream value chain. The MODIVO Group's operations encompass all activities from the procurement of merchandise to its delivery to customers. The upstream value chain comprises all preceding activities carried out by other entities, including the sourcing of raw materials, the manufacture of materials, components and products, packaging, and the inbound transport to the MODIVO Group. The downstream value chain covers all processes involving the product after it leaves the MODIVO Group.

The MODIVO Group does not disclose information on intellectual property, know-how or the results of innovation. The Group has not applied the exemption from disclosure of impending developments or matters in the course of negotiation. The MODIVO Group has not applied the exemption provided for under Article 19a(3) and Article 29a(3) of Directive 2013/34/EU.

BP-2 Disclosures in relation to specific circumstances

Time horizons
In its materiality assessment, the MODIVO Group did not deviate from the time horizons defined by the ESRS, applying the following definitions:

- short-term time horizon: 1 year,
- medium-term time horizon: 1–5 years,
- long-term time horizon: over 5 years.

For the purposes of the climate-related risk and opportunity assessment and the business model and value chain resilience analysis, the MODIVO Group adopted alternative time horizons, reflecting those commonly applied in climate scenarios developed by the IPCC and IEA.

Time horizons applied in the business model and value chain resilience analysis: short-term time horizon: 2025–2027, medium-term time horizon: 2028–2030, long-term time horizon: 2030–2050.

Time horizons applied in the climate-related risk and opportunity assessment: 2025-2030, 2030-2040, 2040-2050.

Value chain estimation, sources of estimation and outcome uncertainty
The metrics presented in this sustainability statement include upstream and downstream value chain data estimated using indirect sources, such as peer company analyses, as well as direct sources and primary data.

The GHG emissions data presented in this report relates to the MODIVO Group and the value chain across its own operations, as well as upstream and downstream activities. Details on value chain estimates and the sources of estimation and outcome uncertainty are provided alongside each ESRS topic. Section 17.2 outlines the methodology used to estimate a portion of Scope 3 GHG emissions.

Changes in preparation or presentation of sustainability information and disclosures stemming from other legislation

The MODIVO Group reports the following changes introduced in this statement:
- change to the approach applied in presenting information under disclosure requirement E5 'Circular economy';
- change to the methodology for data collection with respect to Scope 3, Category 1 emissions.

The MODIVO Group has been publishing non-financial reports for the past nine years. This is the second report prepared in accordance with the ESRS.

The comparative information presented in the sustainability statement for the previous financial year, including both quantitative metrics and qualitative disclosures contained therein, is consistent and comparable with data presented for this reporting year. Unless otherwise stated, the methodology used for gathering inputs remained unchanged relative to the previous period.

This report does not include disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements.

Incorporation by reference
The Group incorporates information by reference to other sections of this report or to its financial statements:
Strategy, business model (ESRS 2 SBM-1).

Use of phase-in provisions in accordance with Appendix C of ESRS 1
The MODIVO Group has applied the phase-in provisions set out in Appendix C to ESRS 1,
making use of selected reliefs introduced under the Quick Fix amendments in relation to ESRS 2 SBM-1 paragraph 40 (b), ESRS 2 SBM-3 paragraph 48 (e), E1-9, E2-6, E3-5, E4-6, E5-6.

Reportable material topics
The topics covered under ESRS E1, ESRS E1, ESRS E2, ESRS E3, ESRS E4, ESRS E5, ESRS S1, ESRS S2, ESRS S4 and ESRS G1 have been assessed as material through the materiality assessment and are addressed in this document. Detailed information on the integration of impacts into the Group's business model and strategy is presented in the respective topical sections.

External assurance
This statement has been subject to external assurance. The assurance engagement was performed by Ernst & Young Audyt Polska Sp. z o.o. sp.k. in accordance with National Standard on Assurance Engagements on Sustainability Reporting 3002PL 'Limited assurance engagement on sustainability reporting' and, as applicable, National Standard on Assurance Engagements Other than Audit or Review 3000(Z), consistent with International Standard on Assurance Engagements 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information'. Comparative figures and year-on-year movements in key performance indicators were outside the scope of the assurance engagement.

GOV-1 The role of the administrative, management and supervisory bodies

Supervisory Board
As at 31 January 2026 and the date of authorisation of this report for issue, the Supervisory Board comprised the following members:

- Wiesław Oleś – Chair of the Supervisory Board,
- Tomasz Rejman – Member of the Supervisory Board,
- Piotr Kamiński – Member of the Supervisory Board,
- Paweł Małyska – Member of the Supervisory Board,
- Marcin Czyczerski – Member of the Supervisory Board,
- Adrian Skłodowski – Member of the Supervisory Board.

As at 31 January 2026, the Supervisory Board comprised six men (100%) and no women (0%). (In 2024, women represented 20% of the Supervisory Board composition).
The percentage of independent members of the Supervisory Board was 67%. This change resulted from the appointment of new members meeting the independence criteria.

The Supervisory Board exercises ongoing oversight of the Company's activities. Its powers and responsibilities include appointing and removing members of the Management Board, assessing financial statements, selecting an auditor, and presenting a concise assessment of the Company's situation, including an evaluation of the internal control and risk management systems, to the Annual General Meeting.

Table: Expertise and skills of Supervisory Board members

Full name	Description
Wiesław Oleś	He has long-standing experience in corporate governance, capital markets legislation, and the supervision of listed companies and financial institutions. In his professional practice, he has been involved in ensuring regulatory compliance, transparency, and accountability of corporate bodies, including oversight of supervisory boards. This experience profile strengthens effective oversight of the governance pillar within the Company's operations.
Piotr Kamiński	He has extensive experience in corporate governance, ownership supervision, and the functioning of capital markets, gained over many years in regulatory institutions, listed companies, and supervisory boards. In his roles, he has overseen risk management processes, audit and information transparency, which supports effective oversight of sustainability matters. His expertise enhances the ability of the Company's governing bodies to integrate sustainability considerations into long-term strategy and oversight.
Marcin Czyczerski	He has many years of experience in company management and strategic oversight, particularly in the retail, e-commerce, and manufacturing sectors. In his roles, he has been responsible for business transformations, risk management, and long-term strategic planning, including consideration of stakeholder impacts. His expertise supports the integration of sustainability aspects into strategic decision-making and ownership supervision.
Adrian Skłodowski	He has gained managerial and supervisory experience in enterprise management, including oversight of operational and financial processes as well as risk management. In his roles, he has participated in long-term decision-making relevant to organisational stability and responsible management. His expertise supports oversight of sustainability matters in the context of strategy and corporate governance.
Paweł Małyska	He has extensive experience in capital markets and asset management, including investment analysis and ownership supervision. In his professional work, he has assessed companies in terms of long-term value, taking into account sustainability factors such as management quality, non-financial risks, and the impact of business strategy on stakeholders and the market environment.
Tomasz Rejman	He has long-standing managerial experience gained in large international organisations, including responsibility for corporate governance, operational efficiency, and risk management. Throughout his career, he has participated in transformation projects incorporating environmental and social aspects, including process optimisation, responsible resource management, and the creation of long-term enterprise value in line with sustainability principles.

Members of the Supervisory Board have ongoing access to the professional expertise of the MODIVO Group's sustainability team. For detailed information on the expertise and experience of the Management and Supervisory Board members, refer to the Directors' Report on the Group's operations in 2025 or visit the corporate website.

Management Board of the MODIVO Group

As at 31 January 2026, the Management Board of MODIVO S.A. comprised two members, 100% of whom were men. (No change in the gender composition compared with 2024.)

Composition of the Management Board:

- Dariusz Miłek – President of the Management Board,
- Łukasz Stelmach – Vice President of the Management Board.

Employees and other workers have no representation on the Management Board.
Members of the Management Board receive ongoing training and have continuous access to expert knowledge on regulatory developments in the field of sustainability through engagement with both internal and external experts within the Group, as well as active participation in internal initiatives (such as the materiality assessment) and external events. The knowledge they have acquired supports effective management of risks, opportunities and impacts across the Group, facilitates the anticipation of trends, and informs the setting of strategic objectives for the MODIVO Group.

Audit Committee
The Audit Committee comprises:

- Piotr Kamiński – Chair of the Audit Committee,
- Paweł Małyska – Member of the Audit Committee,
- Tomasz Rejman – Member of the Audit Committee.

The Audit Committee is a standing committee of the MODIVO Group Supervisory Board, performing an expert advisory role and supporting the Supervisory Board in the proper and effective performance of its supervisory duties. Within its remit, the Audit Committee monitors the financial reporting process at the Company and the Group, the effectiveness of internal controls, risk management and the Internal Audit function, as well as cooperation with the statutory auditor.

The Audit Committee is regularly informed and updated on matters relevant to sustainability reporting, including in particular:

- material ESG risks and opportunities identified as part of the risk management process,
- results of the double materiality assessment,
- due diligence procedures,
- effectiveness of internal controls in relation to ESG data,
- progress in the implementation of sustainability targets and policies,
- results of internal and external audits relating to ESG reporting.

The Audit Committee serves as a permanent consultative and advisory body for the Company and its Supervisory Board, supporting oversight of the integrity and regulatory compliance of both financial and sustainability reporting.

Sustainability governance

Table: ESG governance structure at the MODIVO Group

	SUPERVISORY BOARD/AUDIT COMMITTEE	MANAGEMENT BOARD	MANAGEMENT PERSONNEL
Who	- Members of the Supervisory Board/Audit Committee	- President of the Management Board	- Director of Investor Relations and Sustainability - Sustainability Department - Management personnel and employees from various organisational units
Role	- Advisory and consultative role, monitoring of reporting processes	- Strategic leadership and oversight	- Operational role
Engagement	- Consultation and advisory input on the content of sustainability reports and planned sustainability activities - Review of the Company's organisational structure and capabilities in managing sustainability and related reporting - All Supervisory Board members receive the sustainability report for consultation prior to its public release	- Advisory input and oversight of the integration of sustainability activities with the MODIVO Group's business objectives - Approval of directions and scope of activities - Monitoring progress in sustainability-related initiatives - Managing objectives and targets outlined in the Sustainability Strategy - Periodic meetings with people responsible for individual ESG areas - Active participation in the preparation of ESG reports by approving their structure and underlying principles, including with regard to the materiality of topics covered - Active involvement in financing processes linked to sustainability-related KPIs - Active participation in materiality assessments conducted every few years to determine materiality and increase the Company's ESG commitment - All Management Board members receive the sustainability report for consultation prior to its public release	Director - Responsible for the implementation of ESG-related activities Sustainability Department - Preparation of the sustainability statement for publication - Identification of material risks and opportunities in cooperation with relevant business units - Development and implementation of the Sustainability Strategy and monitoring of progress against strategic objectives - Development of sustainability-linked financing framework and SPO, coordination of KPI delivery - Cooperation with all organisational units - Automation of data collection processes at Group level - Project management and execution of planned initiatives - Implementation of ESG regulatory requirements within business operations - Reporting to the Director, Management Board, and Supervisory Board - Internal and external reporting, including stakeholder communication Management personnel and employees - Participating in strategy development - Expert and organisational support in implementing sustainability initiatives and tasks - Progress reporting

			Subsidiaries - Monitoring of strategy execution within their organisations - Provision of inputs for sustainability reporting
Separate committees	Audit Committee regularly conducts reviews of sustainability activities and reporting	No separate committees have been appointed	Green Challenge working team - Objective: maximum energy efficiency, development of emission reduction plans (Scopes 1 and 2), procurement of renewable energy, and investments aligned with the EU Taxonomy - Composition: employees from diverse areas of expertise, led by the Supply Chain Managing Director responsible for overseeing the team activities - Regularly reporting to other Management Board members Sustainable Product working team - Objective: analysis and operational implementation of regulatory requirements within the Group, identification of related risks and opportunities - Composition: primarily product-responsible employees across business lines, supported by the Legal Department - Regularly reporting to Management Board members
Performance assessments and their frequency	- Periodic reporting to the Supervisory Board Both the Management Board and the Supervisory Board (through the Audit Committee) exercise ESG oversight without establishing dedicated committees	- Regular monitoring of progress against targets and assessment of whether organisational units deliver on their commitments in line with the stated objectives and timeframes - Ongoing monitoring	- Sustainability Department reports its activities to the Management Board on a biweekly basis and regularly to the Supervisory Board through the Audit Committee - Frequency of ESG reporting varies between organisational units - Progress against strategic objectives is accounted for on a semi-annual basis

Relevance of the powers and responsibilities of governing bodies to impacts, risks and opportunities

The Management Board and management personnel are involved in the determination and approval of objectives related to material impacts, risks and opportunities, which are integrated into the Group's business planning process. Progress towards these objectives is regularly monitored and discussed by the Management Board as part of periodic management reviews.

The Supervisory Board exercises oversight of the management of material impacts, risks and opportunities across the MODIVO Group, mainly through the Audit Committee, by assessing the adequacy and effectiveness of the processes in place.

The Management Board is responsible for establishing, implementing and maintaining a system for managing risks, impacts and opportunities, including approval of the framework based on which they are identified and assessed, risk tolerance thresholds, and the approach to addressing non-acceptable risks. Risks and impacts are reviewed on a periodic basis, in accordance with the materiality level, with findings reported to the Management Board and the Supervisory Board, with the involvement of the Internal Audit Department.

Monitoring of progress towards Sustainability Strategy objectives
The Management Board and the Sustainability Department regularly monitor progress in advancing objectives outlined in the Sustainability Strategy. The progress informs decisions regarding policy adjustments and planned actions.

Communication with the Management Board is conducted through regular biweekly reports and meetings during which the outcomes of ongoing projects are discussed in detail. The Supervisory Board participates in reviewing and providing feedback on the content of the ESG report and planned sustainability initiatives. Collaboration with the Supervisory Board occurs both through the submission of reports and dedicated meetings.

GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Management Board of the Group receives regular biweekly reports on sustainability matters. Discussed during periodic meetings, these reports include, in particular, information on material impacts, risks and
opportunities, due diligence processes, applicable policies, actions taken, metrics applied, and targets pursued in the area of sustainability. Information within the same scope is also presented annually to members of the Audit Committee and the Supervisory Board during their respective meetings, enabling effective oversight of sustainability aspects and their integration into the Group's risk management framework and strategic directions.
Through active participation in decision-making, both the Management Board and the Supervisory Board consider material sustainability-related impacts, risks and opportunities when defining strategic actions and guiding the continued growth and operations of the Group.

GOV-3 Integration of sustainability-related performance in incentive schemes

The remuneration of members of the Supervisory Board consists solely of fixed components and is not tied to the achievement of any sustainability-related objectives.

The remuneration of members of the Management Board comprises both fixed and variable components, including a short-term bonus and long-term incentive elements. The Management Board's remuneration system incorporates sustainability-related objectives as an integral part of performance assessment.

The variable component of the Management Board's remuneration is based on a set of financial and non-financial metrics, including ESG targets. These targets are aligned with the Group's Sustainability Strategy and the identified material impacts, risks and opportunities. Estimating the percentage of remuneration tied to sustainability performance is not possible.

The achievement of ESG targets affects the level of variable remuneration received by Management Board members. Sustainability-related indicators form part of the overall performance assessment, taken into account in determining the level of short-term bonuses and, where applicable, long-term incentive components.

The terms of the remuneration system are approved and periodically reviewed by the Supervisory Board. The Supervisory Board monitors the alignment of the incentive system with the Group's long-term strategic vision, including its Sustainability Strategy.

GOV-4 Statement on due diligence

Table: Elements of due diligence

Core elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy and business model	SBM-1, S1-1, S2-1, S4-1, G1-1
Engaging with affected stakeholders in all key steps of the due diligence	SBM-2, S1-2, S2-2, S4-2, G1-2
Identifying and assessing adverse impacts	SBM-3, IRO 1
Taking actions to address those adverse impacts	E1-3, E2-2, E5-2, S1-3, S2-3, S4-3, G1-3
Tracking the effectiveness of these efforts and communicating	E1-6, E2-4, E2-5, E5-4, E5-5, S1-17, S2-4, S4-4

In 2025, the Group performed an analysis of supplier audit findings in order to identify areas requiring corrective actions. 100% of the audits were subject to ESG risk analysis, whereupon the identified risk areas were incorporated into the operational risk register. The effectiveness of actions taken will be monitored in the next audit round through a review of changes in audit scores.

Furthermore, as part of follow-up actions arising from the audit analyses, the Group developed an incentive programme for suppliers aimed at driving an improvement in both environmental and social standards adhered to within its value chain.

Covering strategic suppliers, the programme is based on the assessment of ESG audit findings, quality of the relationships, and progress in the implementation of corrective action plans. The programme operates on a progressive basis, with improvements in audit scores and the implementation of recommended actions directly reflected in the evaluation of each business relationship.

Depending on the level of compliance with ESG standards, suppliers may benefit from

: – preferential terms of business, – increased order volumes, – priority in new product development projects.

GOV-5 Risk management and internal controls over sustainability reporting

Risk management system at the MODIVO Group

The MODIVO Group has implemented an integrated risk management and internal control system, which encompasses sustainability reporting. Its objective is to ensure the reliability, completeness and coherence of ESG data, as well as compliance with the applicable regulations and reporting standards.

Risk management system

The process to identify and assess sustainability risks is fully integrated into the enterprise risk management (ERM) system, which involves both the internal and external environment tracking, covering regulatory, technological, social and environmental factors.

The system is underpinned by a clearly defined organisational structure with assigned roles. Responsibility for risk identification rests with employees and designated risk owners, while the process is centrally coordinated by the Internal Audit function. The outcomes of the risk management process are reported on a regular basis to the Management Board and the Audit Committee. Identified risks are recorded in the risk register and are subject to systematic reviews.

Internal control system

The Group operates an integrated system of internal controls, which also encompasses processes related to ESG reporting. The system, designed based on a risk-based approach, covers the processes of identifying, collecting, verifying and reporting sustainability-related data. Structured around a risk matrix, the system comprises:

- preventive controls (including data validation, responsibility assignment matrix, compliance with internal policies, and ESG reporting procedures),
- detective controls (including ESG data reviews, variance analyses, internal audit activities, and monitoring of the quality and completeness of ESG data),
- corrective controls (including corrective actions, escalation procedures, and updates to reporting processes and procedures).

Risks involved in sustainability reporting:

- **changing regulatory and legal requirements**

This risk relates to the rapidly evolving regulatory landscape, particularly in relation to the ESRS, CSRD, EU Taxonomy, as well as environmental and product-related regulations. Failure to align the scope of disclosures or reporting processes with applicable requirements may result in regulatory exposure, financial sanctions and reputational risk. To mitigate this risk, the Group monitors regulatory developments with the support of specialised advisors, engaging in this process also its ESG, compliance and operational functions.

- **limited availability and quality of data across the value chain**

Given the Group's business model, which relies on a global supply chain and outsourced manufacturing, a significant portion of ESG data comes from suppliers and business partners. This risk relates in particular to the availability, completeness and quality of environmental data in the upstream value chain. To mitigate this risk, the Group continues to develop supplier monitoring processes, an environmental audit system, relevant reporting standards and mechanisms for verifying data provided by suppliers.

- **development of ESG reporting systems and processes**

This risk relates to the collection, consolidation and analysis of ESG data originating from various business areas and parts of the value chain. Limited process automation may affect reporting efficiency and heighten the risk of errors or delays. In response, the Group continues to enhance its internal control processes, reporting standards and solutions supporting ESG data governance, including gradual integration of ESG data into existing operational processes and management systems.

Responsibility for the operation of the system lies with the respective process owners and organisational units responsible for ESG reporting, supported by the control and internal audit functions. Material issues relating to ESG data quality and sustainability reporting risks are reported to the Group's management and subject to regular reviews.

ESG reporting controls

The system consists of processes for the collection, verification, consolidation and reporting of ESG data. Data is collected by the relevant organisational units and verified through a multi-level process, including consistency and completeness checks, as well as expert reviews.

Where deficiencies or inconsistencies are identified, appropriate corrective actions are implemented. The ESG reporting process is integrated with the system of internal controls over financial reporting, ensuring alignment across the reporting frameworks.

Overall responsibility for the effectiveness of the system rests with the Management Board, while oversight is exercised by the Audit Committee. The Internal Audit function regularly reviews the system processes and controls, supporting their continuous enhancement.

The system is constantly refined, particularly with regard to improving ESG data quality, advancing process automation, and ensuring alignment with evolving regulatory requirements.

Role of the Supervisory and Management Boards in the sustainability risk identification and management system

SUPERVISORY BOARD
The Supervisory Board provides ongoing oversight of the risk management process, evaluating its adequacy and effectiveness as part of its responsibilities outlined in the Company's Articles of Association and the Rules of Procedure for the Supervisory Board. This oversight is also carried out through the Audit Committee, with the Supervisory Board ultimately responsible for overseeing the risk management process across the MODIVO Group.

A comprehensive understanding of the internal and external environment influencing the organisation and its risk profile is essential for the effective execution of the risk management process. This understanding informs each stage of the process. The analysis of internal and external factors forms the foundation for risk assessment. Risk identification is embedded in the processes, objectives, and tasks carried out within organisational units, as their execution directly impacts the achievement of the Company's strategic goals.

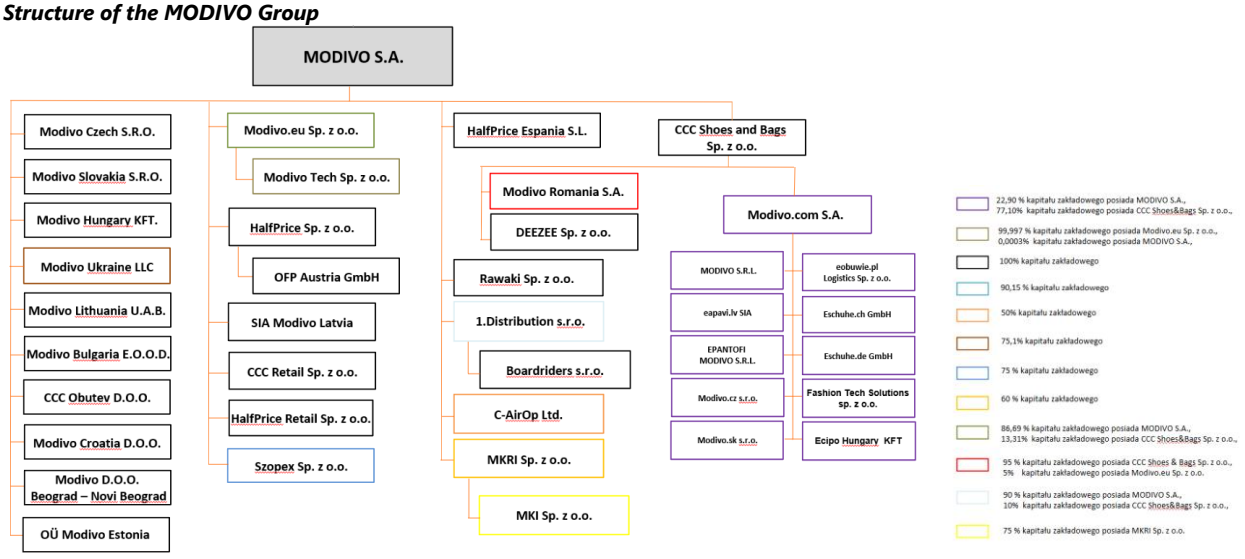
MANAGEMENT BOARD
The Management Board is responsible for organising and ensuring the effective operation of the risk management system by adopting policies for risk identification and assessment. It oversees the risk management process across the MODIVO Group, while the management boards of individual Group companies manage risk processes within their respective entities.

As part of the above-described risk management process, the Company's Management Board is responsible for the final approval of the risk acceptability threshold, of the Risk Register and the Corporate Risk Map, as well as of the unacceptable risk handling plan.

Risk reviews are conducted by the Management Board depending on the risk level: at least once a month or at least once a quarter. The Manager of the Internal Audit Department is responsible for reporting the Group's risks to the Management Board and the Supervisory Board on a periodic basis (at least once a year) or as requested by these bodies.

SBM-1 Strategy, business model and value chain

Structure of the MODIVO Group



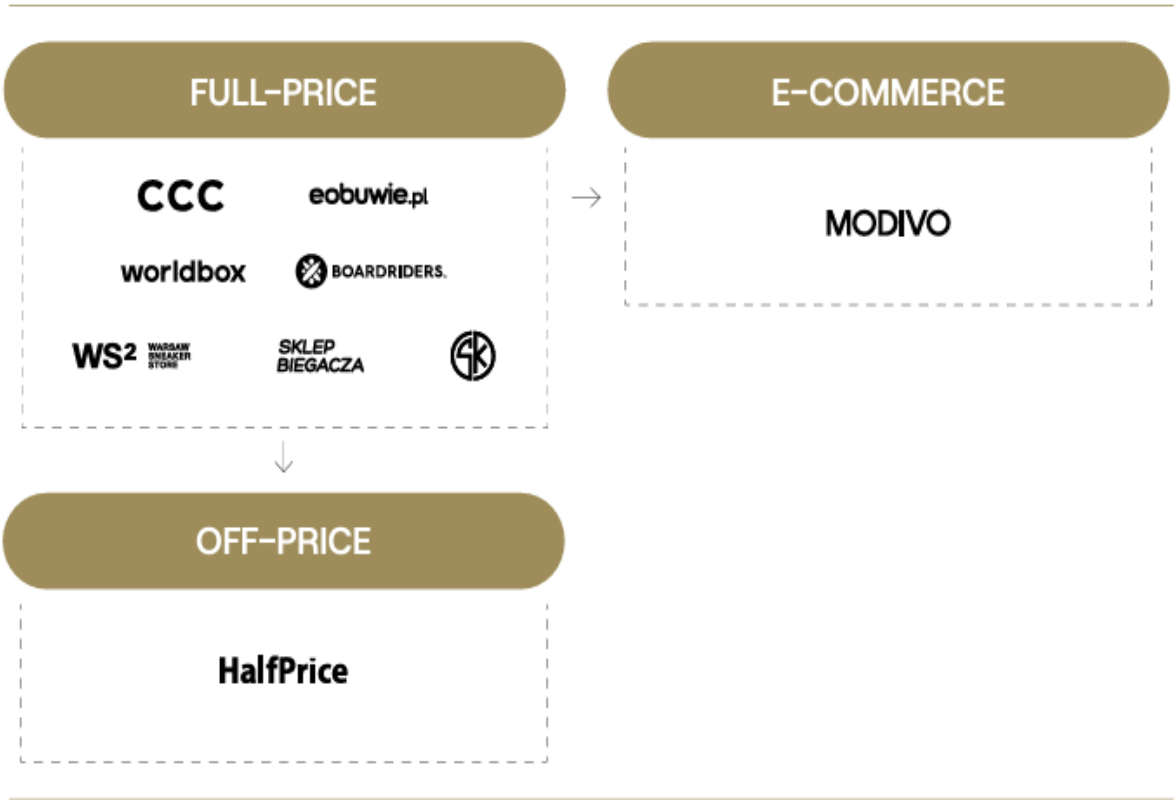
Shareholding structure *(as at 28 May 2026)*

Akcjonariusz:	Liczba posiadanych akcji	% udział w kapitale akcyjnym	Liczba głosów na walnym zgromadzeniu akcjonariuszy	% udział w liczbie głosów na walnym zgromadzeniu akcjonariuszy
ULTRO S.a.r.l. i ULTRO INVESTMENT P.S.A. (podmioty zależne od p. Dariusza Miłka)	25.641.578	33.29%	32.191.578	38.52%
Allianz Polska OFE*	4.878.255	6.33%	4.878.255	5.84%
Nationale-Nederlanden OFE*	6.963.000	9.04%	6.963.000	8.33%
AgioFunds TFI**	4.868.348	6.32%	4.868.348	5.82%
Pozostali inwestorzy ***	34.674.713	45.02%	34.674.713	41.49%
Razem:	77.025.894	100,00%	83.575.894	100,00%

* As per the list of shareholders entitled to participate in the Annual General Meeting on 15 January 2026.
** According to a notification of 5 March 2026.
*** Other investors holding less than 5% of voting rights.

MODIVO Group business model
The MODIVO Group is a leading player in the Polish and Central European footwear market, with a strategic focus on expanding its product portfolio to include apparel categories.

The Group's business model is based on an omnichannel platform combining full-price and off-price formats, structured around three complementary segments: CCC, HalfPrice and MODIVO. The omnichannel model is based on the overlapping of online and offline sales channels and free migration of customers between those channels.



The Group operates approximately 1,200 brick-and-mortar stores across 20 European countries, primarily under the CCC and HalfPrice banners. The MODIVO business line is predominantly focused on digital channels, with online sales conducted through the eobuwie and MODIVO platforms.
The Group's sales formats complement one another in terms of product offerings, price tiers and target customer segments. The Group offers a diversified portfolio of products, including a mix of licensed, proprietary (private label) and partner brands.

MODIVO Group development strategy

The Group's development strategy rests on three pillars:

- **Licensed brands** – the Group has been steadily expanding its portfolio by introducing new brands under the licensing model. An increasing share of licensed brands in the sales mix has a positive impact on gross margin performance, primarily due to the elimination of certain cost components. Margins on licensed products are broadly in line with those on own-brand merchandise, but – on comparable items – licensed products command higher average selling prices. Because licensed brands enjoy far wider recognition than the Group's private labels, their presence increases customer interest in the Group's offering. The Group aims to further increase the share of licensed brands across all sales formats. This strategic direction reinforces the Group's focus on maintaining high standards of supplier engagement and on the application of ecodesign principles in line with the Ecodesign for Sustainable Products Regulation (ESPR), particularly with regard to the sourcing of raw materials and the use of certified materials to manufacture products.
- **Expansion of retail floor space** – the growing share of high-margin licensed products, combined with the resulting scalability of the business and the opportunity to launch new sales formats, underpins the Group's decision to accelerate the expansion of its retail footprint. This decision is further supported by the Group's strong negotiating position on lease terms – securing prime locations in shopping centres and retail parks, with a high proportion of turnover-based rents – and by the attractive profitability generated in the offline channel. The Group has identified potential to expand its total retail space to approximately 2,350 thousand square metres by 2030. In parallel with this expansion, the Group is committed to designing energy-efficient stores and supplying new locations with renewable energy.
- **Strong e-commerce business** – the Group is pursuing a series of initiatives to restore the profitability of its e-commerce operations. At the centre of the new approach is MODIVO Club, a unified loyalty programme spanning all of the Group's sales formats. Unifying the customer base will facilitate cross-selling between formats, increase share of wallet and lift annual margin per customer, while reducing paid-traffic costs. Furthermore, the product portfolio is being continuously optimised: unprofitable brands have been delisted and terms with other suppliers renegotiated. The strong e-commerce model also entails a heightened focus on data security and cybersecurity, as well as high standards of customer service and communication.

Further information is provided in section 4 of the consolidated Directors' Report on the operations of the MODIVO Group.

Table: Revenue for the period from 1 February 2024 to 31 January 2025 by operating segments:

Selected financial data from the consolidated statement of comprehensive income	1 Feb 2025–31 Jan 2026
Revenue	10,895.7
CCC	4,869.3
HalfPrice	2,247.9
MODIVO	3,778.5

* Source: note 'Segments and revenue' in the consolidated financial statements for the 12 months from 1 February 2025 to 31 January 2026.

Table: Revenue for the period from 1 February 2025 to 31 January 2026 by geographical markets and headcount:

Selected financial data from the consolidated statement of comprehensive income	1 Feb 2025–31 Jan 2026	Headcount

Poland	6,718.3	11810
Central and Eastern Europe	3,526.0	5351
Western Europe	651.4	367
Total	10,895.7	17528

* Source: note 'Segments and revenue' in the consolidated financial statements for the 12 months from 1 February 2025 to 31 January 2026.

The MODIVO Group is not active in the fossil fuel sector, chemicals production, controversial weapons (anti-personnel mines, cluster munitions, chemical, biological and nuclear weapons) production, or tobacco cultivation and production.

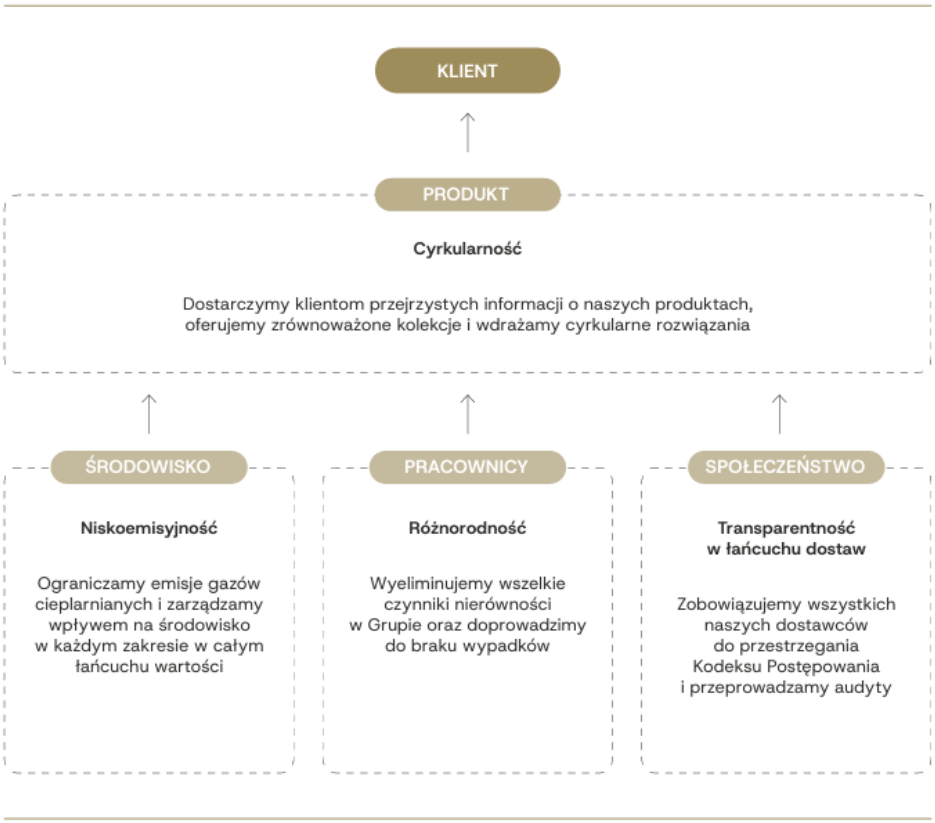
Context and key sustainability strategic assumptions

The MODIVO Group tailors its sustainability initiatives based on international and EU directions and strategies and emerging laws and regulations. The strategy is underpinned by the Paris Agreement, the EU's European Green Deal, the TCFD Recommendations on Climate-Related Financial Disclosures, and the EU's new circular economy action plan.

The GO.25 Sustainability Strategy is consistently implemented across all operating segments and geographical markets where the MODIVO Group operates.

The Strategy-driven initiatives primarily focus on footwear and apparel, the Group's main product categories, but are also applicable to other product lines.

The GO.25 Sustainability Strategy is built around three pillars supporting the main goal related to MODIVO products.



MODIVO Group strategic objectives

The GO.25 Sustainability Strategy defines the MODIVO Group's operational objectives up to 2025, which underpin its short-term transformation initiatives within the key areas of environmental and social impacts.

This set of objectives is complemented by targets extending to 2030, as defined under the Sustainable Finance Framework. The targets by 2030 serve as key performance indicators (KPIs) directly linked to financing mechanisms, including Sustainability-Linked Loan (SLL)

instruments. At the same time, they represent an extension and further elaboration of the strategic direction set out in the GO.25 Sustainability Strategy, ensuring continuity and measurability over a longer-term time horizon.

Table: GO.25 Sustainability Strategy targets

Target	2025 status
I. PRODUCTS	
Sustainable raw materials	
100% of products to include information on materials used and manufacturing methods	100% of products available in e-commerce include information on materials used
100% of product categories to include sustainable collections (with certified materials)	100% of product categories include WeCare products
Launch a recyclable product line*	Mono-material products introduced within the MODIVO Group's private-label and licensed-brand ranges
Sustainable packaging	
100% of packaging to be recyclable and made from recycled materials	FSC-certified cardboard packaging introduced (90% of consumer packaging) and Blue Angel-certified poly mailers (100% in e-commerce). Internal product standards complete with packaging guidelines developed and implemented
Introduce single cardboard packaging in e-commerce	Packaging audit was completed. Optimisation solutions developed are currently being assessed for operational feasibility
Used footwear management	
Used footwear collection initiative rolled out across 100% of stores in Poland and abroad	'Circular Fashion' programme covers 100% of stores in Poland, as well as the Czech, Slovak, Hungarian and Romanian markets (CCC, HalfPrice, eobuwie, Boardriders and selected Worldbox stores). The collection rate relative to sales volume at 0.54%
II. ENVIRONMENT	
GHG emissions reduction	
-40% in Scope 1+2 emissions	Scope 1 and 2 greenhouse gas emissions reduced by 56.40% compared with the base year (2019)
-10% in Scope 3 emissions	Scope 3 emissions reduced by 56.56% compared with the base year (2021)**
Circular economy	
Reduce waste generated by the MODIVO Group by 30% compared with the base year	The Group's efforts focused on increasing the proportion of waste directed to recycling and other recovery processes. Waste not subject to recycling was reduced by 42.61%. Share of waste diverted to recycling at 94.21% in 2025, a year-on-year increase of 3.64pp
Set waste reduction targets for Tier 1 suppliers	Target incorporated into the supplier incentive programme, planned for implementation and operationalisation in early 2026
Water conservation	
Assess the impact of the MODIVO Group and its value chain on water resources, and develop a water efficiency management approach	Comprehensive LEAP-based assessment conducted. Identified environmental impacts, risks and opportunities integrated into the Group's risk management framework

Biodiversity protection	
Assess the impact of the MODIVO Group and its value chain on biodiversity	LEAP-based biodiversity assessment conducted. Its findings, along with identified risks and opportunities, incorporated into the enterprise risk management system
III. EMPLOYEES	
Employee life and health	
Achieve zero work-related accidents involving MODIVO Group employees	TRIR/LTIFR in the reporting period at 3.59. Further strengthening of occupational health and safety measures
Workforce diversity	
Reduce the GCR*** to a 5pp difference between the share of women in management positions and their overall share in the organisation	Difference between the share of women in management positions and their overall share in the organisation reduced to 1.54pp
100% of MODIVO Group employees trained in diversity	76% of the Group's workforce covered by dedicated Diversity & Inclusion training
Equal pay for equal work	
Reduce the Gender Pay Gap Ratio (GPGR) to 5%	Unadjusted GPGR at 23.48%
IV. SOCIETY	
Responsibility in the supply chain	
Cover 100% of key**** private-label and licensed-brand suppliers by the updated Supplier Code of Conduct	Updated Supplier Code of Conduct acknowledged by 98.51% of key business partners
Engage Tier 1 suppliers in non-financial reporting	Tier 1 business partners successfully engaged in data mapping for the purposes of LEAP assessments, raw material certification reporting and supplier audits
100% of high-risk suppliers to undergo audits	All entities identified as high-risk suppliers covered by audits
Ethics	
Review 100% of reported violations	All ethical misconduct reports registered in 2025 formally reviewed and investigated

* Products designed in line with the circular economy concept, intended to facilitate recycling or upcycling.
** The 2021 base year has not been recalculated.
*** As described in greater detail under S1-16.
**** A key supplier is defined as any contractor with whom the Group has placed orders for more than PLN 1 million.

Table: Sustainable Finance Framework targets

TARGET	Baseline*	2025	2030 Target	Progress (%)
Reduction in Scope 1+2 GHG emissions compared with 2022 baseline	43,548.9 Mg CO_2e	29,630.08 Mg CO_2e	56%	31.96%
Reduction of Scope 3 greenhouse gas emissions from raw material use compared with 2021 baseline**	1,054,763.83 Mg CO_2e	410,419.58 Mg CO_2e	40%	61.08%
Reduction in the use of natural leather in private-label and licensed-brand products compared with 2021 baseline***	4,858 056 m	1,821,263 m	40%	62.5%

Footwear and apparel collected for reuse as percentage of merchandise sold in relevant categories	0%	0.54% ****	8%	0.54% ****

* Data not subject to verification in the 2024 audit.
** The 2021 base year has not been recalculated. Further information on emissions is provided in section E1-6.
*** 1 kg = 1 m^2 (width 1.45 m).
**** The rate relates to the number of products sold in periods and at locations where the collection was carried out, including only product categories covered by the collection programme.

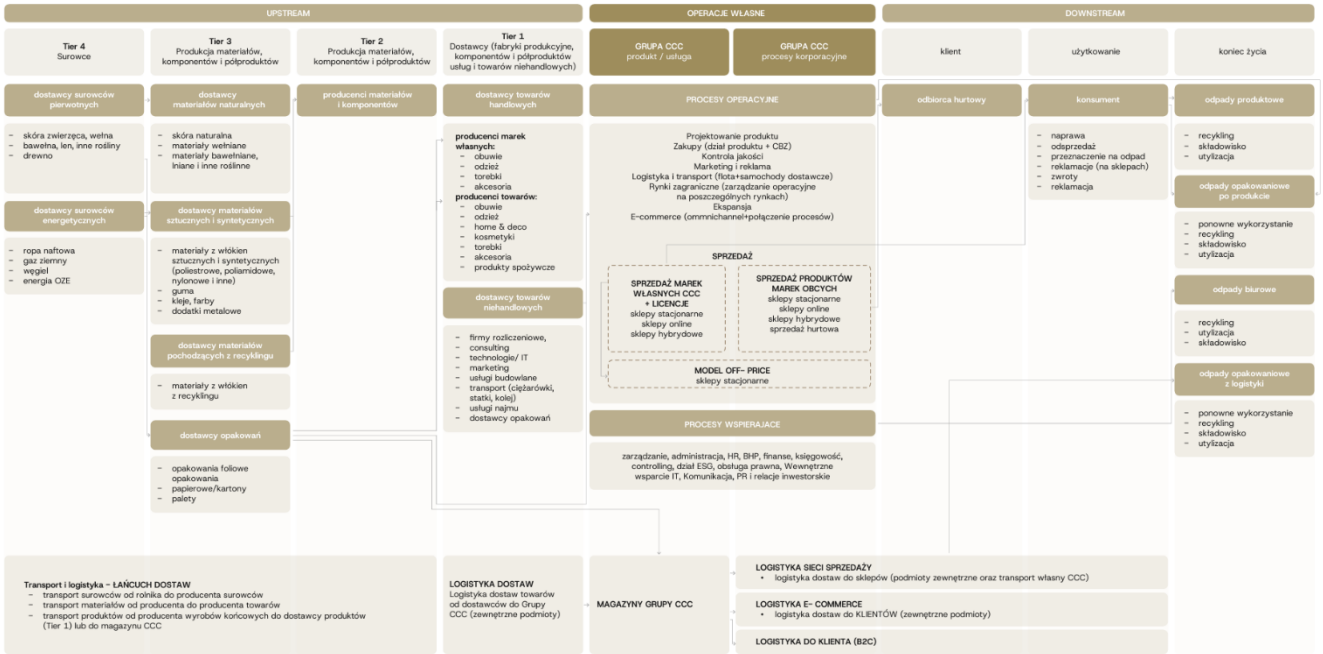
The new strategy for the period 2026–2030 ensures continuity of the Group's transformation trajectory and alignment between short- and long-term objectives. It will serve as a reference framework for future disclosures, reflecting evolving sector priorities alongside regulatory developments.

In the course of work on its new strategy, the MODIVO Group is establishing a dedicated and structured approach to the management of environmental impacts, which includes the development of targeted strategies in the areas of water stewardship, biodiversity and decarbonisation, to constitute integral components of the Sustainability Strategy for 2026–2030.
The planned approach involves the following key steps:

- identification and management of impacts on water resources across the value chain, with a particular focus on areas subject to high water stress,
- development of environmental standards for suppliers, particularly in relation to water management and pollution prevention,
- implementation of a biodiversity management framework based on the LEAP methodology, including the identification of areas with elevated risk of ecosystem degradation,
- progressive enhancement of raw material traceability and systematic integration of environmental criteria into sourcing and procurement decisions,
- development and implementation of a comprehensive decarbonisation strategy spanning greenhouse gas emissions across Scopes 1, 2 and 3, including measures to improve energy efficiency, increase the share of renewable energy, and strengthen supplier engagement to reduce value chain emissions.

This strategy will be directly aligned with the results of the material impacts, risks and opportunities (IRO) assessment, addressing identified areas of significant environmental and social impacts.

MODIVO Group value chain



The value chain comprises all activities, material impacts, resources, relationships, the business model, and the external environment in which the Group operates. It covers all stages of the business process – from the sourcing of raw materials, through production and logistics, to distribution and interaction with the end-user. The MODIVO Group developed its value chain model based on a material flow analysis. The core of the value chain comprises operational processes within the Group, encompassing all activities from the moment merchandise is purchased to its delivery to customers. Within own operations, key processes include product design, procurement, marketing, logistics and transport, international market management, and e-commerce. The core business activity is sales, comprising the

sale of private labels and licensed brands, as well as third-party brands, and the off-price model in offline retail stores. Supporting processes include management, administration, human resources, and occupational health and safety.

The upstream value chain comprises all preceding activities carried out by other entities, from the procurement of raw materials, manufacture of materials, components, products, and packaging, inbound transport to the Group, to the generation of electricity purchased by the Group and the supply of water necessary for production.

The downstream value chain covers all processes involving the product after it leaves the Group, including outbound transport, distribution, sale, use, and the end-of-life phase. Products should be reusable at the end of their life, either as components or as recycled materials. Through the footwear and clothing collection programmes operated by the MODIVO Group, products are given a second life instead of becoming waste.

This value chain model is used in calculating greenhouse gas emissions, analysing the mutual impacts of the MODIVO Group and its external environment, analysing processes in line with the circular economy model, analysing the resilience of the Group's business model to climate change, assessing its impacts on water and biodiversity, as well as identifying impacts, risks, opportunities and dependencies.

SBM-2 Interests and views of stakeholders

MODIVO Group key stakeholders
The MODIVO Group actively engages stakeholders in shaping its strategy and business model through participation in the materiality assessment, as well as through surveys and interviews focused on material sustainability topics.

The purpose of stakeholder engagement is to better align the strategy with stakeholder expectations, mitigate risks, and foster relationships built on trust and dialogue. Insights from stakeholder engagement are analysed and integrated into strategic decision-making processes. Communication activities targeting key stakeholders are carried out with the aim of continuously monitoring stakeholder views, gaining a deeper understanding of their needs, and providing information on actions undertaken by the Group. Information obtained through these processes was used during the development of the GO.25 Strategy and will also inform the preparation of the MODIVO Group's next strategy. The Management and Supervisory Boards receive regular updates on stakeholder feedback.

The Group's key stakeholder groups were identified as part of the materiality assessment conducted in 2024 and remained unchanged in 2025.

Table: MODIVO Group's relationships with key stakeholders

Key stakeholders	Engagement method	Topics addressed and purpose of stakeholder engagement
Consumers	Satisfaction surveys, Customer Service Office, social media, sustainability reporting.	Access to information, active and transparent communication, excellent customer service, product safety.
Employees	Career development reviews, satisfaction surveys, intranet, newsletter, informational emails, training and workshops, town hall meetings, and sustainability reports.	Working conditions, professional development and education, safety standards.
Suppliers of merchandise	Regular collaborative communication, meetings and other forms of direct communication.	Favourable terms of business, timely payments, fair and transparent business relationships.
Suppliers and subcontractors	Regular collaborative communication, meetings and other forms of direct communication with employees.	Favourable terms of business, timely payments, fair and transparent business relationships.
Value chain workers	Communication via the corporate website, social media, and sustainability reports.	Access to information, active and transparent communication, and clearly defined cooperation standards applicable to business relationships with the MODIVO Group.

Legislative bodies and public administration	Face-to-face meetings, participation in local events, conferences, sustainability reports.	Legal compliance, timely and quality reporting, MODIVO Group's Strategy.
Investors and potential investors	Investor relations and communications published on Investor Relations – MODIVO PLATFORM and via ir@modivoplatform.com, earnings conferences, General Meetings, current and periodic reports, and sustainability reports.	Financial performance, business strategy execution, ESG ratings, and sustainability activities.
Financial institutions	Communication via the corporate website, face-to-face meetings and teleconferences, earnings conferences, current and periodic reports, and sustainability reports.	Financial performance, regulatory compliance, and the MODIVO Group's Strategy.
Affected communities	Communication via the corporate website, social media, sustainability reports, and participation in local events.	Sustainability initiatives undertaken by the MODIVO Group.
Media	Press office and ongoing communication, correspondence via the mailbox on Media enquiries – MODIVO PLATFORM, press releases posted on the website, and press conferences.	MODIVO Group's Strategy, financial performance, corporate events.

Understanding stakeholder interests and views
The MODIVO Group regularly monitors stakeholder interests through:

- Due diligence processes, which include assessing the impact on key stakeholder groups,
- Materiality assessments, which identify stakeholder priorities in the context of ESG and the business model. These processes enable regular updates to the Group's understanding of stakeholders' evolving needs and expectations.

Changes to strategy or business model
In the event of modifications to the strategy or business model, stakeholder views are taken into account by:

- Aligning strategic and operational objectives with the collected feedback,
- Analysing the impact of changes on stakeholder relationships, including opportunities to strengthen collaboration or redefine the terms of engagement,
- Communicating updates in a timely manner through reports, meetings, and dedicated announcements.

Reporting to governing bodies
The Management Board and the Supervisory Board are kept regularly informed of stakeholder feedback. This information is presented during routine meetings and incorporated into strategic and operational reporting, ensuring full integration into the decision-making process. This model of stakeholder engagement enables the Group to respond flexibly to changing circumstances and to build long-term value in line with stakeholder expectations.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Compared with the previous reporting period, the MODIVO Group has revised the identification and assessment of impacts, risks and opportunities, driven primarily by a refined methodology for the double materiality assessment and adoption of the LEAP approach in relation to biodiversity.

The most significant changes include:

- identification of new material impacts in the area of biodiversity (E4), in particular those related to land-use change and the supply chain impacts on ecosystems,
- expansion of the scope of environmental impacts to include additional elements, such as microplastic emissions during the product use phase (downstream),
- increased granularity in the assessment of climate-related impacts through a clear distinction between impacts related to climate change adaptation and climate change mitigation,
- strengthened recognition of the supply chain as a key area for the generation of impacts, risks and opportunities,

- further development of the circular economy approach through the identification of positive impacts associated with extended product lifecycles,
- expansion of the scope of social impacts, particularly in relation to consumers (including education and digital inclusion) and digital data security.

With regard to risks and opportunities, a shift has been recorded from general risk categories towards more detailed and operational risk exposures, particularly those related to the physical impacts of climate change, raw material availability, water stress and tightening regulatory requirements. At the same time, new opportunities have been identified in relation to the energy transition, circular economy initiatives and access to green financing. These changes reflect the increasing maturity of the Group's approach to sustainability management and stronger integration of ESG factors into its strategy and business model.

Table: Material sustainability impacts at the MODIVO Group

ESRS topic	Impact	Description of the impact and its interaction with strategy and business model	ESRS sub-topic	Nature of the impact	Value chain segment	Stakeholder impact on ESRS topic
E1 Climate change	Contribution to climate change through GHG emissions and energy intensity	The MODIVO Group has an actual negative impact on climate change through greenhouse gas emissions and significant energy consumption. This impact occurs across the short-, medium- and long-term time horizons. Key sources of the impact: Supply chain (upstream) Energy-intensive processes in raw material production (e.g. livestock farming for leather, agriculture) and manufacturing (e.g. dyeing, finishing), performed by external suppliers. Own operations: Electricity and fuel consumption across the extensive retail network and logistics centres. Logistics and distribution (downstream): Emissions associated with product transport to stores and e-commerce customers. The impact is inherently linked to the scale of the Group's operations and its business model based on a global supply chain and broad physical distribution network.	Climate change mitigation, Energy	Negative/ actual	upstream, own operations, downstream	Above average
E2 Pollution	Emissions of pollutants and microplastics across the product lifecycle	The MODIVO Group has a material, actual negative impact on the environment through the release of harmful substances into water and soil, occurring in the short- and medium-term. Key sources of the impact: Supply chain (upstream) The LEAP analysis identified material environmental impacts from toxic emissions in production processes, Including chromium use in tanning, chemicals in footwear sole manufacturing, and heavy metals. Use phase (downstream): Release of microplastics due to wear of footwear soles and, following the business expansion into apparel in 2025, washing of synthetic textiles by consumers. This impact stems from a business model based on global sourcing (environmental risks at suppliers) and product portfolio characteristics (addition of apparel). It is mitigated through procurement policies (e.g. REACH compliance) and the use of lower-impact finishing solutions (biodegradable alternatives).	Microplastics, Water pollution	Negative/ actual	upstream, downstream	Above average
E3 Water and marine resources	Significant water consumption in raw material and material production	The MODIVO Group has a material, actual negative impact on water resources, primarily within the upstream value chain. This impact occurs across the short-, medium- and long-term time horizons. Key areas of the impact based on LEAP analysis: Agriculture and livestock (upstream): High water abstraction for irrigation (e.g. cotton) and animal husbandry (hide) (the main source of the Group's water footprint). Processing (upstream): Water-intensive industrial 'wet processes' such as tanning, dyeing and finishing of textile products). Magnitude of this impact depends on technologies used by contract suppliers. The impact is structurally embedded in the business model, which relies on natural raw materials (hide, natural textiles) with high water footprints. Management actions include strategic sourcing decisions (supplier selection) and environmental requirements for the supply chain.	Water consumption	Negative/ actual	upstream	Above average
E4 Biodiversity and ecosystems	Habitat loss and biodiversity degradation due to land-use change and invasive species	The MODIVO Group has a material, actual negative impact on biodiversity, identified in 2025 through the LEAP analysis. The impact is predominantly long-term. Key drivers in the supply chain: Land-use change: Direct conversion of natural ecosystems (primary forests, savannahs) into pasture, monocultures or agricultural land. Leads to habitat loss, ecosystem fragmentation and soil degradation. Invasive species: Introduction of non-native plant species (e.g. high-yield forage grasses, monocultures of non-native trees), which displace native flora and permanently alter local ecosystems.	Direct drivers of biodiversity loss	Negative/actual	upstream	Below average

		The impact arises from the business model based on product imports (leather, wood/paper, fibres) and historical procurement strategy. It is exacerbated by the lack of full traceability to the farm/plantation level.				
E5 Resource use and circular economy	Extension of product lifecycles and post-sales material recovery	The MODIVO Group has a material, actual positive impact on the environment through circular economy initiatives. The impact is predominantly long-term. Actions are focused on responsible management of products in the end-of-use (downstream) phase. Through the 'Circular Fashion' project (collection of pre-owned footwear and clothing), the Group transforms potential waste into a resource. Instead of being sent to landfills, collected products are returned to circulation (given a 'second life'), which effectively increases the organisation's material circularity rate and counteracts resource waste. The impact reflects a strategic shift towards circular business models. The 'Circular Fashion' project is a key element of the Sustainability Strategy, enabling the Group to build a competitive advantage and prepare for upcoming regulations.	Resource outflows related to products and services	Positive/ actual	own operations, downstream	Above average
E5 Resource use and circular economy	Consumption of virgin resources and waste generation within own operations and value chain	The MODIVO Group has a material, actual negative impact related to the take-make-waste resource use model. The impact is predominantly long-term. Key areas of the impact: Resource inflows Intensive use of primary and secondary materials for the manufacture of merchandise (footwear, bags, apparel, accessories), in particular under proprietary and licensed brands. Resource outflows (waste): Waste generation across own operations and value chain, including logistics. The impact results from the scale of production and a model based on the sale of physical goods. It is mitigated by the Group through the implementation of the Circular Economy Roadmap, which includes: - responsible design and informed selection of materials, - maximisation of resource efficiency at manufacturing plants.	Resource inflows, including resource use; resource outflows	Negative/ actual	upstream, own operations, downstream	Above average
S1 Own workforce	Ensure stable working conditions and social dialogue	The MODIVO Group has a material, actual positive impact on employee wellbeing by maintaining high employment standards. It is realised through: Stability: Ensuring stable employment, timely remuneration at market-based rates, and respect for the right to rest (work-life balance). Dialogue: The Group actively supports freedom of association and is engaged in continuous, transparent dialogue with trade unions and employees, fostering mutual trust and engagement. The quality of jobs is a foundation of the Group's strategy and a condition for operational continuity. Maintaining high employee engagement and low turnover levels translates directly into customer service quality and sales efficiency.	Working conditions	Positive/actual	own operations	Strong
S1 Own workforce	Risk of workplace accidents in operational and logistics activities	The MODIVO Group has identified an actual negative impact related to the physical safety of its workforce. Given the scale of its operations, including extensive logistics and a broad network of brick-and-mortar stores, there is an inherent risk of workplace accidents. This impact is managed through rigorous occupational health and safety (OHS) procedures implemented by the Group, regular training, and continuous monitoring of incidents. These measures are designed to minimise the likelihood of occupational injuries and adverse health effects among workforce members. Effective management of occupational health and safety constitutes a key element in ensuring compliance with applicable legal and regulatory requirements and supports the Group's strategic objective of safeguarding human capital and reducing sickness-related absence rates.	Working conditions	Negative/actual	own operations	Strong
S1 Own workforce	Prevention of social exclusion through the employment of people with disabilities	The MODIVO Group has a material, actual positive impact on the labour market through an active human capital management approach. The Group undertakes targeted measures to support the recruitment and inclusion of people with disabilities within its organisational structures. These practices contribute to the development of diverse and inclusive teams, foster	Equal treatment and opportunities for all	Positive/actual	own operations	Strong

		creativity, and directly mitigate the risk of social exclusion by ensuring equal access to professional development opportunities for disadvantaged groups. Inclusivity, particularly at the level of store operations, constitutes a key part of the MODIVO Group's Strategy. It supports the brand's positioning as open and accessible to all customers and employees, thereby building a sustainable competitive advantage grounded in social value creation.				
S1 Own workforce	Low diversity on corporate boards	The MODIVO Group has identified an actual negative impact related to the need to further enhance its diversity culture. Key challenges include progressing towards full gender diversity within administrative, management and supervisory bodies, as well as eliminating inconsistencies in standards related to accessibility audits and pay equity assessment across selected international markets. Efforts to advance equal representation in decision-making and harmonise operational standards are critical for the Group to maintain a coherent business model. Addressing these gaps supports long-term resilience of the model and constitutes an integral element of the Group's Sustainability Strategy.	Equal treatment and opportunities for all	Negative/actual	own operations	Strong
S2 Workers in the value chain	Improvement of sanitary conditions at supplier facilities	The MODIVO Group has a potential positive impact on working conditions within its supply chain by promoting high sanitary standards. It is a continuing impact, spanning the short-, medium- and long-term time horizons. Its mechanism is based on requiring suppliers to effectively manage water resources and wastewater. These requirements ensure that workers at manufacturing sites within the value chain have access to clean water and appropriate sanitary conditions, which constitute a fundamental element of decent working conditions. This impact stems from the Group's procurement policy and Sustainability Strategy, which are based on responsible supply chain management. The enforcement of sanitary requirements through the Supplier Code of Conduct constitutes a key instrument for building a safe working environment among business partners.	Other work-related rights	Positive/potential	upstream	Strong
S4 Consumers and end-users	Enhancing access to information, sustainability education and digital inclusion	The MODIVO Group has a material, actual positive impact on consumers by ensuring high-quality access to information and products. It is a continuing impact, spanning the short-, medium- and long-term time horizons. It is delivered across three key dimensions: Education and transparency (information): Facilitating informed purchasing decisions through the WeCare sustainable product labelling system (both in-store and online), as well as e-commerce filtering functionalities. The Group ensures transparent communication of ESG aspects through annual reports and social media channels. Inclusion (accessibility): Enhancing digital accessibility for people with disabilities (e.g. font size adjustment functionalities on corporate websites), thereby mitigating digital exclusion. Dialogue (communication): Maintaining open, two-way communication channels (customer service, social media), enabling prompt response to customer feedback and continuous improvement of operational processes based on consumer input. These measures form an integral part of the Group's customer-centric strategy. The WeCare system directly supports the promotion of responsible consumption, while the adaptation of digital platforms aligns with ethical standards and digital accessibility requirements.	Information-related impacts for consumers or end-users, social inclusion of consumers or end-users	Positive/actual	downstream	Above average
S4 Consumers and end-users	Ensuring product safety and quality	The MODIVO Group has a material, actual positive impact on the physical health of consumers by ensuring the highest standards of product quality, particularly in footwear. Special emphasis is placed on the protection of children (the Lasocki Kids line), where ergonomic design and natural materials support the healthy development of a child's feet and minimise the risk of postural defects. This focus on safety stems directly from the customer-centric pillar of the Group's strategy. This impact is managed by the Group through integrated quality assurance procedures and rigorous chemical and durability testing conducted by accredited laboratories. It is a continuing impact, spanning the short-, medium-, and long-term time horizons.	Personal safety of consumers and/or end-users	Positive/ potential	own operations, downstream	Above average

S4 Consumers and end-users	Responsible marketing practices and ethical messaging	The MODIVO Group has an actual positive impact on consumer wellbeing by promoting responsible and ethical attitudes through its marketing and communication practices. Its marketing communications are free from discrimination, stereotypes and objectification, thereby fostering social inclusion and promoting respect for diversity across dimensions such as age, gender and physical appearance. Ethical messaging constitutes a core component of the Group's strategy to build and maintain trust in the brand as a socially responsible partner. This impact is managed by the Group through consistent application of the Advertising Code of Ethics and a formalised communication policy, which, in addition to supporting commercial objectives, also serves an educational and awareness-raising role. It is a continuing impact, spanning the short-, medium-, and long-term time horizons.	Social inclusion of consumers and/or end-users	Positive/ actual	own operations, downstream	Above average
G1 Business conduct	Building an ethical organisational culture and a responsible value chain	The MODIVO Group has a material, actual positive impact on ethical standards in business. It is a continuing impact, spanning the short-, medium- and long-term time horizons, delivered through the following mechanisms: - Within the organisation (culture): Fostering a work environment grounded in shared values and due diligence procedures aligned with the UN Guiding Principles on Business and Human Rights. This contributes to the development of a strong and accountable corporate culture. - Across the supply chain (relationships): Business partner due diligence conducted through regular social and environmental audits. The Group excludes non-compliant entities from its supply chain and supports suppliers through incentive programmes aimed at improving their ESG performance. These actions are embedded in the Group's strategy of building a stable and secure business model. A strong ethical culture enhances employee engagement, while rigorous supplier selection and oversight mitigate reputational and operational risks across the value chain.	Corporate culture, management of relationships with suppliers including payment practices	Positive/ actual	upstream, own operations	Above average
	Ensuring digital security and data protection	The MODIVO Group has a material positive impact on the security of stakeholders' data (including customers, employees and business partners) through robust cybersecurity standards. The impact is continuing. The Group takes proactive measures to prevent unauthorised system entries and data breaches. By deploying advanced security safeguards and monitoring procedures, it minimises the risk of cyber incidents, ensuring the confidentiality, integrity and availability of data in an environment of mounting cyber threats. Cybersecurity constitutes a key element of the Group's operational risk management strategy.	Specific sub-topic	Positive/actual	own operations, downstream	Above average

*Time horizon: Short-term (1 year), medium-term (1–5 years), and long-term (over 5 years).
* Scale of stakeholder impact on a topic: 6 Very strong, 5 Strong, 4 Above average, 3 Below average, 2 Minimal, 1 No impact.

In 2025, the MODIVO Group identified 12 material sustainability risks and 5 material opportunities.

Table: Material sustainability risks at the MODIVO Group

ESRS topic	Risk	Value chain segment	Description of the risk and its interaction with strategy and business model	Time horizon

E1 Climate change / S2 Workers in the value chain	Risk of physical impacts of climate change in regions where products are manufactured	upstream	The concentration of manufacturing in regions of Asia exposed to extreme weather events (floods, droughts, heatwaves) increases the risk of supply disruptions and delays in the availability of collections. Extreme climatic conditions may additionally impair labour productivity at suppliers and constrain the availability of manufacturing or logistics infrastructure. As a result, the Group is exposed to disruptions in operational continuity, increased costs and loss of revenue due to market delays. The Group mitigates this risk through geographical diversification of the supplier base, flexible supply chain and logistics planning, and systemic monitoring of climate-related hazards in sourcing regions.	Short- and medium-term
E1 Climate change / E5 Resource use and circular economy	Risk of raw material availability and price volatility	upstream	The global impacts of climate change, growing demand for raw materials, geopolitical instability and regulatory changes driving the transition towards a circular economy may lead to sharp price increases or physical shortages of key raw materials. These factors pose a direct threat to the Group's product profitability, delivery timelines, and stability of margins. The Group enhances the resilience of its business model through geographical diversification of sourcing, active identification of substitute materials, and ongoing monitoring of market trends.	Short-term
E1 Climate change	Risk related to cost of and access to capital	own operations	Failure to achieve climate targets embedded in financing agreements entails a risk of increased debt service costs and restricted access to capital from institutions promoting sustainable finance. The Group mitigates this risk by integrating ESG objectives into its financial strategy, thereby preserving liquidity and favourable financing terms to support the execution of its strategy.	Short- and medium-term
E2 Pollution	Risk of industrial pollution and environmental costs	upstream	Inadequate management of waste and pollutant emissions within the value chain generates a high risk of administrative penalties and necessitates unplanned capital expenditures. The Group manages this risk through a systemic approach, including an active Chemicals Management Policy and the rigorous enforcement of the Code of Conduct, thereby limiting legal exposure and safeguarding cost stability across operations.	Short-term
E2 Pollution	Risk of hazardous substances and market access barriers	upstream / downstream	Non-compliance of Asian suppliers with stringent EU regulatory requirements creates a genuine risk of product sales restrictions and lasting loss of consumer trust. The Group strengthens the resilience of its business model through enhanced traceability and local quality control, while progressively shifting production volumes to certified partners, thereby ensuring product safety and continuity of market access.	Short-term
E3 Water and marine resources	Physical water scarcity risk	upstream	The concentration of manufacturing in areas of high-water stress generates a risk of physical shortages of water necessary for industrial processes. This may disrupt production and drive up raw material prices. The Group enhances the resilience of its business model through the assessment of its impacts on water resources and the implementation of environmental standards for supplier relationships.	Medium-term
S1 Own workforce / S4 Consumers and end-users	Risk of cyberattacks and loss of operational continuity	own operations/downstream	Malicious attacks on IT infrastructure may result in the disruption of sales and logistics systems, leading to immediate revenue loss and the risk of theft of trade secrets. The Group strengthens its operational resilience through multi-layered security systems and 24/7 threat monitoring, enabling rapid detection of incidents and ensuring uninterrupted business operations.	Short-term
S1 Own workforce / S4 Consumers and end-users	Risk of personal data breaches and regulatory sanctions (GDPR)	own operations/downstream	The processing of large volumes of customer and employee data entails a risk of data breaches, which may result in substantial administrative fines and severe reputational crisis. The mitigation strategy involves systemic data encryption and strict control of access to digital resources, which minimises the risk of legal violations and protects the brand's reputation.	Medium-term

S4 Consumers and end-users	Shift in consumption patterns and consumer preferences	downstream	Rising environmental awareness among consumers and the 'smart consumption' trend may weaken demand for traditional products, directly affecting revenue levels. The Group strengthens its market resilience by increasing the share of low-carbon products and enhancing the flexibility of its ordering processes (enabling rapid response to trends), while basing collection planning decisions on advanced sales data analytics.	Medium- and long-term
G1 Business conduct	Risk of gaps in supply chain compliance and transparency	upstream	Tightening EU regulations and increasingly stringent ESG standards adopted by the Group may exceed the pace of adaptation among suppliers, particularly in Asian markets. At the same time, limited traceability of raw materials further upstream in the value chain increases the risk of inadvertent use of illegal, unethical or non-compliant materials that fail to meet environmental and social requirements. The Group mitigates this risk through proactive expansion and diversification of its supplier base, systematic compliance monitoring, increased weighting of ESG criteria in supplier assessments, adoption of digital tools for tracing raw material origin, and a system of environmental and social audits.	Medium-term
G1 Business conduct	Risk of regulatory transition and resource constraints	own operations	Rapid legislative changes and the need to transform internal processes, combined with limited availability of specialised human resources and expertise, may lead to delays in key projects and loss of access to sustainable finance. The Group manages this risk through close integration of its Sustainability Strategy with operational objectives and the prioritisation of alignment initiatives, thereby ensuring a smooth transition process.	Short-term
G1 Business conduct	Reputational risk and media scrutiny	upstream/own operations	Potential association of the Group's supply chain with negative environmental impacts or breaches affecting biodiversity and human rights (including fair wage issues) in countries where its products are manufactured may result in increased media scrutiny, sudden negative campaigns and severe reputational crisis. Consequently, there is a risk of loss of stakeholder trust and erosion of brand value. The Group manages this risk through strict adherence to the Code of Conduct and the Advertising Code of Ethics, as well as transparent communication and reporting of remedial actions.	Short-term

Potential financial effects arising from ESG-related risks may adversely affect the Group's operating costs and cash flows. Extreme weather events and water stress in Asia may directly increase raw material prices and logistics costs, placing pressure on gross margins. In addition, mitigation measures, including supplier audits, enhanced cybersecurity and the maintenance of higher inventory levels, may increase operating expenditure and periodically result in additional working capital requirements.

The risk of material balance-sheet adjustments in the following year relates primarily to inventories, which may require write-downs due to transport delays, customs restrictions arising from suppliers' potential non-compliance with EU standards, or sudden shifts in consumer trends. Furthermore, a significant reputational crisis within the supply chain or the loss of access to sustainable financing could necessitate impairment testing of the Group's property, plant and equipment and trademarks.

Table: Material sustainability opportunities at the MODIVO Group

ESRS topic	Opportunity	Value chain segment	Description of the opportunity	Time horizon
E1 Climate change	Energy transition and adaptation	own operations	Enhancement of infrastructure cost efficiency and operational performance. Investments in modern logistics and renewable energy sources are aimed at achieving a structural reduction in operating costs and ending the Group's exposure to energy price volatility. This transition directly supports business profitability while contributing to the delivery of decarbonisation targets.	Short-term

E1 Climate change	Strengthening value chain resilience	upstream	Strategic safeguarding of business continuity. By strengthening environmental cooperation with its suppliers, the Group builds a durable and climate-resilient value chain. These actions minimise the risk of disruptions in product availability and stabilise procurement costs, while also protecting the brand's reputation among increasingly environmentally conscious consumers.	Short-term
E5 Resource use and circular economy	Ecodesign and innovative materials	upstream, own operations	Development of product portfolio aligned with future market needs. The implementation of ecodesign principles and circularity is perceived by the Group as an opportunity to create an innovative product portfolio distinguishing it from its competitors. This approach not only positions the Group to address future market trends but also supports more efficient resource management and the optimisation of material costs.	Short-term
G1 Business conduct	Proactive regulatory alignment	upstream, own operations	Strengthened market position through transparency. The MODIVO Group views the proactive alignment of governance standards with emerging regulatory requirements as a source of competitive advantage rather than merely a formal obligation. This approach ensures operational continuity in European markets and reinforces the Group's positioning as a credible and reliable partner, directly contributing to the stability of its commercial relationships and stakeholder trust.	Short-term
G1 Business conduct	Sustainable finance	own operations	Efficient management of capital structure. Integration of sustainability objectives into the Group's financial strategy allows it to diversify funding sources and optimise related costs. Strong performance across non-financial metrics enhances the Group's investment case, ensuring stable funding for growth and innovation.	Short-term

Potential financial effects arising from identified ESG-related opportunities may primarily stem from the optimisation of operating costs and the protection of the Group's revenue streams. Investments in renewable energy sources and modern logistics solutions may deliver sustained reductions in energy costs, while the implementation of eco-design principles may lower raw material costs, directly supporting operating margins. At the same time, proactive alignment with EU regulatory requirements and efforts to strengthen climate resilience across the supplier base may reduce the risk of operational disruption, helping to safeguard business continuity over the long term.

From a financial perspective, the integration of sustainability objectives into the Group's capital strategy may facilitate access to green financing on more favourable terms. This may lead directly to lower debt servicing costs, improved cash flow efficiency and enhanced investor appeal, while providing a stable source of funding to support future growth and innovation.

IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

Materiality assessment process
In 2024, the MODIVO Group conducted a comprehensive materiality assessment. The methodology used was aligned with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The assessment was performed using the MAX 4 – MATERIALITY ASSESSMENT MATRIX methodology, developed by MATERIALITY Sp. z o.o. It is based on a matrix analysis of the results of assessment of individual impacts, risks and opportunities from the impact materiality and financial materiality perspectives. The scope of the assessment covered all 90 sustainability matters outlined in the table provided in ESRS 1 AR 16.

The following sources of information were used in the assessment:

- comparative analysis of 16 fashion companies, both domestic and international, focused on the impacts, risks and opportunities disclosed in their sustainability reports,
- questionnaire survey conducted among representatives of all key management areas within the MODIVO Group (including members of the Management Board and senior management personnel),
- Detailed questionnaire survey carried out with experts responsible for the MODIVO Group's operational and management areas relevant to the sustainability matters,
- evaluation of specific impact materiality and financial materiality parameters, performed by three experts from MATERIALITY Sp. z o.o.,
- questionnaire survey and structured interviews with 11 representatives of the MODIVO Group's key external stakeholder groups.

Each of the five information sources was given equal weight, as no justification emerged during the process to increase or reduce the weighting of any individual source.

The materiality assessment was conducted in 2024. Preliminary results of the matrix analysis were validated during a workshop held on 3 September 2024, attended by members of the Management Board of the MODIVO Group. The final results of the materiality assessment were approved by the Management Board on 20 September 2024.

Materiality assessment update

In 2025, the MODIVO Group reviewed and updated the double materiality assessment. The process included benchmarking against selected peer companies and a comprehensive reassessment of impacts, risks and opportunities (IROs) in the ESG area.

The identification of key matters was based on conclusions drawn from a range of strategic analyses and projects carried out in 2025, including mainly:

- climate-related risk and opportunity assessment,
- human rights impact assessment (HRIA),
- environmental analysis in accordance with the LEAP methodology,
- other internal initiatives supporting the development of sustainability management within the Group.

The human rights impact assessment, constituting a key element of the due diligence process in line with the UN Guiding Principles on Business and Human Rights, covered internal policies, operational activities and value chain relationships, taking into account the specific characteristics of the markets in which the Group operates. The identified impacts were incorporated directly into the materiality assessment process. As a result, topics within S1 (own workforce), S2 (workers in the value chain) and S4 (consumers and end-users) were identified as material, while S3 (affected communities) was assessed as non-material in this reporting period.

The MODIVO Group plans to review and update its materiality assessment on an annual basis, taking into account any changes that have taken place in its operations, the regulatory environment and stakeholder expectations.

Impact materiality perspective

The identification and assessment of impacts were closely connected with the MODIVO Group's activities and business relationships across the value chain, as outlined in the value chain model developed by a dedicated working group. The model served as the basis for analysing the Group's actual and potential impacts, including those related to suppliers (covering trade and business partners), product and service offerings, organisational structure, customers and end-users, as well as product end-of-life and waste management.

Activities, business relationships, geographies and other factors associated with an elevated risk of negative impacts were identified based on the Group's management structure.

Four parameters of impact materiality were assessed: the scale, scope and irremediable character of the impact (together representing the severity of the impact), and the likelihood of the impact. For each of the assessed parameters, the MODIVO Group assigned a score ranging from 1 to 5. The cut-off threshold for determining whether an impact was material was set at a weighted score exceeding 2.5, calculated on the basis of the severity and likelihood parameters.

Score	Scale of the impact	Scope of the impact	Irremediable character of the impact	Likelihood of the impact
5	very strong	global / total	impossible to reverse	present
4	strong	widespread	largely irreversible	likely
3	average	moderate	difficult to reverse; reversing very costly or time-consuming	possible
2	weak	concentrated / local	reversible with appropriate investment and sufficient time	rather unlikely
1	minimal	limited	reversible in the short term at relatively low cost	remote
0	no impact	no impact	easily reversible	impossible

Information used to assess these parameters was obtained through comparative analysis, stakeholder interviews, questionnaire surveys conducted among MODIVO Group representatives, and evaluations by external experts. The data from this assessment (severity and likelihood) was then categorised into a five-point intensity scale: minimal, informative, important, significant, and critical. Topics with impacts assessed as important, significant, or critical were considered material from an impact materiality perspective.

Financial materiality perspective

Financial materiality was determined by identifying and assessing risks and opportunities associated with individual sustainability topics. The assessment used two parameters: the scale of potential effects (if the risk or opportunity materialises), and the likelihood of the risk or opportunity occurring. For each of the assessed parameters, the MODIVO Group assigned a score ranging from 1 to 5. A cut-off threshold was established whereby a risk or opportunity was considered financially material if the product of the magnitude and likelihood scores was equal to or greater than 8.

Score	Risk/opportunity	Likelihood of occurrence
5	critical or very severe effects of the risk / very significant effects of the opportunity	present
4	severe effects of the risk / significant effects of the opportunity	likely
3	medium-high effects of the risk / medium-high effects of the opportunity	possible
2	medium-low effects of the risk / medium-low effects of the opportunity	rather unlikely
1	minimal-low effects of the risk / minimal-low effects of the opportunity	remote
0	no risk / no opportunity	impossible

Information used to assess these parameters was obtained through comparative analysis, questionnaire surveys conducted among MODIVO Group representatives, and evaluations by external experts. The data from this assessment was then categorised using a

five-point intensity scale (for risks: minimal or low, medium-low, medium-high, severe, critical or very severe; for opportunities: minimal or low, medium-low, medium-high, significant, very significant). Topics with risks or opportunities rated at least medium-high were considered material from the financial materiality perspective.

Double materiality principle

Each sustainability topic giving rise to a material impact, risk or opportunity was considered material from a double materiality perspective and therefore reportable in compliance with relevant disclosure standards and requirements.

A final prioritisation of the material sustainability topics was carried out, taking into account the impact materiality, financial materiality, and the extent to which these topics are addressed in the MODIVO Group's strategy and actions.

MODIVO Group materiality assessment results

As a result of the materiality assessment process, the following were identified:

- 10 key stakeholder groups,
- 16 material impacts,
- 12 material risks and 5 material opportunities.

The results are further discussed under disclosure requirement SBM-3.

Integration of materiality assessment results into the risk management process

The results of the materiality assessment informed the MODIVO Group's strategic direction, allowing the organisation to focus on key material topics. The Group has adopted a sustainability strategy that outlines its goals and ambitions, and it is committed to pursuing these goals and monitoring progress towards their achievement. The materiality assessment identified sustainability-related impacts, risks, and opportunities across the E, S, and G dimensions. The identified risks have been embedded in the Integrated Management System and are actively managed to support the mitigation of adverse events and to prevent or minimise negative impacts.

The process for identifying, monitoring, and assessing sustainability-related risks and opportunities is coordinated by the Internal Audit function. A description of the associated internal control procedures, as well as the integration of impact and sustainability risk management into the Group's overall risk management framework, is provided in disclosure GOV-5.

IRO-1 E1

In 2025, the MODIVO Group conducted a process to identify and assess actual and potential climate change-related impacts, risks and opportunities (IROs) covering its own operations and, where material, the upstream and downstream value chain.

The process was carried out in conformity with the double materiality approach and with the use of IPCC and IEA climate scenarios, as well as TCFD recommendations. The results were validated and approved by the Management Board and integrated into the Group's risk management framework and subsequent disclosures in accordance with ESRS E1.

Impact on climate change
As part of the process, actual and potential impacts of the Group's activities on climate change have been identified, in particular those arising from greenhouse gas emissions generated in:

- operational activities (energy consumption),
- transport and logistics,
- supply chain.

The analysis covered Scope 1, Scope 2 and Scope 3 emissions, in line with the requirements of ESRS E1-6.
The identification of impacts was conducted on a qualitative basis, subject to the exercise of prudence in areas with limited data availability, with the intention of further developing a quantitative approach in future reporting periods.

Climate-related physical risks
The Group has identified climate-related hazards using climate scenarios, including scenarios assuming high greenhouse gas emissions.

The identified hazards include, in particular:

- extreme weather events (e.g. floods, heatwaves, droughts),
- long-term climate changes (e.g. changes in resource availability, including water),
- disruptions to logistics and manufacturing infrastructure.

The Group assessed the extent to which its assets and operations are exposed and vulnerable to the identified climate hazards.
The analysis has found that:

- material exposure relates to the upstream value chain, particularly in regions with elevated climate risk,
- the Group's own operations (logistics, retail) demonstrate moderate vulnerability to physical risks.

Climate-related transition risks and opportunities
The Group has identified transition-related events associated with the shift to a low-carbon economy using climate scenarios, including a scenario compatible with the limiting of global warming to 1.5°C.
The identified events include:

- regulatory and climate policy changes,
- increasing energy and raw material costs,
- shifts in customer and business partner expectations,
- transformation of technologies and operating models.

The Group assessed the extent to which its assets and operations are exposed to transition-related events.
As a result of the analysis:

- transition risks have been identified primarily in relation to the value chain and operating costs,
- opportunities have been identified in relation to energy efficiency improvements, development of circular economy solutions, and access to sustainable finance.

Scenario analysis and time horizons
The assessment was conducted across three time horizons:

- short-term: 2025–2030,
- medium-term: 2031-2040,
- long-term: 2041–2050.

Two contrasting climate scenarios were considered:

- a scenario aligned with the Paris Agreement (1.5°C),
- a high-emissions scenario (failure to achieve climate targets).

The analysis was used to assess the resilience of the Group's business model to climate change.

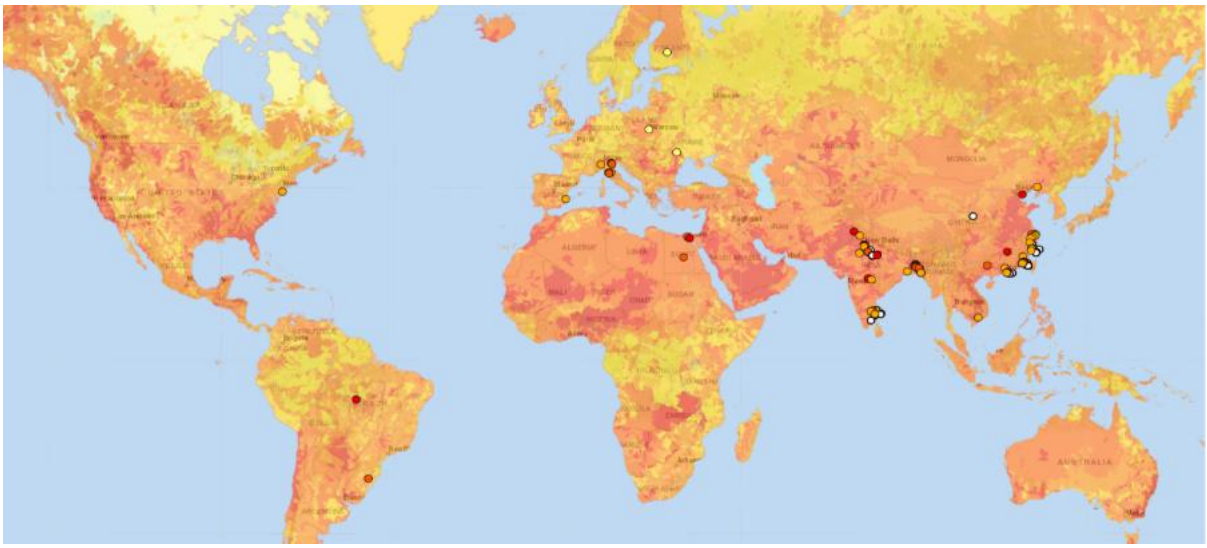
IRO-1 E2, E3 and E4

In view of the material environmental impacts associated with the fashion sector, the MODIVO Group undertook a granular and comprehensive analysis of its value chain, aimed at precisely mapping the interdependencies between its business activities and nature. The process was designed in strict alignment with the requirements of ESRS E3 (Water and marine resources) and E4 (Biodiversity and

ecosystems), and its methodological framework was based on the TNFD (Taskforce on Nature-related Financial Disclosures) guidelines and the LEAP analytical approach.
The process of identifying material impacts, risks and opportunities was structured as follows:

- Phase 0: Scoping At the initial stage, the scope of the analysis was defined based on working hypotheses reflecting the specific characteristics of the Group's operating model. It was determined that the primary exposure to nature-related risks does not arise within the Group's own operations but is concentrated in the upstream segment of its value chain. Accordingly, the analysis was prioritised towards those regions in Asia where the Group's products are manufactured and the sourcing of strategic raw materials.
- Phase 1: Locate A key element of the due diligence process involved precise geographical mapping. A total of 243 locations within the value chain were subject to detailed analysis (including 29 key manufacturing sites, 152 raw material sources and 62 packaging sources). Location data were verified through direct questionnaires addressed to key suppliers, forming part of stakeholder engagement in the assessment process.

  Figure 1. Locations of MODIVO Group upstream impacts

  Source: WWF Risk Filter Suite

  In parallel, in order to validate the risk profile of fixed assets, the process also covered 54 of the Group's own operational sites (offices, distribution centres and a representative sample of stores).
- Phase 2: Evaluate To ensure the reliability and comparability of results, the process was based on globally recognised environmental data standards. Dependencies were identified using the ENCORE database, while a detailed assessment of risk exposures was conducted using the WWF Risk Filter tool.
- Phase 3: Assess At the final stage of risk assessment, measurable quantitative criteria were applied. A materiality threshold of 3.0 on the WWF Risk Filter scale (1–6.6) was adopted as a benchmark for physical, regulatory and reputational risks. Exceeding this threshold resulted in the inclusion of identified hazards in the Group's risk register, where they were subject to further validation and expert assessment by the Group's relevant business units. The methodology employed to identify opportunities was based on an analysis of value creation potential in areas subject to high environmental pressure. Priority was given to assessing the effectiveness of existing processes, procedures and policies, with a view to identifying areas in need of strengthening.

IRO-1 E5

The MODIVO Group conducted a process to identify and assess actual and potential resource use and circular economy-related impacts, risks and opportunities across its own operations and the entire value chain, including upstream and downstream stages. The process, which involved a review of key activities and material flows throughout the product lifecycle, was carried out using qualitative analysis based on available operational data, internal process analyses and publicly available industry data.

IRO-1 G1

The MODIVO Group conducted a process to identify and assess actual and potential governance-related impacts, risks and opportunities, including in particular business ethics, anti-corruption and anti-bribery measures, legal compliance, organisational culture, and the effectiveness of control and oversight mechanisms. The process covered the Group's own operations and, where material, its relationships

with business partners within the value chain, and was based on a review of existing policies, procedures, as well as compliance and risk management systems. The identification and assessment were carried out on a qualitative basis, taking into account the likelihood of occurrence and the potential scale of financial, legal and reputational effects across the short-, medium- and long-term time horizons. The results of the process were used to determine material topics within ESRS G1 and to integrate governance considerations into the Group's risk management system and management processes.

As part of the identification and assessment of risks, opportunities and impacts across all areas, no separate consultations with affected communities were undertaken. The process was based on internal analyses and available operational and reference data. The MODIVO Group has incorporated all identified risks and opportunities into its enterprise risk management system. Accordingly, in disclosure SBM-3, the Group presents the material risks and opportunities identified in 2025..

IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statements

Table: ESRS compliance

Disclosure Requirement and related datapoint	SFDR reference (section in this report)
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	*17.1*
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	*17.1*
ESRS 2 GOV-4 Statement on due diligence paragraph 30	*17.1*
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	*17.1*
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	*17.1*
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	*17.1*
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	*17.1*
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	*17.2*
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	*17.2*
ESRS E1-4 GHG emission reduction targets paragraph 34	*17.2*
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	*17.2*
ESRS E1-5 Energy consumption and mix paragraph 37	*17.2*
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	*17.2*
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	*17.2*
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	*17.2*
ESRS E1-7 GHG removals and carbon credits paragraph 56	*17.2*
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	Exemption applied
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	Exemption applied
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)	Exemption applied
ESRS E1-9 Breakdown of the carrying value of real estate assets by energy-efficiency classes paragraph 67 (c)	Exemption applied
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69	Exemption applied
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	*17.2*
ESRS E3-1 Water and marine resources paragraph 9	*17.2*
ESRS E3-1 Dedicated policy paragraph 13	*17.2*
ESRS E3-1 Sustainable oceans and seas paragraph 14	*17.2*
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	*17.2*
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations paragraph 29	*17.2*
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	*17.1*
ESRS 2- IRO 1 - E4 paragraph 16 (b)	*17.1*
ESRS 2- IRO 1 - E4 paragraph 16 (c)	*17.1*
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	*17.2*

ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	*17.2*
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	*17.2*
ESRS E5-5 Non-recycled waste paragraph 37 (d)	*17.2*
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	*17.2*
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	*17.3*
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	*17.3*
ESRS S1-1 Human rights policy commitments paragraph 20	*17.3*
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	*17.3*
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	*17.3*
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	*17.3*
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	*17.3*
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	*17.3*
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	*17.3*
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	*17.3*
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	*17.3*
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	*17.3*
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	*17.3*
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	*17.3*
ESRS S2-1 Human rights policy commitments paragraph 17	*17.3*
ESRS S2-1 Policies related to value chain workers paragraph 18	*17.3*
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 19	*17.3*
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	*17.3*
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	*17.3*
ESRS S3-1 Human rights policy commitments paragraph 16	*Not material*
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	*Not material*
ESRS S3-4 Human rights issues and incidents paragraph 36	*Not material*
ESRS S4-1 Policies related to consumers and end-users paragraph 16	*17.3*
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	*17.3*
ESRS S4-4 Human rights issues and incidents paragraph 35	*17.3*
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	*17.4*
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	*17.4*
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	*17.4*
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	*17.4*

Table: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		17.1

ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		17.1
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex I				17.1
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicator number 4 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		17.1
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		17.1
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex I		Delegated Regulation (EU) 2020/1818 (7), Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II		17.1
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12 (1) Delegated Regulation (EU) 2020/1816, Annex II		17.1
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	17.2
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		17.2
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		17.2
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex I				17.2
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex I				17.2
ESRS E1-5 Energy intensity associated with activities	Indicator number 6 Table #1 of Annex I				17.2

in high climate impact sectors					
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		17.2
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicator number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		17.2
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	17.2
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Exemption applied
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; points 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Exemption applied
ESRS E1-9 Breakdown of the carrying value of real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; point 34 of Commission Implementing Regulation (EU) 2022/2453; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			Exemption applied
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities			Delegated Regulation (EU) 2020/1818, Annex II		Exemption applied
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex I Indicator number 2 Table #2 of Annex I Indicator number 1 Table #2 of Annex I Indicator number 3 Table #2 of Annex I				17.2
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex I				17.2
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex I				17.2

ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex I				17.2
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex I				17.2
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex I				17.2
ESRS 2 SBM-3 E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex I				17.2
ESRS 2 SBM-3 E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex I				17.2
ESRS 2 SBM-3 E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex I				17.2
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex I				17.2
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex I				17.2
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex I				17.2
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex I				17.2
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex I				17.2
ESRS 2 SBM-3 S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				17.3
ESRS 2 SBM-3-S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				17.3
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				17.3
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		17.3
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				17.3
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				17.3

ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				17.3
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		17.3
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				17.3
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		17.3
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				17.3
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				17.3
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		17.3
ESRS 2 SBM-3 S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and number 13 Table #3 of Annex I				17.3
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				17.3
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and number 4 Table #3 of Annex I				17.3
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		17.3
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		17.3
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex I				17.3
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex I				Not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		Not material

principles or and OECD guidelines paragraph 17					
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex I				Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				17.3
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12 (1)		17.3
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex I				17.3
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex I				17.4
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex I				17.4
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		17.4
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex I				17.4

The MODIVO Group has described the process for determining the materiality of impacts, risks and opportunities in disclosure IRO-1.

17.2 Environmental information

E1 Climate change

GOV-3 Integration of sustainability-related performance in incentive schemes

As at the reporting date, the Group has no formal mechanisms in place directly linking the fixed remuneration of members of the administrative, management and supervisory bodies to climate-related targets, including GHG emission reduction targets (E1-4). Accordingly, 0% of remuneration is linked to climate-related considerations, performance is not assessed against the achievement of climate-related targets, and no dedicated climate-related KPIs are applied.

At the same time, the Management Board's short-term bonus scheme incorporates sustainability-related and other objectives as an integral part of performance assessment. However, due to the complexity of the components comprising the short-term bonus scheme, the Group is unable to reliably determine the proportion attributable to the achievement of sustainability-related objectives. Climate-related considerations are also indirectly factored in management processes, particularly through the integration of climate-related risks and opportunities into the risk management framework, as well as through decarbonisation and energy efficiency initiatives.

The Group is analysing the possibility of gradually introducing remuneration components linked to selected ESG indicators, including climate-related indicators, in a manner that would ensure measurability and compliance with ESRS requirements.

E1-1 Transition plan for climate change mitigation

The MODIVO Group has adopted a decarbonisation plan based on a Decarbonisation Strategy covering the Group's entire operations and value chain. The plan sets out a greenhouse gas (GHG) emissions reduction pathway through to 2050 and is aligned with the objectives of the Paris Agreement and the 1.5°C global warming trajectory.

The Strategy has been developed in line with the GHG Protocol methodology and the guidelines of the Science Based Targets initiative (SBTi). It also reflects the specific characteristics of the apparel and footwear sector, where indirect emissions (Scope 3) account for the majority of total emissions.

The MODIVO Group's business model is undergoing a low-carbon transition through the integration of climate-related considerations into product development, procurement processes and supply chain management.
As Scope 3 emissions account for approximately 96% of the Group's total carbon footprint, the Strategy focuses primarily on reducing emissions across the product life cycle and within the upstream value chain.
The plan covers all categories of emissions:

- Scope 1 and Scope 2 – operational emissions (energy, fuels and infrastructure),
- Scope 3 – indirect emissions, mainly emissions associated with purchased goods and services (the largest source of emissions), transportation and distribution, product use and end-of-life treatment.

Between 2022 and 2025, the MODIVO Group achieved a significant reduction in operational emissions of around 32%. Further decarbonisation, however, will depend primarily on the transformation of the value chain.

For the period 2026–2030, the Group has established a set of measurable strategic objectives directly supporting emissions reduction, particularly within Scope 3, through changes in materials, production standards and supplier management practices.

Climate-related targets	
Scope 1 and Scope 2 emissions reduction	56% reduction in emissions by 2030 (vs 2022)
Scope 3 emissions reduction	40% reduction in emissions by 2030 (vs 2021)
Reduction of Scope 3 emissions, Category 1a – production of private-label and licensed-brand products	40% reduction in emissions by 2030 (vs 2021)

Targets supporting the achievement of climate-related targets (vs 2025 base year)	
Materials and product transformation	
Reduction in the use of natural leather	40% reduction in the use of leather in private-label and licensed-brand products by 2030
Materials certification	≥80% of leather sourced from Leather Working Group (LWG) Gold-certified tanneries by 2030
Lower-impact materials	≥60% of synthetic and textile materials to consist of recycled materials or materials with a lower carbon footprint by 2030
Packaging and auxiliary materials	
Recyclability	≥80% of packaging to be recyclable by 2030
Recycled content	100% of packaging to be made from recycled materials by 2030
Supply chain transformation	
Pollution	100% of key Tier 1 suppliers to comply with ZDHC MRSL standards by 2030
Audits	≥95% of Tier 1 suppliers to be covered by annual social and environmental audits by 2030
Raw material traceability	100% traceability for key materials, including cotton, leather and cellulosic fibres, by 2030
Circularity	
'Circular Fashion' used footwear and apparel collection programme	Collection volumes equivalent to 8% of units sold by 2030

The decarbonisation plan is built around four key levers targeting both operational emissions and, in particular, value chain (Scope 3) emissions.

1. Materials and product transformation

The Group reduces emissions by changing the material composition of its products and incorporating environmental considerations into product design.

The lever includes:

- reducing the use of high-emission materials, notably natural leather,
- increasing the share of recycled and lower-impact materials (alternative materials),
- implementing certified environmental standards (such as Leather Working Group certification),
- incorporating environmental impact considerations at the product design stage.

Emissions reduction mechanism:

Reduction of Scope 3 emissions in Category 1 – purchased goods and services, through lowering the emissions intensity of raw materials and components used in products.

Related KPIs (vs 2025 base year)

- 40% reduction in the use of natural leather,
- ≥80% of leather sourced from LWG-certified tanneries,
- ≥60% of materials consisting of recycled or lower-impact materials.

2. Supplier engagement and transformation of production standards

The Group reduces emissions through active supply chain management and by raising environmental standards for suppliers.

The lever includes:

- implementation of environmental requirements (such as ZDHC MRSL and wastewater standards),
- increasing the coverage of environmental and social audits,
- enhancing traceability of key materials,
- progressively increasing the share of primary data used in emissions calculations.

Emissions reduction mechanism:

Reduction of Scope 3 emissions through influencing suppliers' production processes (energy, chemicals and process efficiency) supported by the increasing use of certified materials, chemical substance testing and improvements in emissions data quality.

Related KPIs (vs 2025 base year)

- 100% of Tier 1 suppliers compliant with ZDHC MRSL,
- ≥95% of suppliers covered by audits,
- 100% traceability for key materials.

3. Development of circular models

The MODIVO Group develops circular solutions aimed at reducing emissions across the entire product life cycle.

The lever includes:

- expanding footwear and apparel collection programmes,
- increasing the use of secondary raw materials,
- reducing waste generation and improving waste management practices,
- implementing measures aimed at extending product lifecycles (e.g. providing customers with guidance on footwear care and introducing mechanical testing standards).

Emissions reduction mechanism

Reduction of emissions associated with the product end-of-life phase (Scope 3 – downstream) and reduced demand for virgin materials.

Related KPIs:

- Collection of products equivalent to 8% of units sold in a financial year, increase in the share of recycled materials.

4. Improving operational efficiency and increasing renewable energy use

The Group continues to reduce emissions from its own operations through energy transition measures and process optimisation.

The lever includes:

- improving energy efficiency in stores, warehouses and offices,
- increasing the share of renewable energy,
- optimising energy and fuel consumption,
- upgrading infrastructure (such as HVAC systems and lighting).

Emissions reduction mechanism:

Direct reduction of Scope 1 and Scope 2 emissions through reduced energy consumption and a lower-carbon energy mix.

Related KPIs (vs 2022 base year):

- 56% reduction in Scope 1 and Scope 2 emissions by 2030.

The identified decarbonisation levers provide a consistent framework for translating climate-related targets into actions. They reflect the Group's emissions profile, in which Scope 3 emissions account for the largest share, and support a systematic approach to reducing emissions across the value chain.

The decarbonisation plan is linked to:

- Sustainable Finance Framework,
- sustainability-linked instruments,
- ESG KPI framework monitored at Group level.

The MODIVO Group has implemented a tool for forecasting emissions and assessing the impact of reduction measures through to 2050, supporting ongoing management of this area.

The Group allocates operating expenditure (OpEx) and capital expenditure (CapEx) to decarbonisation measures, particularly in the areas of materials transformation, energy efficiency, analytical tool development and supply chain management. As at the reporting date, the Group does not disclose a detailed breakdown of OpEx and CapEx allocated exclusively to climate-related actions as a separate reporting category.

The expenditures are incorporated into the Group's general operating and investment budgets and include primarily:

- investments in energy-efficient infrastructure (such as upgrades to lighting and HVAC systems),
- procurement of energy from renewable sources,
- development of emissions monitoring and forecasting tools,
- actions related to materials transformation and supplier engagement.

The Group intends to further develop its approach to the allocation and reporting of climate-related expenditure in future reporting periods.

The Group identifies a risk of locked-in emissions associated with the long-term use of assets and the material composition of products, particularly in relation to:

- products based on high-emission materials (such as natural leather),
- suppliers' production processes relying on emission-intensive energy sources,
- logistics and energy infrastructure.

These emissions may hinder the achievement of emissions reduction targets, particularly in Scope 3, and increase the Group's exposure to transition risks, including regulatory and cost-related risks. In response, the Group is taking steps to limit the lock-in effect, including through materials transformation, an increased share of low-emission materials and cooperation with suppliers on emissions reduction.

The Group implements a decarbonisation strategy and climate-related targets that are overseen at management level and integrated into decision-making processes.

As at the reporting date, a formal climate transition plan within the meaning of ESRS has not been adopted as a separate document approved by the administrative, management and supervisory bodies. he Group is considering further formalising and systematising its approach in the future.

The MODIVO Group indicates that its core operations do not fall directly within the scope of activities eligible under the EU Taxonomy pursuant to Commission Delegated Regulation (EU) 2021/2139.

At the same time, the Group has identified selected activities and initiatives that are consistent with the EU Taxonomy framework and contribute to its environmental objectives. Further information is provided in section 17.2.1.

As at the reporting date, the Group has not yet established formal targets or detailed CapEx and OpEx allocation plans directly attributable to Taxonomy-eligible or Taxonomy-aligned activities.

Nevertheless, the Group is taking steps to gradually increase the alignment of its initiatives with the technical screening criteria set out in the EU Taxonomy as its approach to reporting and activity classification evolves.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The MODIVO Group identifies climate change as a key factor shaping both its risk profile and its value creation potential across the value chain. The identified material impacts, risks and opportunities (IROs) are directly linked to the Group's business model, which relies on a global supply chain, an extensive omnichannel sales network and access to raw materials and energy.

The identified IROs cover the Group's own operations, the upstream value chain and downstream distribution activities, and are reflected in the Group's strategy, particularly in the areas of financial management, sourcing, logistics and energy transition.

The Group identifies climate-related risks across the short-, medium- and long-term horizons (2025–2050), including:

- physical risks (such as extreme weather events affecting production and logistics),
- transition risks (such as regulatory changes, energy costs, and market and financing pressures).

The identified climate-related events include supply chain disruptions resulting from climate change, increased operating and financing costs associated with the climate transition, and changes in the availability and prices of raw materials.

The Group carried out a qualitative assessment of its exposure to these events and identified elevated sensitivity in the areas of sourcing, logistics and operating costs.

As at the reporting date, the Group has not identified any activities that are entirely incompatible with the transition to a climate-neutral economy. However, certain areas require further transformation, particularly in reducing emissions across the supply chain and advancing the energy transition of the Group's own operations.

The identification and assessment of climate-related risks and opportunities were supported by scenario analysis based on recognised IPCC and IEA sources, including:

- scenario aligned with the objectives of the Paris Agreement (~1.5°C),
- high-emissions ('Paris-missed') scenario.

The analysis covers different time horizons (short, medium and long term), as well as regulatory, energy and technological developments, macroeconomic and market factors, and the global nature of the Group's supply chain.

The approach is qualitative and based on available data and assumptions regarding economic and regulatory developments. Its limitations relate primarily to regulatory uncertainty and data availability, particularly in relation to Scope 3 emissions.

The analysis indicates that the Group's business model is exposed to both transition and physical risks:

- transition risks are expected to dominate in the short and medium term,
- physical risks are expected to increase over the long term,
- key areas of exposure include the supply chain, as well as energy and raw material costs.

At the same time, the Group identified material opportunities related to the energy transition and efficiency improvements, increased supply chain resilience and adaptation of the product offering to changing climate conditions.

The MODIVO Group's resilience analysis covers its own operations as well as key elements of the value chain. However, it may not include all less material Scope 3 categories or detailed supplier-level data. The analysis is based on assumptions relating to the pace of the low-carbon transition, changes in the energy mix and energy costs, technological developments and climate-related regulation. These assumptions are aligned with the macroeconomic assumptions applied in the Group's financial reporting. As at the reporting date, the impact of climate-related risks has not been fully quantified in the financial statements. However, the analysis provides a basis for further integration with financial processes (E1-9). It also takes into account planned mitigation and adaptation measures, particularly in the areas of decarbonisation, energy efficiency and supply chain management.

The Group is strengthening its resilience through:

- diversification of supply sources,
- investments in energy efficiency and renewable energy sources,
- integration of climate-related risks into management processes.

At the same time, the Group's approach to resilience analysis and its integration with strategic planning continue to evolve.

E1-2 Policies related to climate change mitigation and adaptation

The MODIVO Group has identified climate change as one of the key areas of impacts, risks and opportunities affecting its business model, operating performance and long-term value creation. The climate policy forms an integral part of the Environmental Policy and sets out the framework for climate change mitigation and adaptation, in line with ESRS requirements and the objectives of the Paris Agreement.

The policy covers the Group's entire value chain, including its own operations (Scope 1 and Scope 2), supply chain, logistics, distribution and product use (Scope 3 emissions). It applies to all Group companies and is implemented in relationships with business partners, particularly suppliers, through environmental standards, contractual requirements and cooperation mechanisms.

In developing the climate policy, the Group considered the expectations of key stakeholders, particularly customers, investors, financial institutions, employees, suppliers and regulators. This included expectations related to greenhouse gas emissions reduction, ESG data transparency, the development of more sustainable products and strengthening supply chain resilience to climate-related risks.

The Group is committed to systematically reducing greenhouse gas emissions using a science-based approach aligned with the 1.5°C pathway, while pursuing climate neutrality over the long term. This approach also includes improving energy efficiency, increasing the share of renewable energy and integrating climate-related risk management into operational and decision-making processes.

The policy is implemented through emissions reduction targets, KPIs, investment and operational programmes, as well as a decarbonisation strategy that identifies key decarbonisation levers, including materials transformation, supplier engagement, development of circular models and improvements in operational efficiency.

Oversight of the policy rests with the Management Board, which is responsible for approving and reviewing the policy and for monitoring its implementation. Operational responsibility is assigned to the ESG function and relevant business units. The policy is regularly updated, communicated to stakeholders and aligned with EU regulations, including the EU Taxonomy and the CSRD.

E1-3 Actions and resources in relation to climate change policies

The MODIVO Group implements actions aimed at reducing greenhouse gas emissions and strengthening resilience to climate change impacts across its own operations and the value chain.

Area	Action	Objective	Coverage	Emission scope	Action type	Impact on KPIs/emissions
Energy and infrastructure	BMS and remote control systems	Implementation of BMS and remote HVAC control systems, data centralisation and optimisation of equipment performance	Own operations	Scope 2	Mitigation	Direct reduction in energy consumption → lower Scope 2 emissions, supporting the 56% reduction target
Energy and infrastructure	Energy consumption monitoring	Use of energy analysers (such as Diris A40), monitoring of energy parameters and reactive power compensation	Own operations	Scope 2	Mitigation	Identification of inefficiencies and optimisation opportunities → lower Scope 2 emissions
Energy and infrastructure	LED lighting	Roll-out of energy-efficient LED lighting	Own operations	Scope 2	Mitigation	Reduced electricity consumption → lower Scope 2 emissions
Retail/store concept	New eobuwie concept	Energy-efficient store design (LED lighting, HVAC systems and equipment monitoring)	Own operations	Scope 2	Mitigation	Store energy intensity reduction → lower Scope 2 emissions
Energy and infrastructure	Energy consumption optimisation	Elimination of unnecessary energy consumption points and optimisation of building systems performance	Own operations	Scope 2	Mitigation	Ongoing reduction in energy consumption → supporting Scope 2 emissions reduction
Energy	Renewable and solar energy	Procurement of renewable energy and expansion of solar PV installations	Own operations	Scope 2	Mitigation	Lower-carbon energy mix → significant Scope 2 emissions reduction
Real estate	Building standards	Buildings aligned with the EU Taxonomy and energy efficiency standards	Own operations	Scopes 1 and 2	Mitigation and adaptation	Long-term reduction of Scope 1 and Scope 2 emissions and increased resilience to identified risks
Logistics	Low-emission transport	Preference for low-emission transport modes and climate-related criteria in partner selection	Upstream / downstream	Scope 3	Mitigation	Transport-related emissions reduction → supporting the 40% Scope 3 reduction target
Mobility	Business travel	Preference for public and low-emission transport	Own operations	Scope 3	Mitigation	Reduction in emissions related to business travel

Products and materials	Low-emission materials	Increasing the share of recycled and certified materials	Upstream	Scope 3	Mitigation	Reduction in emissions from purchased goods and services → a significant impact on Scope 3 emissions
Raw materials	Monitoring and deforestation	Elimination of raw materials linked to deforestation, supporting regenerative agriculture	Upstream	Scope 3	Mitigation	Reduction in materials-related emissions and impacts on natural capital
HVAC/F-gases	Refrigerant management	Reduction in refrigerant leaks and transition to refrigerants with lower GWP	Own operations	Scope 1	Mitigation	Direct reduction in Scope 1 emissions
Infrastructure	Building management	Upgrading buildings to improve resilience to extreme weather events	Own operations	Scopes 1 and 2	Adaptation	Reduced physical risks → no direct impact on emissions reduction
Supply chain	Diversification and monitoring	Diversification of suppliers and monitoring of climate-related risks	Upstream	Scope 3	Adaptation	Increased supply chain resilience (indirect impact on emissions)
Operations	Inventory management	Inventory optimisation taking climate variability into account	Own operations	Scope 3 (indirectly)	Adaptation	Indirect reduction of overproduction → lower Scope 3 emissions

The MODIVO Group implements climate-related actions through four main decarbonisation levers: materials and product transformation, supplier engagement and transformation of production standards, development of circular models, and improvements in operational efficiency and energy transition.

Key actions implemented during the reporting period and planned for future periods include:

- increasing the share of recycled and lower-impact materials,
- implementing environmental standards and supplier requirements, including material certification,
- expanding traceability across the supply chain,
- improving energy efficiency and increasing the use of renewable energy sources,
- developing circular models, including initiatives related to material reuse and waste reduction.

These actions also incorporate elements of nature-based solutions, particularly through responsible raw material selection, reduced impacts on ecosystems and more sustainable supply chain practices.

The measures are implemented across three time horizons – short term (through to 2025), medium term (2026–2030) and long term (through to 2050) – depending on their nature and contribution to emissions reduction.

Between 2022 and 2025, the Group reduced Scope 1 and Scope 2 emissions by approximately 32%, mainly through improved energy efficiency and increased use of renewable energy sources (34% year-on-year growth in renewable energy consumption). Scope 3 emissions reduction is supported through the use of alternative lower-impact materials in the production of private-label and licensed products.

The Group's targets are to reduce:

- Scope 1 and Scope 2 emissions by 56% by 2030,
- Scope 3 emissions by 40% by 2030.

Progress in Scope 3 is monitored using operational indicators related to supply chain and materials management.
The Group has not identified any cases requiring remedial actions within the meaning of ESRS. The identified impacts are systemic in nature (GHG emissions) and are addressed through decarbonisation measures. Should impacts requiring remediation arise, the Group envisages taking appropriate actions in cooperation with its partners.

Implementation of the actions depends on the availability of financing, supplier engagement, the quality of emissions data and developments in materials technologies.

Climate-related actions are financed through: CapEx (investments in energy efficiency, infrastructure and renewable energy sources) and OpEx (operating costs related to energy and the supply chain).
The expenditures are recognised within standard financial statement line items and are not presented as a separate climate-related category. However, they are taken into account in strategic and budget planning.
Certain actions (such as energy efficiency and renewable energy initiatives) are consistent with the EU Taxonomy framework. Due to the nature of the Group's operations and the absence of full expenditure allocation, not all investments are directly assigned to EU Taxonomy KPIs. Any differences result from classification methodology rather than inconsistencies in the underlying data.

E1-4 Targets related to climate change mitigation and adaptation

The MODIVO Group has defined GHG emissions reduction targets covering Scope 1, Scope 2 and Scope 3 emissions, which form an integral part of the GO.25 Sustainability Strategy and the Sustainable Finance Framework and reflect the Group's approach to mitigating climate change impacts and managing related risks and opportunities.
The Group has established the following emissions reduction targets:

Short-term targets through to 2025 (GO.25 Strategy):

- reduction of Scope 1 and Scope 2 emissions by 40% compared with the 2019 base year, from 67,960.76 Mg CO_2e to 40,776.46 Mg CO_2e,
- reduction of Scope 3 emissions by 10% compared with the 2021 base year, from 1,707,845.05 Mg CO_2e to 1,537,060.55 Mg CO_2e.

The targets cover the Group's own operations (Scope 1 and Scope 2) as well as key areas of the value chain (Scope 3). Progress towards their achievement is described in ESRS 2.

Medium-term targets (Sustainable Finance Framework)

In 2024, the Group has established the following 2030 emissions reduction targets:

- **Scope 1 and 2:** 56% reduction compared with the 2022 base year, from 43,548.9 Mg CO_2e to 19,161.5 Mg CO_2e (a reduction of 24,387.4 Mg CO_2e),

- **Scope 3 (Category 1a – production of private-label and licensed-brand products)**: a 40% reduction in emissions compared with the 2021 baseline, from 1,054,763.83 Mg CO_2e to 632,858.29 Mg CO_2e (a reduction of 421,905.54 Mg CO_2e).

Medium-term targets until 2030

- **Scope 3**
  40% reduction compared with the 2021 base year, from 1,707,845.05 Mg CO_2e to 1,024,707.03 Mg CO_2e (a reduction of 683,138 Mg CO_2e).

Progress towards their achievement is described in ESRS 2.

The change in the Scope 1 and Scope 2 base year from 2019 to 2022 reflects changes in the Group's business model and the need to ensure data comparability through to 2030.

The targets are gross targets and do not include emissions offsets. They were developed using the GHG Protocol methodology and are aligned with the emissions inventory boundaries applied by the Group.

The Scope 3 targets cover key emissions categories across the value chain, particularly:

- purchased goods and services,
- transportation and distribution,
- other material emissions sources identified through the Group's emissions analysis.

The MODIVO Group seeks to align its targets with a 1.5°C pathway, in line with the objectives of the Paris Agreement. In 2026, the Group's targets were validated and approved by the Science Based Targets initiative (SBTi).

The targets are directly linked to the Environmental Policy and to:

decarbonisation levers (described in E1-1):

- materials and product transformation,
- supplier engagement and transformation of production standards,
- development of circular models,
- improvements in operational efficiency and increased renewable energy use.

Operational measures (described in E1-3):

- improving energy efficiency,
- development of renewable energy sources,
- infrastructure upgrades and implementation of energy management systems,
- decarbonisation of transport and logistics,
- changes in product strategy (low-impact materials),
- cooperation with suppliers on emissions reduction,
- implementation of packaging solutions (for examples, FSC certification).

Progress towards the targets is monitored using environmental performance indicators (KPIs) and emissions inventory data. The targets are subject to periodic review and are linked to sustainable finance mechanisms.

The contribution of individual decarbonisation levers to emissions reduction targets differs depending on the emissions scope:

- **Scope 1 and Scope 2** – actions related to energy efficiency and decarbonisation of the energy mix, including renewable energy sources, have the greatest impact, while other actions play a supporting role,

- **Scope 3** – materials and product transformation and supply chain actions play the key role, while circular models and logistics measures provide important supporting contributions.

As at the reporting date, the Group does not yet disclose a quantitative allocation of the contribution of individual decarbonisation levers to emissions reduction targets across Scope 1, Scope 2 and Scope 3.

The Group plans to further develop its analytical approach in this area, particularly as the availability of primary data increases and emissions modelling tools across the value chain continue to evolve.

Stakeholder engagement was taken into account in the target-setting process, including through materiality assessments, stakeholder dialogue and cooperation within international initiatives.

E1-5 Energy consumption and mix

Total energy consumption (fuel, electricity, heat and cooling) by the MODIVO Group in 2025 was 127,899.29 MWh, of which 89,312.59 MWh (69.83%) was from fossil sources, and 38,586.70 MWh (30.17%) (including 38,487.50 MWh of energy purchased and 99.20 MWh of energy generated) was from renewable sources. Purchased, acquired, or generated electricity, heat, steam and cooling accounted for 84.22% of the total energy consumption. The remaining 15.78% was fuel consumption from crude oil and petroleum products, and natural

gas. Total energy consumption in 2025 increased by 26.16% year on year. In 2025, the MODIVO Group covered 34.57% of purchased electricity consumption with guarantees of origin obtained from TGE S.A. All such instruments were purchased together with electricity supplied under bundled arrangements. The Group did not purchase certificates separately. The electricity originated from Polish wind, hydro and solar installations. In addition, renewable energy supplies for 2026 have already been secured. Since January 2026, electricity supply agreements have included the cost of cancellation of guarantees of origin within the electricity price. The electricity supplier ensures that 100% of the Group's electricity consumption is covered by renewable energy and provides the relevant certificates. Where partial actual data was unavailable, estimates were prepared based on available invoices.

The MODIVO Group indicates that its operations are not directly classified as activities in high climate impact sectors within the meaning of ESRS E1. Accordingly, the energy intensity ratio is calculated based on total net revenue reported in the consolidated financial statements, without a breakdown by high climate impact sectors or additional reconciliations. At the same time, the Group takes indirect links to such sectors into account in its Scope 3 emissions analysis.

Table: Energy consumption and mix

	Unit	2024	2025	YoY change (%)
Fuel consumption from coal and coal products	MWh	0.00	0.00	-
Fuel consumption from crude oil and petroleum products	MWh	9,423.39	10,778.95	+14.39%
Fuel consumption from natural gas	MWh	4,511.50	9,397.45	+108.30%
Fuel consumption from other fossil sources	MWh	0.00	0.00	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	58,599.66	69,136.19	+17.98%
Total energy consumption from fossil sources	MWh	72,534.56	89,312.59	+23.13%
Share of fossil sources in total energy consumption	%	71.55%	69.83%	-1.72
Total energy consumption from nuclear sources	MWh	0.00	0.00	-
Share of nuclear sources in total energy consumption	%	0.00%	0.00%	-
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, hydrogen from renewable sources, etc.)	MWh	0.00	0.00	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	28,736.24	38,487.50	+33.93%
Consumption of self-generated non-fuel renewable energy	MWh	107.25	99.20	-7.51%
Total energy consumption from renewable sources	MWh	28,843.50	38,586.70	+33.78%
Share of renewable sources in total energy consumption	%	28.45%	30.17%	+1.72
Total energy consumption	MWh	101,378.06	127,899.29	+26.16%

Table: Total energy consumption from fossil sources in a high climate impact sector in the MODIVO Group

Energy intensity per net revenue	Unit	2024	2025	YoY change (%)
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	MWh/PLN 1 million	9.84	11.73	+19.24%

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

Greenhouse gas emissions from operations have been monitored at the MODIVO Group since 2019. This statement contains Scope 1+2 emissions calculated in accordance with the revised Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (for the seventh time) and Scope 3 emissions calculated in accordance with the Greenhouse Gas Protocol Value Chain (Scope 3) Accounting and Reporting Standard (for the fifth time). In 2025, emissions were calculated for the third consecutive year in accordance with ESRS requirements.

Organisational boundaries for reported emissions	Scope of reported emissions (operational boundaries):
the parent and all subsidiaries of the MODIVO Group based on the operational control approach. Consolidation encompasses all Group levels.	Scope 1 emissions (direct emissions) Scope 2 emissions (indirect emissions from purchased energy) Scope 3 emissions (indirect emissions)

2019 was selected as the base year for the Group's Scope 1 and 2 emissions, and 2021 was selected as the base year for Scope 3 emissions. The reported Scope 1 and 3 emissions are fully comparable to the base year emissions. In the base year, Scope 2 emissions were calculated using the location-based method only, with market-based emissions considered equivalent to the location-based emissions. Starting from the subsequent year, Scope 2 emissions have been calculated separately using both methods.

Methodology and assumptions for GHG emissions calculations:

Scope 1 and 2 emissions calculation methodology was developed in accordance with The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. Calculations cover seven greenhouse gases (CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3) as recognised by the GHG Protocol. Emission values are expressed in metric tonnes (Mg) of carbon dioxide equivalent (CO_2e). The Global Warming Potential (GWP) factors applied in the calculations align with the IPCC Fifth and Sixth Assessment Report (AR5 and AR6). Scope 1 emissions include fuel consumption in buildings and stationary equipment owned, leased or rented by the Group, fuel used in transport for MODIVO Group business purposes (including leased and rented vehicles and machinery) and refrigerant top-ups. These emissions were calculated using emissions intensity factors for individual sources based on the DEFRA database (2025).

Scope 2 emissions cover the consumption of purchased electricity and heat. Calculations were performed using both the location-based and market-based approaches. Scope 2 location-based emissions related to electricity consumption were calculated using average emission intensity factors published by the National Centre for Emissions Management (KOBiZE) for Polish companies (2025 data). For foreign companies, emission factors from the IEA 2023 database were applied. Scope 2 market-based emissions were calculated using emission intensity factors provided by electricity suppliers to the MODIVO Group. Where supplier-specific data was unavailable, or where suppliers did not disclose emissions intensity factors, emissions were calculated using an average emissions factor. For the purpose of calculating emissions using the market-based method, an emissions factor of 0 $MgCO_2e/MWh$ was applied to energy covered by guarantees of origin. Emissions from heating consumption in Poland were calculated using the factor published by the Energy Regulatory Office (URE, 2025). For foreign companies, due to the lack of suitable local market factors, the same URE (2025) factor was applied. Owing to the absence of more accurate data, the same approach was used for both the location-based and market-based methods.

Scope 3 emissions were calculated using tools provided by the GHG Protocol (https://ghgprotocol.org/calculation-tools). The calculations used factors from the following databases: ecoinvent (version 3.9.1), Ademe (2025), DEFRA (2025 and 2021), EPA (2024 and 2022), IEA (2023) and KOBiZE (2025), as well as specialist scientific and industry publications, including the PEFCR 2025 guidelines and UNIDO reports. Detailed methodologies for calculating emissions across specific Scope 3 categories are outlined further in this section.

Scope 1, 2, and 3 GHG emissions

GHG emissions by scope and as percentage of total market-based emissions in MODIVO Group

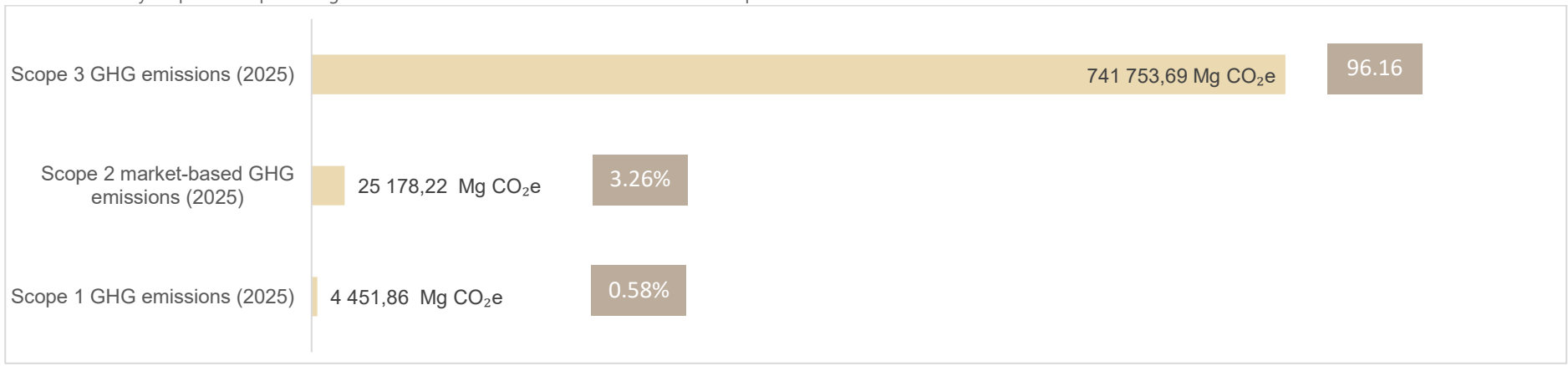


Table: GHG emissions in MODIVO Group

Retrospective						Milestones and target years**			
	Unit	Base year*	2024	2025	YoY change (%)	2025	2030	2050	YoY change (%)
Scope 1 GHG emissions									
Gross Scope 1 GHG emissions	MgCO2e	4,295.15	3,145.37	4,451.86	+41.54%	2,577.09	1,697.60	-	-
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	%	-	-	-	-	-	-	-	-
Scope 2 GHG emissions									
Gross location-based Scope 2 GHG emissions	MgCO2e	63,665.61	41,792.13	47,671.81	+14.07%	-	-	-	-
Gross market-based Scope 2 GHG emissions***	MgCO2e	63,665.61	23,735.84	25,178.22	+6.08%	38,199.36	17,463.90	-	-
Significant Scope 3 GHG emissions									
Total gross indirect (Scope 3) GHG emissions	MgCO2e	1,707,845.05	1,379,819.61	741,753.69	-46.24%	1,537,060.55	1,024,707.03	-	-
1 Purchased goods and services	MgCO2e	1,542,862.66	1,215,525.15	566,667.25	-53.38%	-	-	-	-
1a. private labels	MgCO2e	1,054,763.83	792,952.93	410,419.58	-48.24%	-	632,858.29	-	-
1b. third-party brands	MgCO2e	474,091.94	395,460.61	117,684.50	-70.24%	-	-	-	-
1c. services	$MgCO_2e$	14,006.89	27,111.61	38,563.17	+42.24%	-	-	-	-
2 Capital goods	$MgCO_2e$	36,280.61	45,847.46	72,415.33	+57.95%	-	-	-	-

3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	$MgCO_2e$	21,086.50	11,158.24	9,528.46	-14.61%	-	-	-	-
4 Upstream transportation and distribution	$MgCO_2e$	60,736.40	67,097.56	51,695.84	-22.95%	-	-	-	-
5 Waste generated in operations	$MgCO_2e$	330	402.59	378.95	-5.87%	-	-	-	-
6 Business travel	$MgCO_2e$	1,098.90	1,579.97	2,830.92	+79.18%	-	-	-	-
7 Employee commuting	$MgCO_2e$	4,631.40	13,084.10	14,603.81	+11.61%	-	-	-	-
8 Upstream leased assets	$MgCO_2e$	Emissions included in Scope 1 and 2	Emissions included in Scope 1 and 2	Emissions included in Scope 1 and 2	-	-	-	-	-
9 Downstream transportation and distribution	$MgCO_2e$	Emissions included in category 4 Upstream transportation and distribution	Emissions included in category 4 Upstream transportation and distribution	Emissions included in category 4 Upstream transportation and distribution	-	-	-	-	-
10 Processing of sold products	$MgCO_2e$	Emissions not present due to specific nature of MODIVO Group's operations	Emissions not present due to specific nature of MODIVO Group's operations	Emissions not present due to specific nature of MODIVO Group's operations	-	-	-	-	-
11 Use of sold products	$MgCO_2e$	N/A	12,334.73	12,322.83	-0.10%	-	-	-	-
12 End-of-life treatment of sold products	$MgCO_2e$	34,046.48	12,511.36	10,915.77	-12.75%	-	-	-	-
13 Downstream leased assets	$MgCO_2e$	Emissions included in Scope 1 and 2	Emissions included in Scope 1 and 2	Emissions included in Scope 1 and 2	-	-	-	-	-
14 Franchises	$MgCO_2e$	6,772.10	278.45	394.54	+41.69%	-	-	-	-
15 Investments	$MgCO_2e$	Negligible emissions	Negligible emissions	Negligible emissions	-	-	-	-	-
Total GHG emissions*									
Total Scope 1+2 (location-based) GHG emissions	$MgCO_2e$	67,960.76	44,937.51	52,123.67	+15.99%	-	-	-	-
Total Scope 1+2 (market-based) GHG emissions	$MgCO_2e$	67,960.76	26,881.21	29,630.08	+10.23%	40,776.46	19,161.50	-	-
Total Scope 1+2 (location-based) + Scope 3 GHG emissions	$MgCO_2e$	-	1,424,757.12	793,877.36	-44.28%	-	-	-	-
Total Scope 1+2 (market-based) + Scope 3 GHG emissions	$MgCO_2e$	-	1,406,700.82	771,383.78	-45.16%	-	-	-	-

* 2019 was selected as the base year for reporting Scope 1 and 2 GHG emissions, while 2021 serves as the base year for Scope 3 emissions. Accordingly, the MODIVO Group does not present total Scope 1, 2 and 3 GHG emissions for the base year in this table.
** The emissions reduction targets for 2025 are derived from the GO.25 Sustainability Strategy, while the targets for 2030 are based on the Sustainable Finance Framework and the MODIVO PLATFORM 2026–2030 Sustainability Strategy. The target values for Scope 1 and Scope 2 emissions are indicative because the reduction target applies to the combined Scope 1 and Scope 2 market-based emissions.
*** Scope 2 market-based emissions for 2019 were assumed to be the same as location-based emissions.

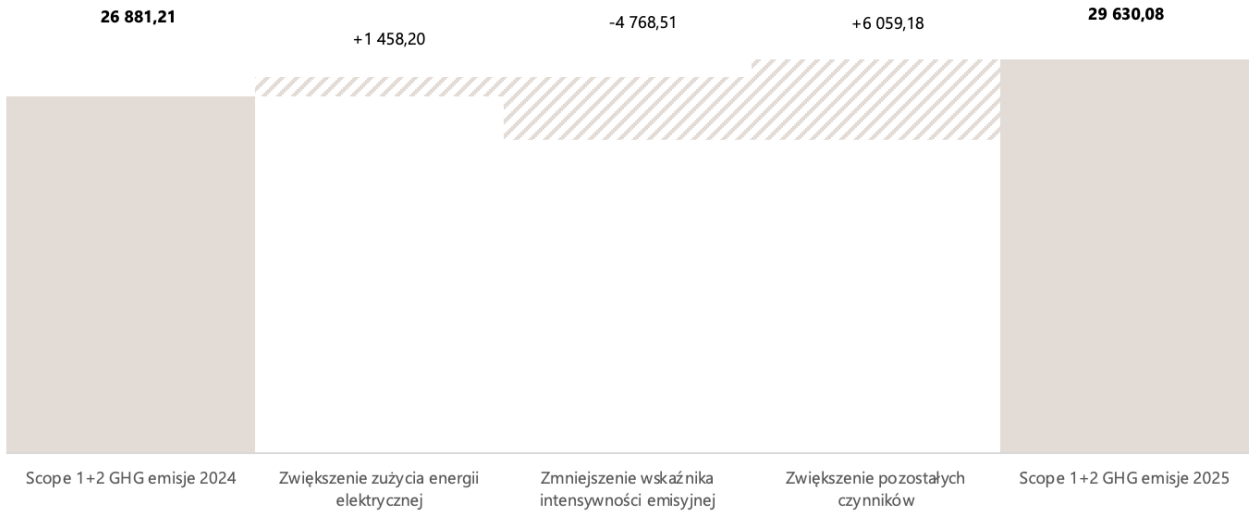
Scope 2 emissions were calculated using the market-based and location-based methods. The data in the table covers the entire MODIVO Group. No biogenic emissions were reported in 2025.

In 2025, the MODIVO Group updated prior-year data for Scope 3 Categories 6, 7, 11 and 12 emissions to improve the accuracy and reliability of reporting. For Categories 11 and 12, the recalculation resulted from the implementation of new and more precise EU PEFCR guidelines. For Categories 6 and 7, the Group updated its calculation models in detail. Replacing earlier simplified assumptions with a more advanced analytical approach resulted in figures that better reflect the Group's operational profile and the actual scale of its activities. Before the recalculation, emissions for these categories amounted to: 4,607.74 $MgCO_2e$ (Category 6); 1,356.35 $MgCO_2e$ (Category 7); 24,610.42 $MgCO_2e$ (Category 11); 24,971.43 $MgCO_2e$ (Category 12). At the same time, for Category 1, while maintaining the existing calculation methodology, the Group improved its data collection approach by using material composition data derived from the Group's total merchandise purchases rather than supplier declarations. Due to the change in data source and structure, retrospective recalculation of Category 1 is not possible. However, the new approach provides significantly greater reporting accuracy from 2025 onwards.

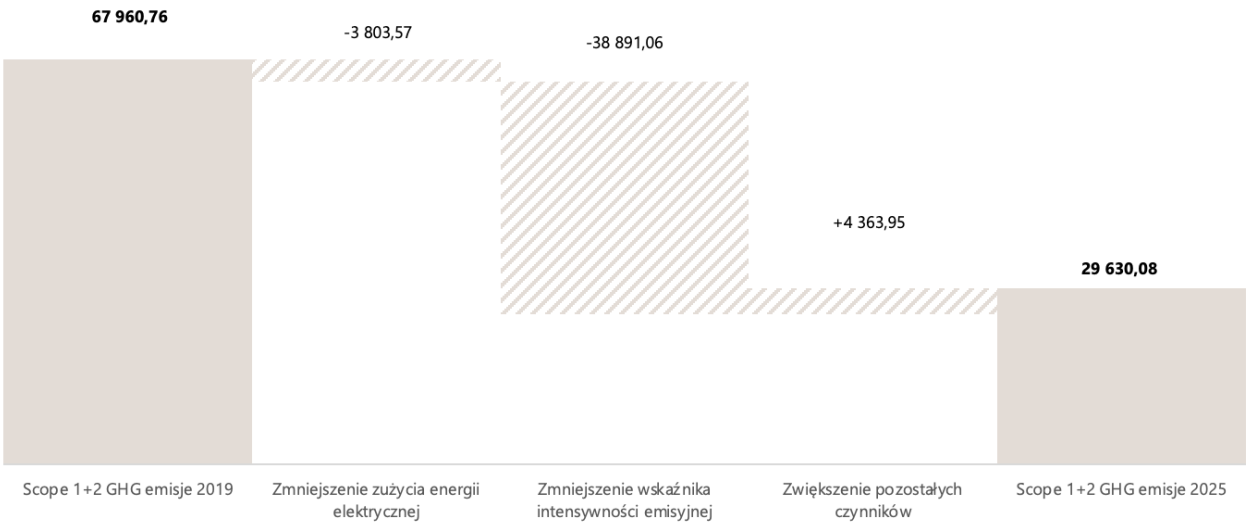
Gross Scope 1 greenhouse gas emissions in 2025 amounted to 4,451.86 Mg CO_2e, representing an increase of 41.54% compared with the previous year. Scope 2 emissions calculated using the market-based method amounted to 25,178.22 Mg CO_2e, an increase of 6.08% compared with 2024, while Scope 2 emissions calculated using the location-based method amounted to 47,671.81 Mg CO_2e, up 14.07% year on year. Scope 3 emissions in 2025 amounted to 741,753.69 Mg CO_2e, representing a decrease of 46.24% compared with the previous year.
In 2025, total Scope 1 and 2 (location-based) and Scope 3 GHG emissions reached 793,877.36 Mg CO_2e, while Scope 1 and 2 (market-based) and Scope 3 emissions totalled 771,383.78 Mg CO_2e.

In 2025, Scope 1 and Scope 2 market-based emissions accounted for approximately 3.84% of the MODIVO Group's total emissions. The vast majority (84.98%) of the MODIVO Group's GHG emissions are Scope 2 emissions, which are indirect emissions from the generation of purchased electricity and heat.
The emissions structure discussed above highlights the importance of measures taken to increase energy efficiency and switch to renewable energy sources. In particular, efforts made with a view to reducing electricity consumption and obtaining it from renewable sources may have the greatest impact on lowering the Group's total emissions in the coming years.

Actions taken by the MODIVO Group to reduce emissions are described in E1-1 and E1-3
Drivers of year-on-year change in Scope 1 + 2 market-based GHG emissions in the MODIVO Group in 2025



Drivers of change in Scope 1+2 market-based GHG emissions in the MODIVO Group in 2025 versus the 2019 baseline



Structure of Scope 3 GHG emissions and year-on-year change

As much as 96.16% of the MODIVO Group's total 2025 emissions were Scope 3 emissions (all indirect emissions along the value chain), with Category 1 emissions (purchased materials and raw materials used in the production of private-label and licensed brand products, third-party branded goods, and services) accounting for the largest share of total Scope 3 emissions. In 2025, they accounted for as much as 76.40% of Scope 3 emissions and for 73.46% of the Group's total emissions (Scope 1+2 market-based + Scope 3). In 2025, Category 1 emissions totalled 566,667.25 Mg CO_2e, marking a 53.38% decrease compared with the previous year.

Category 2 emissions from the purchase of capital goods accounted for 9.76% of Scope 3 emissions and 9.39% of total emissions. These emissions stood at 72,415.33 Mg CO_2e, a 57.95% increase from the previous year, driven by higher capital expenditure year on year.

Category 4 and 9 emissions from downstream transportation and distribution accounted for 6.97% of Scope 3 emissions and 6.70% of total emissions. In 2025, these emissions totalled 51,695.84 Mg CO_2e, which was a 22.95% decrease from the previous year.

Category 12 emissions from end-of-life treatment of sold products accounted for 1.47% of Scope 3 emissions and 1.42% of total emissions. These emissions amounted to 10,915.77 Mg CO_2e, a 12.75% decrease from the previous year.

Category 11 emissions from the use of sold products accounted for 1.66% of Scope 3 emissions and 1.60% of total emissions. These emissions amounted to 12,322.83 Mg CO_2e, a 0.1% decrease from the previous year.

Categories 3, 5, 6, 7, and 14 combined represented 3.74% of Scope 3 emissions and 3.60% of total emissions.
In 2025, the MODIVO Group calculated Scope 3 greenhouse gas emissions for Categories 1–7, 9, 11, 12 and 14. Categories 10 and 15 emissions do not occur within the Group's business operations or were assessed as immaterial based on preliminary estimates. Categories 8 and 13 emissions were integrated into and reported within Scope 1 and Scope 2.

Scope 3 GHG emissions in 2025 amounted to 741,753.69 Mg CO_2e, representing a decrease of 56.57% compared with the 2021 base year, when they amounted to 1,707,845.05 Mg CO_2e.

Scope 3 emissions were calculated based on the following assumptions:

Category 1: emissions from purchased private-label, licensed and third-party branded products were calculated using the average-data method, based on the weight of materials used. The volume of materials used was calculated by multiplying the material composition share, product weight and the number of units ordered. For private-label products, system data was used, with the PEFCR database applied as a fallback. For third-party brands, calculations were based exclusively on the PEFCR database. Product weights were assigned using internal measurements, the PEFCR database or an expert reference dictionary. Material volumes by weight were converted using cradle-to-gate LCA IPCC 2021 GWP100 emission factors sourced from the ecoinvent database (version 3.9.1) and, if relevant factors were not available, from research studies.
Emissions related to services and non-standard products (with unknown composition or weight) were calculated using the spend-based method and EPA Supply Chain Greenhouse Gas Emission Factors v1.4.0 NAICS-6 (2025, based on 2024 factors). Financial data was converted into USD using exchange rates as at 30 January 2026. Emissions related to water consumption were also included based on ESG system data and DEFRA factors (2025).

Category 2: emissions from purchased capital goods were calculated using the spend-based method based on data from the SSF system covering the entire MODIVO Group. The calculations used emissions factors from EPA v1.4.0 (2025) and ADEME (2025, based on 2023 factors). ADEME factors were adjusted for inflation. Financial data was converted into USD or EUR, depending on the database used, using exchange rates as at 30 January 2026.

Category 3: emissions related to fuel- and energy-related activities not included in Scope 1 and Scope 2 were calculated using the average-data method based on consumption data reported in the MODIVO Group ESG system. The calculations covered emissions related to fuel extraction and processing (WTT), energy generation, and transmission and distribution losses (T&D). DEFRA (2025, 2021) and IEA (2023) factors were used.

Categories 4 and 9: emissions from transportation and distribution were calculated using a hybrid method. For container transport, declared emissions values obtained directly from logistics service providers were used. Where primary data was unavailable, estimates based on median emissions for a given transport corridor were applied. For other transportation and warehousing services, the spend-based method was used based on EPA v1.4.0 (2025).

Category 5: emissions related to the treatment and processing of waste generated in own operations were calculated based on data from the MODIVO Group ESG system. In 2025, the average-data method was applied using DEFRA emissions factors (2025).

Category 6: emissions from business travel, including hotel accommodation, were calculated using the spend-based method based on expenditures incurred in 2025. EPA v1.4.0 (2025) factors were applied.

Category 7: emissions from employee commuting were calculated based on survey data using the distance-based method and DEFRA factors (2025). The calculations considered transport mode, commuting distance, remote working arrangements and adjustments for the average number of working and leave days in 2025. Survey results were extrapolated across all Group employees.

Category 8: emissions included in Scope 1 and 2.

Category 9: emissions included in Category 4 (as described above).

Category 11: emissions related to product use (washing of apparel and footwear) were calculated based on the weight of products sold between February 2025 and January 2026. The average number of washing cycles over the product lifetime was estimated using the latest PEFCR v3.1 guidelines (2025), while emissions factors for washing cycles in Poland and Europe were based on Shahmohammadi et al. (2017). The calculations divided the weight of washable products by the standard washing machine load (10 kg), with the result multiplied by the emissions intensity of a washing cycle and the number of washes applicable to the relevant product category. For washable footwear, one washing cycle was assumed over a two-year product lifetime.

Category 12: emissions related to end-of-life treatment of sold products were calculated using the average-data method based on the weight of products and packaging sold between February 2025 and January 2026. DEFRA factors (2025) and assumptions regarding waste treatment methods consistent with the latest PEFCR v3.1 guidelines (2025) were applied. Packaging suitable for processing was assumed to be recycled, while remaining fractions were assumed to be landfilled.

Category 13: emissions included in Scope 1 and 2.

Category 14: emissions from franchise operations were calculated using the average-data method based on electricity consumption. Actual data obtained from franchisees was used in the calculations. KOBiZE (2025) and IEA (2023) factors were applied.

Category 15: emissions related to the associate MKRI were calculated using the spend-based method based on the EPA v1.4.0 (2025) factor.

Most Scope 3 emissions were calculated using secondary data (average emissions factors). The MODIVO Group defines primary data as emissions values provided directly by trading partners. Such data was used only in Category 4 (container transport), based on declarations obtained from logistics providers. The estimated share of primary data in total Scope 3 emissions was 1.9%.

Changes to the methodology for calculating Scope 3 GHG emissions compared with the previous year:
The main change was the use of updated emissions factors from the EPA v1.4.0 and ADEME (2025) databases. Transitioning to these more recent data sources eliminated the need for manual inflation adjustments previously applied to the ADEME 2019 factors due to their outdated alignment with current market prices. This reduced the risk of inaccuracies related to the historical base period and improved the reliability of the results. For purchased goods and services (Category 1), the Group introduced more precise calculations for third-party brands based on actual material composition data and PEFCR standards, replacing previous estimates. The data collection process was further refined through the use of internally measured product weights, while the spend-based method for non-standard products was updated using the latest EPA factors (2025). For Transportation and Distribution (Categories 4 and 9), a hybrid methodology was implemented, replacing part of the previous route-based estimates with primary emissions data obtained directly from logistics service providers. Due to the materiality and complexity of business travel (Category 6) calculations, emissions were calculated using the spend-

based method based on current expenditure data. Employee commuting data (Category 7) was updated based on the results of a new employee survey. Significant changes were also introduced in the calculation of emissions related to the use of sold products (Category 11) and end-of-life treatment of sold products (Category 12). Previous literature-based assumptions were replaced with the latest EU PEFCR v3.1 standard, updating assumptions related to washing cycles and waste treatment methods.

GHG emissions intensity

GHG emissions intensity is assessed by calculating GHG emissions per PLN 1 million of net revenue at the Group level and per unit of product sold (a pair of shoes or another product type).

Table: GHG intensity per net revenue

	Unit	2024	2025	YoY change (%)
Total Scope 1+2 (location-based) + Scope 3 GHG emissions per net revenue	$MgCO_2e$/PLN 1 million	131.85	72.86	-44.74%
Total Scope 1+2 (market-based) + Scope 3 GHG emissions per net revenue	$MgCO_2e$/PLN 1 million	130.20	70.80	-45.62%

Net revenue used in the calculations is consistent with the revenue disclosed in the note 'Segments and revenue' in the consolidated financial statements, and amounted to PLN 10,895.7 million. The Group does not identify any net revenue other than that used for the intensity calculations.

Table: GHG intensity per unit of product sold

	Unit	2024	2025	YoY change (%)
Total Scope 1+2 (location-based) + Scope 3 GHG emissions per unit of product sold	kg CO_2e/1 unit of product	14.98	7.59	-49.32%
Total Scope 1+2 (market-based) + Scope 3 GHG emissions per unit of product sold	kg CO_2e/1 unit of product	14.79	7.38	-50.13%

In this report, the MODIVO Group presents the estimated carbon footprint of private-label and licensed products. The per-unit indicator was calculated based on data on materials used (Scope 3, Category 1). Total emissions from this area were divided by the number of products included in the analysis (within outsourced production). The calculation does not include transport-related emissions.

Table: GHG emissions per unit of private-label and licensed-brand product

	Unit	2024	2025	YoY change (%)
GHG emissions per unit of private-label and licensed-brand product	kg CO_2e	15.45	6.69	-56.69%

E1-7 GHG removals and GHG mitigation projects financed through carbon credits

The MODIVO Group did not purchase any offsets or carbon credits in 2025.

E1-8 Internal carbon pricing

The MODIVO Group does not apply internal carbon pricing schemes.

E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

The MODIVO Group has identified material physical and transition risks related to climate change, as well as climate-related opportunities that may affect its financial performance, business model and long-term value creation.

Physical risks

Key physical risks include:

- changing weather patterns affecting demand for seasonal products (such as footwear), potentially leading to lower revenues, higher inventory levels and increased warehousing costs,
- extreme weather events that may disrupt operations and affect infrastructure and supply chain continuity,
- health-related disruptions (such as pandemics) that may affect supply continuity and increase operating costs.

Time horizon: medium and long term

Transition risks

The Group has identified the following transition risks:

- regulatory changes (including product and packaging requirements), which may increase operating costs and capital expenditure (CapEx),
- rising energy prices affecting operating expenditure (OpEx),
- raw material price volatility creating pressure on margins and profitability,
- financing access risks related to increasing ESG requirements from financial institutions.

Time horizon: short, medium and long term

Climate-related opportunities

The MODIVO Group has identified potential opportunities related to:

- product and material innovation, including reusable packaging solutions,
- advanced analytics and artificial intelligence supporting inventory optimisation and operational efficiency,
- energy transition initiatives that may reduce energy costs over the long term.

Time horizon: medium and long term

Link to the decarbonisation plan (E1-1) and actions (E1-3)

The identified risks and opportunities are managed through measures set out in the decarbonisation plan (E1-1) and operational actions (E1-3), including:

- improving energy efficiency and increasing the use of renewable energy sources to mitigate energy price risks,
- materials transformation and supplier engagement to reduce raw material and regulatory risks,
- development of circular models to reduce regulatory and cost-related risks,
- adaptation measures designed to strengthen the resilience of the supply chain and infrastructure.

As at the reporting date, the MODIVO Group presents anticipated financial effects on a qualitative basis. The Group plans to further develop its methodology to enable quantitative assessment in future reporting periods.

E2 Pollution

The MODIVO Group's business model, characterised by a global supply chain and outsourced manufacturing, gives rise to material pollution-related risks and impacts, primarily along the upstream value chain and, to a lesser extent, in downstream phases of a product's lifecycle. The management of pollution-related aspects is integrated into the Group's procurement and supplier screening processes, and supported by analyses conducted in accordance with the LEAP approach. This allows the Group to identify key sources of environmental pressures and mitigate its exposure to regulatory and operational risks (for further information, refer to disclosure SBM-3 in section 1).
In this context, the Group identifies actual and potential impacts, risks and opportunities related to pollution as part of an integrated process covering the entire value chain, with a particular focus on upstream activities.

The process includes an analysis of sources of pollutant emissions, particularly those associated with manufacturing, evaluation of compliance with applicable regulations (including REACH), application of recognised industry standards, including the ZDHC Foundation's guidelines, and analysis of operational data, including supplier audit findings and product testing results. The identification is additionally supported by LEAP-based environmental analyses conducted in line with TNFD recommendations. The process is informed by input obtained from relevant stakeholders, in particular from suppliers (through audits and operational engagement), as well as industry partners, regulatory developments and market expectations. In line with the Group's outsourced manufacturing model, no separate consultations with local communities were undertaken in 2025 in relation to pollution-related matters.
As a result of the double materiality assessment, the following impacts, risks and opportunities were identified as material:

- **impacts**: emissions of hazardous substances associated with manufacturing processes within the upstream value chain, as well as microplastic emissions generated during the use phase of products downstream,
- **risks**: risk of non-compliance with regulations applicable to chemical substances, operational risks within the supply chain, and risk of potentially restricted market access,
- **opportunities**: development of products with reduced environmental impacts and increased use of chemically safer and more sustainable materials.

The identified impacts, risks and opportunities provide the basis informing the Group's policies, actions, targets and monitoring systems, as described further on.

E2-1 Policies related to pollution

The MODIVO Group manages pollution-related impacts through an integrated framework of policies, including the Environmental Policy, the Supplier Code of Conduct, chemicals management procedures and product standards. This approach is designed to prevent, reduce and control pollution emissions throughout the product life cycle.

The scope of these policies covers emissions into the air, water and soil, chemicals management, the presence of hazardous substances in products, as well as emissions of microplastics and other particles generated during product use. The policies apply across the entire value chain, with particular relevance to the manufacture, use and end-of-life stages of products.

The Group applies a hierarchy of measures prioritising elimination, followed by minimisation, substitution and control of emissions, subject to the exercise of prudence. Products are required to comply with applicable regulatory requirements, and the presence of prohibited substances is unacceptable. This approach is aligned with regulations such as REACH and recognised industry standards, including ZDHC.

The policies apply to both the Group's own operations and its supply chain, with suppliers required to comply with requirements relating to chemicals management, product testing and emissions monitoring. Their implementation is supported through audits, laboratory testing and compliance monitoring systems.

Oversight of the policies is exercised by the Management Board, while operational responsibility rests with the product quality, environmental and supplier management functions. Their practical implementation is monitored through a set of operational metrics, subject to regular reporting. The policies are communicated to stakeholders and must be acknowledged as a prerequisite for entering into and continuing supplier relationships.

In developing and updating its policies, the Group takes into account feedback obtained from key stakeholders, in particular suppliers, industry partners and internal experts, as well as regulatory requirements and market expectations. This information is used in particular in defining requirements related to chemicals management, environmental standards and compliance monitoring across the value chain.

E2-2 Actions and resources related to pollution

The MODIVO Group implements and intends to further develop actions aimed at advancing its pollution-related environmental objectives, covering the entire product life cycle and value chain. These actions, designed to prevent, reduce and control pollution throughout the life cycle of products, encompass both the Group's own operations and value chain, including its upstream engagements (manufacturing and material supplies) and downstream phases (product use, involving microplastic emissions, and product end-of-life management). The actions are ongoing in the short and medium term, with long-term objectives extending to 2030 (aligned with ZDHC standards).

Area	Actions
Chemicals and products	Laboratory testing of all products prior to marketing and systematic updates to Restricted Substances Lists (RSL) and chemicals control procedures.
Emissions and wastewater management (upstream)	Implementing ZDHC MRSL and wastewater requirements at suppliers and monitoring compliance through audits and environmental data analysis.
Microplastics (product-related)	Developing and scaling up design solutions and testing methodologies (including footwear sole abrasion tests) aimed at reducing microplastic emissions during product use and supporting the achievement of reduction targets.
Finishes and accessories	Consistently eliminating synthetic glitter and continuing the search for alternative material solutions with lower environmental footprints.
Materials and product design	Further implementing the weCare product standards and increasing the share of materials with lower environmental footprints in order to support targets relating to chemicals and microplastics.
Supplier management	Developing supplier audit and monitoring systems to maintain wide audit coverage and improve environmental compliance across the supply chain.

The actions are prioritised based on progress towards environmental objectives, the level of environmental and regulatory risks involved, and the strategic importance of suppliers to the Group's operations.

Implementation of these actions is supported by:

- business functions: product, product quality, environmental, occupational health and safety (OHS), and supplier management teams,
- technical and process resources: use of accredited testing laboratories; product testing systems; chemicals management procedures; supplier audit systems,
- financial resources: expenditure related to laboratory testing, supplier audits, implementation of product standards and the introduction of materials with lower environmental footprints. Such expenditure constitutes a significant component of product quality and compliance costs, incurred on an ongoing basis as part of the Group's operating expenditure (OpEx). No material dedicated capital expenditure (CapEx) attributable exclusively to pollution-related matters has been identified.

Where any non-compliance is found, suppliers are required to implement corrective actions. Failure to demonstrate improvement may result in restrictions on or termination of the business relationship.

The MODIVO Group monitors progress in its pollution reduction efforts using operational metrics and targets described under disclosure requirement E2-3. In 2025, the Group achieved full product testing coverage for compliance with chemical requirements (RSL) and comprehensive environmental audit coverage of all key private-label and licensed-brand suppliers. During the same period, the Group continued the ban on the use of synthetic glitter and began to implement footwear sole abrasion testing, due for launch from 2026 onwards to support the reduction of microplastic emissions. The Group also mitigates pollution associated with leather production through reduced leather use and engagement with suppliers compliant with standards issued by the Leather Working Group (LWG). This approach combines reduction measures (lower leather volumes) with improvements in environmental performance across the remaining supply chain, thereby contributing to reduced emissions of hazardous substances and improved wastewater quality. Progress achieved through these measures is reviewed annually and reported at management level, their scope adjusted in response to monitoring results and regulatory developments.

Actions related to pollution management are financed as part of the Group's ongoing operating expenditure (OpEx). The related costs are primarily associated with laboratory product testing, supplier environmental audits, implementation of product standards, as well as chemical stewardship and regulatory compliance management. They form an integral part of product quality and compliance costs recognised in the financial statements. Given the nature of the Group's business model, no material dedicated capital expenditure (CapEx) attributable exclusively to pollution-related matters has been identified.

The Group intends to continue financing actions taken to reduce pollution through its ongoing operating expenditure budgets. Such actions include, in particular, further development of the supplier audit system, implementation of the ZDHC Foundation's guidelines, advancement of methods for reducing microplastic emissions, and increasing the share of materials with lower environmental footprints. As at the reporting date, no material capital expenditure plans dedicated exclusively to this area were identified.

In 2025, the Group did not initiate any efforts to regenerate ecosystems where pollution has occurred.

E2-3 Targets related to pollution

The MODIVO Group has established measurable environmental targets for the period 2026–2030 aimed at reducing pollution across the entire product life cycle, including chemicals management, emissions into water and microplastic emissions. The targets apply both to the Group's own operations and to the entire value chain, especially its upstream engagements (manufacturers and suppliers) and, to a more limited extent, the downstream side (product use).

Area*	Target definition	Base year	Target value	Time horizon	Coverage	2025 progress / 2025 baseline
Supplier standards / Pollution	Key suppliers compliant with ZDHC MRSL standards and wastewater requirements	2025	100%	2030	Upstream	Implementation in progress
Supplier standards	≥95% of suppliers covered by environmental audits	2025	≥95%	2030	Upstream	14.92%
Leather certification	Share of leather sourced from Leather Working Group Gold-certified tanneries	2025	≥80%	2030	Upstream	18.36%

* The targets apply to private-label and licensed-brand products.

Progress against the targets is monitored based on operational data, including supplier audit findings and environmental compliance levels. Their implementation has a direct effect on the scope and intensity of operational activities undertaken by the Group. Targets in relation to microplastics are currently qualitative, with the establishment of quantitative targets expected once an appropriate measurement methodology is developed.

The targets were established on the basis of applicable regulatory requirements (mainly REACH), recognised industry standards (including the ZDHC Foundation's guidelines), supplier audit data, and assessments of environmental risks across the value chain. They are informed by available scientific knowledge relating to the environmental impacts of chemical substances, including assessments conducted by the European Chemicals Agency (ECHA).
The target-setting process was based on input from suppliers, industry organisations and internal experts. However, no formal external consultations were undertaken in 2025. The targets are voluntary and go beyond legal requirements, particularly with regard to the implementation of ZDHC standards, increasing environmental audit coverage across the supply chain, and expanding the share of leather sourced from certified tanneries.

E2-4 Pollution of air, water and soil

Based on the identified environmental impacts, the MODIVO Group will continue and further develop actions to monitor and reduce water and soil pollution across its supply chain.

The Group monitors water and soil pollution throughout the value chain, with a particular focus on:

- emissions of chemical substances arising from upstream manufacturing processes into water and soil, primarily through the share of certified leather metric,
- testing for the presence of hazardous substances in products.

With respect to microplastics, the Group intends to continue developing a relevant measurement methodology and work towards establishing quantitative reduction targets, allowing it to more effectively manage this impact in the future.

Monitoring is based on product laboratory testing results, environmental audit outcomes, and assessments of compliance with applicable regulations and standards, including REACH.

Given the Group's business model based on outsourced manufacturing and the absence of direct operational control over suppliers' production processes, the MODIVO Group does not report direct pollution emission volumes. To ensure transparency and effective oversight of environmental impacts, the Group applies indirect indicators reflecting the level of environmental compliance across its supply chain. The compliance levels captured by these indicators are described in disclosure E2-3.

The indirect indicators include the percentage of suppliers compliant with the ZDHC Foundation's standards (MRSL and wastewater requirements), the percentage of suppliers covered by environmental audits, the percentage of products compliant with RSL requirements, and the share of materials procured from certified sources.

Water and soil pollution risks may arise primarily from:

- wastewater generated during tanning, dyeing and finishing of materials,
- presence of hazardous substances (including chromium compounds and heavy metals),
- discharge of chemicals into the water environment within the supply chain.

The Group manages these risks through the implementation of supplier compliance requirements aligned with the ZDHC MRSL and wastewater standards, reduced use of conventional leather, increased share of certified leather, and product testing for the presence of restricted substances.

The Group identifies and monitors substances of concern, including SVHCs under REACH, such as heavy metals, chemicals used in manufacturing processes (including tanning and finishing), and substances included on Restricted Substances Lists (RSLs).

All private-label and licensed-brand products are subject to laboratory testing, must comply with applicable regulatory requirements, and neither contain prohibited substances nor exceed permitted concentration limits for restricted substances.

The Group is not engaged in industrial manufacturing within its own operations and, consequently, its direct air emissions are not considered material. The Group's operations are not subject to Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions (IED), nor to the relevant Best Available Techniques Reference Documents (BREFs).

Microplastics

The MODIVO Group identifies microplastic emissions as a material environmental impact, generated particularly through the abrasion of footwear soles during product use, release of microfibres from synthetic clothing during washing, and release of particles from decorative elements (including glitter).

Measures implemented to address this issue include the selection of more durable materials, elimination of synthetic glitter, and use of alternative materials with lower environmental footprints.

In 2026, the Group plans to implement footwear sole abrasion testing. At the same time, the Group is taking steps aimed at developing relevant measurement methodologies and metrics. Quantitative targets will be established once an appropriate methodology is developed. In 2025, no consultations were held with local communities in this regard.

E3 Water and marine resources

E3-1 Policies related to water and marine resources

The MODIVO Group manages its impacts on water resources through an integrated approach that recognises water as a critical amenity within the natural capital, necessary to maintain its business continuity, particularly in the context of natural raw material sourcing. Water management forms an integral part of the Group's Environmental Policy, embedded within its environmental management framework. The scope and priorities of this approach are informed by risk and dependency assessments conducted in accordance with the LEAP methodology.

The approach covers the entire value chain, with a particular focus on its upstream side, where the Group's most significant impacts on water resources have been identified. Actions taken by the Group focus on reducing water consumption, protecting aquatic ecosystems and ensuring effective wastewater management, especially within water-intensive manufacturing processes.

The Group follows a risk-driven approach, considering in particular the water stress level across the supply chain, and implements preventive and mitigating measures aimed at reducing negative impacts on the water environment. These requirements are implemented through environmental standards and supplier commitments pertaining to water consumption management, wastewater monitoring and environmental data reporting.

The approach, aligned with applicable environmental regulations and standards, is regularly reviewed and revised based on the outcomes of risk assessments and regulatory developments. Oversight of its implementation is exercised by the Management Board, while operational responsibility rests with the relevant ESG functions and operational units.

Given its business model, the Group does not conduct activities directly involving marine resources. Consequently, impacts in this area have not been identified as material and no separate policies have been implemented to address them.

E3-2 Actions and resources related to water and marine resources

Actions the MODIVO Group has taken in relation to water resources are closely linked to the material environmental impacts, risks and opportunities identified through analyses conducted in accordance with the TNFD LEAP methodology and disclosed in line with the requirements of ESRS 2.

An assessment of the impacts of the Group's operations and value chain on water resources was a key underlying driver of the GO.25 Sustainability Strategy, defining strategic directions for alleviating the organisation's pressures on water resources and strengthening its resilience to water-related risks.

In response to the identified material IROs, the Group is implementing integrated measures including:

- **supplier management and due diligence processes**, including comprehensive supplier coverage by risk and impact assessments, environmental audits and implementation of corrective action plans (CAPs),
- **value chain mapping and LEAP-based analysis**, enabling identification of high-water stress areas,
- **implementation of environmental and product standards**, including requirements related to wastewater management, reduction of water consumption and use of materials with lower water footprints,
- **integration of environmental criteria into procurement processes**, supporting the selection of suppliers with lower environmental risk exposure.

Seeking to advance these measures, the Group allocates both current and future financial and operational resources to support their implementation. As at the reporting date, water resources-related actions were financed primarily through OpEx budgets, covering costs associated with supplier environmental audits, implementation of environmental standards (including the ZDHC and Leather Working Group guidelines), supply chain monitoring, and reporting (including CDP Water disclosures).

Capital expenditure related to this area remains limited and is allocated primarily to the development of IT tools supporting the value chain mapping, raw material traceability and environmental risk analysis, including risks associated with water resources.

Current financial resources are linked to operating expenditure and investment categories disclosed in the Group's financial statements, particularly within administrative expenses and outlays on intangible assets.

Over the medium- and long-term horizon (2026–2030), the Group expects to gradually increase financial resources committed to this area, encompassing both higher operating expenses related to expansion of the audit programmes, implementation of corrective actions and supplier engagement, as well as selective capital investments to develop environmental data monitoring systems. The allocation of future resources will depend on the outcomes of risk assessments, including scenario analyses and the identification of areas with the highest exposure to water stress.

Following an analysis of key supplier audits, five locations situated in high-water stress areas were identified.

This information serves as an important input into environmental risk management, factored into the assessment process conducted in accordance with the TNFD LEAP methodology. In particular, it enables the Group to take actions directed towards areas with the highest exposure and prioritise interventions within the supply chain.

The assessment was complemented by a preliminary scenario analysis of water resources-related risks, developed in line with the TNFD LEAP approach. The analysis considered potential changes in water stress levels across key supply chain regions, possible tightening of environmental regulations, and the risk of constraints on water availability for industrial use.

The results indicate elevated exposure of selected supplier locations to physical and regulatory risks, which may lead to operational disruptions and increased costs. The conclusions of the assessment are used in the prioritisation of measures, audit planning and allocation of financial resources.

Actions planned by the Group in response, to be taken over the coming years, include:

- strengthening supplier requirements in relation to water efficiency and wastewater management,
- implementing enhanced audit programmes and corrective action plans,
- cooperating with suppliers on the deployment of water-saving technologies,
- integrating water stress criteria into procurement and supplier screening processes (supplier scorecard),
- monitoring water consumption metrics and location-based risks over time.

This approach supports reduction of the organisation's impacts on water resources and enhances supply chain resilience. The actions include both preventive and mitigating measures, focused on reducing water consumption and limiting pollution across the supply chain.

The approach adopted by the Group enables systemic reduction of both the scale of its negative impacts on water resources and its exposure to risks associated with water availability, while also contributing to the continued development of measures under the 2026–2030 strategy.

In 2025, the Group remained in the process of further developing its approach to managing water and marine resources-related impacts, with a particular focus on the identification and assessment of risks, dependencies and impacts across the value chain in accordance with the LEAP methodology.

During the reporting period, the Group implemented systemic measures including, in particular:

- development of environmental standards for suppliers, including requirements relating to wastewater and chemicals management,
- environmental audits of suppliers and identification of suppliers located in regions exposed to high water stress,

- development of product standards aimed at reducing impacts on water resources (including reduced leather use, LWG certification and preferred materials),
- supply chain mapping and impact location analysis in accordance with the TNFD LEAP methodology.

The MODIVO Group has been taking actions to reduce the use of natural leather in its products, thereby contributing to lower pressures on water resources across the value chain. Leather production is highly water-intensive and generates heavily polluted wastewater. Consequently, reducing the use of leather contributes to lowering the water footprint of products and improving water-use efficiency.
These actions include the development of alternative materials, raising the share of recycled materials, and engaging with suppliers on water management practices, with preference for suppliers compliant with recognised environmental standards, such as the Leather Working Group certification.

At the same time, the Group has not yet fully implemented dedicated quantitative programmes for reducing water consumption across its value chain or collaborative initiatives relating to water resource management, particularly in regions exposed to high water stress.
Since 2023, the Group has submitted comprehensive CDP Water reports, disclosing information relating to water resource management, associated risks and opportunities, and the impacts of its operations on aquatic ecosystems.

E3-3 Targets related to water and marine resources

As part of the implementation of the GO.25 Sustainability Strategy objective relating to the assessment of impacts of the MODIVO Group and its value chain on water resources, as well as the development of an approach to water efficiency management, the relevant impacts, risks, opportunities and dependencies were identified and used for establishing measurable targets in water resource management. These targets focus on reducing water consumption and pollution by effecting a shift in the mix of raw materials used, implementing environmental standards at suppliers, and enhancing traceability.

The Group's approach encompasses both operational and systemic measures, including integration of environmental KPIs into management and procurement processes. Achievement of the targets by 2030 is intended to alleviate the organisation's pressures on water resources, particularly in regions exposed to high water stress, and to strengthen supply chain resilience.

Area**	Target and relevance to water resources	Target value	Base year	Time horizon	2025 progress / 2025 baseline
Reduction of the use of virgin raw materials	Reduced use of natural leather in private-label and licensed-brand products*	-40%	2022 (4,858 056 m)	2030	-62.5%
Leather certification	Share of leather sourced from Leather Working Group Gold-certified tanneries	≥80%	2025	2030	18.36%
Environmental standards	Key Tier 1 suppliers compliant with ZDHC MRSL and wastewater standards	100%	2025	2030	Implementation in progress
Water and biodiversity	Covering Tier 1 and Tier 2 suppliers with assessments including identification of risks, impacts and dependencies	100%	2025	2030	25 key suppliers of CCC and HalfPrice business lines***

* Sustainability Finance Framework KPI3 target.
** The targets apply to private-label and licensed-brand products.
*** Based the value of orders in 2024. Key suppliers accounting for approximately 90% of private-label and licensed-brand production.

The targets were established based on the assessment of material impacts, risks and opportunities (IROs) in line with the TNFD LEAP methodology, as well as data obtained through environmental audits and supplier location analyses. The process also considered recognised industry standards, in particular the ZDHC MRSL and Leather Working Group guidelines. The LWG certification supports reduced water consumption, improved water-use efficiency and control over the quality of wastewater discharged into the environment.

Due to the limited availability of quantitative data on water consumption across the value chain, certain targets are based on indirect indicators, such as the mix of raw materials, certification levels and supplier compliance with environmental standards. It has been assumed that these measures contribute to reducing water consumption.
Parties involved in the target-setting process included key internal and external stakeholders.
In particular, the process engaged teams responsible for procurement, quality, sustainability and risk management, as well as suppliers covered by due diligence checks and environmental audits. Information obtained through audits, supplier dialogue and analyses conducted in line with the TNFD LEAP methodology was used to identify priority impact areas and define the direction and level of

ambition of the environmental targets. The process also took account of the requirements and guidance of industry initiatives, including the ZDHC, Leather Working Group and CDP Water.

The targets currently in place rely on indirect water-related indicators, but will be further developed towards more direct, quantitative water consumption metrics in future reporting periods.

E3-4 Water consumption

The MODIVO Group is continuing to develop its water resource management monitoring system, which supports ongoing assessment of the effectiveness of measures it has implemented and the Group's exposure to identified environmental risks and impacts across the value chain.

The monitoring system includes, in particular:

- **comprehensive coverage of all Tier 1 and Tier 2 suppliers with environmental risk and impact assessments**, which help identify entities operating in regions exposed to high water stress,
- **environmental and social audit findings**, which provide the basis for assessing supplier compliance with the Group's requirements and identifying areas requiring corrective actions,
- **implementation level of key environmental standards**, including ZDHC (chemicals and wastewater management) and LWG (environmental stewardship in the leather supply chain), which directly support the reduction of water consumption and water pollution,
- **traceability of key raw materials**, enabling monitoring of the origin of materials and assessment of environmental risks, including water-related risks, across the supply chain,
- **CDP Water reporting**, including disclosures on water resource management, related risks and opportunities, and impacts on aquatic ecosystems.

The system is being progressively developed to improve the availability of quantitative data and further integrate environmental indicators into management processes for more precise monitoring of progress against the Group's environmental objectives.

At present, the Group does not disclose quantitative data on water consumption within its own operations, reflecting the outcome of the materiality assessment according to which the Group's predominant impact occurs within the supply chain. The Group plans to gradually expand the scope of reporting, including by gathering quantitative data from the value chain in future reporting periods.

E4 Biodiversity and ecosystems

The MODIVO Group's business model, based on the import and distribution of products manufactured from natural raw materials such as leather, plant-based fibres and cellulosic materials, is directly dependent on the functioning of global ecosystems and the ecosystem services they provide. This dependency is concentrated primarily within the upstream value chain, where raw material sourcing and processing activities take place. In 2025, the Group conducted an assessment in accordance with the LEAP methodology recommended by TNFD, which identified the Group's interfaces with nature and evaluated their materiality. The analysis covered 243 locations across the value chain, with a particular focus on regions exposed to elevated risks of ecosystem degradation. The Group's material impacts relate primarily to habitat loss and biodiversity degradation within the supply chain due to the sourcing of natural raw materials. Based on the double materiality assessment, the Group has identified biodiversity and ecosystems as a material topic. The material biodiversity-related impacts and risks identified through the assessment are presented under disclosure requirement ESRS 2 SBM-3
and form the basis for the disclosures set out below.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

As part of the impact identification and assessment process, the Group analysed 54 locations where its own operations are conducted, comprising offices, warehouses and selected retail stores, which were considered a complete and representative sample in terms of potential biodiversity-related impacts. Based on this analysis, carried out using available location data and environmental risk assessment tools, no operational sites located within or in the immediate vicinity of environmentally sensitive areas were identified. Consequently, as at the date of the assessment, the Group did not identify any material locations within its own operations that have caused or could cause material negative impacts on environmentally sensitive areas, including protected areas or areas designated for the protection of habitats and species.

The analysis also considered systemic risks affecting biodiversity and ecosystems. These include, in particular, the risk of land-use change, including deforestation, ecosystem degradation and the loss of key ecosystem services such as water availability, soil quality and pollination, as well as climate change affecting the stability of natural systems. These risks were assessed with consideration given to their non-linear nature, cumulative effects and potential cascading impacts across the value chain. They were identified as material primarily within the upstream value chain and were incorporated into the assessment of the resilience of the Group's business model and the definition of the Group's strategic priorities.

With regard to operational locations, the analysis of the Group's own operations confirmed that it neither owns nor manages facilities located within or in the immediate vicinity of environmentally sensitive areas and that, given the nature of its operational activities (comprising office administration, logistics and retail), they are not directly associated with protected natural areas. At the same time, the LEAP analysis confirmed that parts of the supply chain operate in regions exposed to elevated biodiversity risks, resulting in the Group's indirect exposure to environmental risks.
Based on the available data and analyses, the Group has not identified any direct negative impacts arising from its own operations on protected areas or habitats designated for the protection of species, including impacts leading to habitat deterioration or disturbance of species populations. However, the Group acknowledges that indirect impacts have been identified occurring within its supply chain, particularly in connection with the sourcing of natural raw materials such as leather and plant-based fibres, which may contribute to pressures on natural habitats, land-use change, ecosystem degradation and biodiversity loss. These impacts are geographically dispersed and dependent on environmental practices applied by suppliers.

The assessment has not identified any material negative impacts arising from the Group's own operations in relation to land degradation, desertification or soil sealing. At the same time, the Group acknowledges that such impacts may potentially occur within the supply chain, particularly in regions exposed to elevated environmental risks, and these aspects have therefore been incorporated into the risk assessments and management measures.
The Group likewise has not identified any direct impacts of its own operations on endangered species or their habitats. However, potential indirect impacts within the supply chain, dependent on supplier locations and environmental practices, cannot be ruled out and remain one of the areas in which the Group's due diligence approach will continue to be refined.

The analysis conducted by the Group has revealed the need for the implementation of mitigation measures in relation to biodiversity impacts, with a primary focus on the supply chain. The approach is based on the mitigation hierarchy encompassing avoidance of impacts, their minimisation and, where justified, restoration of natural resources. In practice, this includes the development of raw material traceability systems, increasing the share of certified materials, introducing restrictions on sourcing from areas of high biodiversity value, and strengthening supplier requirements through more demanding policies, product standards and due diligence processes. These measures are directly informed by the outcomes of the LEAP analysis and have been reflected in the 'Water and Biodiversity Protection Strategy 2026–2030'.

E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model

As part of the implementation of the GO.25 Sustainability Strategy objective relating to the assessment of biodiversity impacts of the MODIVO Group and its value chain, a LEAP analysis was conducted in 2025, through which relevant impacts and risks, as well as the resilience of the Group's business model, were assessed.

As indicated by the assessment, the Group's business model demonstrates moderate resilience in the short term, with increasing risk exposure over the medium- and long-term horizons. The Group's principal exposure is attributable to the upstream value chain, where the main biodiversity-related impacts and dependencies are concentrated, whereas the direct impact of the Group's own operations is limited.
The resilience of the business model depends in particular on the availability of ecosystem services such as water availability, pollination and soil quality. The most material risks identified through the LEAP analysis involve land-use change, ecosystem degradation and the resulting pressure on raw material availability.

The scope of the assessment covered the Group's own operations and the upstream value chain (Tier 1 and Tier 2 suppliers), with a focus placed on key manufacturing and sourcing regions. The analysis revealed a concentration of impacts in regions exposed to elevated environmental risk, increasing the vulnerability of the business model to the materialisation of such risks. Additionally, the scope of the assessment covered selected parts of the downstream value chain, particularly in terms of the impact of product and material-related decisions across product life cycles, but these aspects were assessed as secondary in significance relative to upstream activities.

The assessment was carried out across short-, medium- and long-term time horizons, assuming the continuation of current operational trends alongside rising environmental and regulatory pressures. The main underlying assumptions were that the current supply chain structure would be maintained over the short term, the environmental regulations would become increasingly more stringent and the pressures on natural resources would grow. The assessment also reflected limitations in data availability at lower-tier supplier levels, resulting in the use of sectoral data and analytical tools.

The results indicate increasing exposure to risks associated with the availability of raw materials and the need to adapt the sourcing model. At the same time, the assessment identified opportunities to mitigate these risks through supply chain transformation, e.g. towards a greater share of certified raw materials.

The assessment relied on supplier data as well as ENCORE, SBTN and WWF Risk Filter tools, ensuring its alignment with recognised market standards. Stakeholder engagement was also integrated, in particular through the use of supplier-provided data, audit findings and supply chain risk assessment processes, but also through reference to data and methodologies developed by recognised expert organisations.

The results of the assessment provide the basis for evaluating the resilience of the Group's business model and have been reflected in the 'Water and Biodiversity Protection Strategy 2026–2030', Setting out a transition plan for the Group's approach to environmental impact management, particularly within the supply chain. The full text of the strategy is available on the MODIVO Group's corporate website.
The strategy is based on the mitigation hierarchy from avoidance and minimisation of negative impacts, to restoration of natural resources. In practice, this means striving to eliminate the sources of environmental pressures wherever possible, minimising impacts within existing processes, and supporting environmental regeneration where justified.

The strategy is complemented by the MODIVO Group's Product Standards, which have established uniform material sourcing requirements applicable to the Group's products. They promote the use of certified raw materials, introduce a list of preferred materials and restrict the use of materials associated with ecosystem degradation, supporting a systemic reduction of pressures that affect the state of biodiversity.

The strategy, incorporating the findings of the risk and opportunity assessment disclosed under SBM-3, constitutes the Group's response to key regulatory, operational and market factors pertaining to biodiversity.

In the coming years, the Group plans to further deepen the LEAP analysis in line with its evolving business model, manufactured volumes of private-label and licensed-brand products, and the number of entities within its supplier base. This will support the Group in promptly responding to any negative impacts through mitigation measures and improving risk management over the short, medium and long term.

E4-2 Policies related to biodiversity and ecosystems

The MODIVO Group manages its impacts on biodiversity through a coherent, cascading set of policies comprising the Environmental Policy, the Supplier Code of Conduct and Product Standards, which together constitute the Group's environmental due diligence framework. This approach is integrated with the Group's risk management system and analyses conducted in line with the LEAP methodology, taking into account material dependencies on ecosystem services as well as related physical and transition risks.
The scope of the policies covers the Group's own operations and the entire value chain, particularly its upstream side, where principal impacts associated with the sourcing of natural raw materials are concentrated. In this context, the Group primarily considers risks related to raw material availability, land-use change and ecosystem degradation.

The Group is committed to minimising adverse impacts on ecosystems, protecting areas of high biodiversity value and preventing deforestation. Its approach is based on the exercise of prudence and the implementation of the mitigation hierarchy encompassing avoidance, minimisation and, where justified, remedial measures.

The operational approach includes ensuring the traceability of raw materials, promoting materials with lower environmental footprints and introducing environmental requirements for suppliers, for instance by expecting them to follow responsible sourcing practices. These requirements are implemented through supplier standards and product design guidelines, supported by recognised industry standards and certification systems.

The Group also implements policies and practices intended to support the sustainable sourcing of plant- and animal-based raw materials, including measures aimed at reducing deforestation risk, enhancing traceability and increasing the share of certified raw materials.

The policies also address impacts on local communities, in particular through efforts to reduce pollution and promote responsible environmental and social practices across the supply chain.

Oversight of the policies is exercised by the Management Board, while the operational, procurement and ESG functions are tasked with their implementation. The policy framework is regularly reviewed and updated to reflect the outcomes of risk assessments, supplier audits and evolving regulatory and market requirements, while taking into consideration the expectations of key stakeholders.

The Group does not operate facilities located within protected or environmentally sensitive areas. Should the scope of its operations change, the approach may be expanded accordingly.

Given the nature of its operations, the Group has not identified any material dependencies or impacts in relation to marine and ocean resources and, consequently, has not implemented dedicated policies or practices to address this area.

E4-3 Actions and resources related to biodiversity and ecosystems
Actions taken by the Group in 2025 focused primarily on assessing its impacts on biodiversity. In addition, the Group developed an action plan seeking to mitigate the identified impacts across the supply chain.

Particular importance was placed on the use of LEAP analysis findings, which enabled the identification of 243 impact locations and the targeting of measures towards areas exposed to the greatest environmental pressures. Based on these findings, supplier requirements were strengthened and internal policies updated.

In parallel, the Group continued to develop its approach to the management of material sourcing through the weCare standard and was engaged in preparatory work to introduce the principles of eco-design. These actions focus on increasing the share of materials with lower environmental footprints and introducing uniform standards for both private-label and licensed-brand products.

Another important part of this approach is the development of due diligence systems within the supply chain, including verification of the origin of raw materials and enhancement of traceability. The process is supported by IT solutions enabling the aggregation and analysis of environmental data.

The Group also applies a preventive approach by introducing sourcing restrictions, including a prohibition on the use of materials originating from areas of high biodiversity value and the use of natural fur in product manufacturing.

These actions are aimed directly at mitigating the risks and pursuing the opportunities identified through the SBM-3 analysis.

Actions implemented in 2025, as well as planned mitigation measures, are being deployed across short-term (up to 1 year), medium-term (1–5 years) and long-term (over 5 years) time horizons, in line with the outcomes of the LEAP analysis and the Group's strategic objectives.

The Group's focus is on preventive measures and risk mitigation within the supply chain. As at the reporting date, no cases requiring direct remediation within the Group's own operations were identified, while the Group engaged with suppliers to improve their environmental practices through audits, contractual requirements and the development of due diligence systems.

The year 2025 marked a foundational stage in the development of systemic solutions, including the identification of 243 impact locations, update to existing policies and strengthening of supplier requirements. Progress to date has been primarily qualitative, including the development of analytical tools, traceability and standards related to the use of materials, with further quantification to be worked on in future reporting periods.

In addition, the Group is taking steps aimed at reducing the use of natural leather in its products, as part of the broader approach to alleviating pressures affecting the state of biodiversity and ecosystems. Leather production is inherently connected with cattle farming, which constitutes a significant driver of land-use change, habitat degradation and deforestation risk.

A shift towards reduced reliance on animal-based materials contributes to lowering pressures on terrestrial ecosystems by, among other things, limiting the conversion of natural habitats and alleviating the strain on natural resources. These actions form part of the Company's broader approach to managing biodiversity impacts across the value chain.

The Group cooperates with suppliers certified under the Leather Working Group (LWG) standard, which contributes to reducing biodiversity- and ecosystem-related impacts, in particular through water consumption management, wastewater treatment and control of chemicals used in manufacturing processes.

The LWG standard indirectly supports the protection of aquatic ecosystems by reducing pollution loads entering water and limiting the toxicity of wastewater discharged into the environment, thus contributing to improved habitat quality and living conditions for aquatic organisms.

In addition, the requirements relating to chemicals management help reduce negative impacts on soil and aquatic organisms, including the risk of bioaccumulation of hazardous substances.

Nevertheless, the Company realises that the LWG standard does not fully address risks associated with land use and deforestation within the supply chain. Consequently, its actions in this area are supplemented through additional biodiversity-related initiatives and standards.

They are financed as part of ongoing operating expenditure (OpEx), particularly within the supply chain management, IT and audit functions, as well as capital expenditure (CapEx) allocated to the development of traceability systems. The related costs are not currently disclosed as a separate category but recognised within broader financial reporting categories. They are expected to be steadily increased going forward.

The Group does not apply biodiversity offsets, focusing instead on avoiding and minimising impacts in accordance with the mitigation hierarchy.

Given its business model, the Group does not directly apply approaches based on local or indigenous knowledge. However, its risk management approach reflects regional conditions specific to sourcing areas.

E4-4 Targets related to biodiversity and ecosystems

The MODIVO Group has established measurable operational targets aimed at reducing its impacts on biodiversity, formally adopted and detailed in the 'Water and Biodiversity Protection Strategy for the Group's Value Chain 2026–2030'. The targets focus on raw materials involving the greatest environmental pressures and on a meaningful improvement of the supply chain transparency. They reflect the Group's response to identified risks and opportunities, supporting a reduction of material biodiversity-related impacts.

Area***	Strategic target	Target value	Base year	Time horizon	2025 progress / 2025 baseline
Preservation of resources (leather)	Reduced use of natural leather in private-label and licensed-brand products*	-40%	2022 (4,858056 m)	2030	-62.5%

Leather certification	Share of leather sourced from Leather Working Group Gold-certified tanneries	≥80%	2025	2030	18.36%
Traceability	Full traceability of key raw materials	100%	2025	2030	Implementation in progress
Water and biodiversity	Covering all Tier 1 and Tier 2 suppliers with comprehensive assessments of risks, impacts and dependencies relating to natural resources	100%	2025	2030	25 key suppliers of CCC and HalfPrice business lines**

* Sustainability Finance Framework KPI3 target.
** Based the value of orders in 2024. Key suppliers accounting for approximately 90% of private-label and licensed-brand production.
*** The targets apply to private-label and licensed-brand products.

These targets, designed to directly address the impact drivers identified through the LEAP analysis, are used for tracking progress in the Group's biodiversity performance. They are grounded in the mitigation hierarchy approach, which prioritises avoidance and minimisation of impacts, followed by restoration of natural resources.

The target-setting process incorporated the perspectives of key stakeholders, in particular through the use of inputs from suppliers, audit findings and environmental risk assessments across the supply chain, as well as regulatory requirements and market expectations. The stakeholder engagement was indirect, relying on operational and expert analyses rather than formal consultation processes.

The evaluation of progress against these targets indicates varying levels of performance. The target of reducing the use of natural leather has already been exceeded relative to the baseline, reflecting the shift in the Group's materials sourcing approach. As regards the targets pertaining to certified leather and raw material traceability, implementation is still in progress, their achievement ultimately depending on deeper supplier engagements and enhanced data availability. With respect to supplier risk assessments, significant progress has been achieved through the coverage of key business partners, laying the groundwork for further expansion in future reporting periods.

E4-5 Impact metrics related to biodiversity and ecosystems change

The MODIVO Group monitors its nature-related impacts based on findings of the LEAP analysis conducted in 2025, focusing on material areas. The assessment of 54 locations within the Group's own operations (offices, warehouses and selected retail stores) confirmed that the Group neither owns nor manages facilities located within or in proximity to environmentally sensitive areas on which it would exert a material negative impact.

As the Group does not directly manage any land or ecosystems, it does not disclose direct species population metrics and instead focuses on key performance indicators. The effectiveness of mitigation measures addressing material impacts within the supply chain is monitored through raw material certification and traceability metrics, which are directly aligned with the reduction targets described under disclosure requirement E4-4. In addition, data relating to the volume of raw materials used in the manufacture of private-label and licensed-brand products are disclosed under ESRS E5.

These metrics support the assessment of how effective the Group has been in managing risks and whether it has captured the opportunities identified under SBM-3.

E4-6 Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities

The Group has not identified any material short-term financial risks that would arise directly from biodiversity-related matters. At the same time, it has recognised potential medium- and long-term financial effects arising from the regulatory, operational and market risks described under disclosure requirement SBM-3. Such effects may include, in particular, rising costs of raw materials, higher capital expenditure (CapEx) on traceability systems, and increased operating expenses (OpEx) incurred to ensure compliance with evolving regulatory requirements.

E5 Resource use and circular economy

E5-1 Policies related to resource use and circular economy

The MODIVO Group manages natural resources in line with circular economy principles across the entire product life cycle, from design, production and logistics to product use and end-of-life treatment.

The framework is based on the Environmental Policy, the Supplier Code of Conduct and the Eco-Design Policy. Under these policies, the Group is committed to reducing the use of virgin raw materials, increasing the share of recycled materials, preventing waste generation

and designing products with durability, repairability and recyclability in mind. The approach also includes minimising pollution and reducing impacts on water resources and biodiversity.

Operationally, the Group focuses on eliminating high-impact materials, including particularly harmful substances, increasing raw material traceability and developing circular models. These requirements are implemented across the supply chain through environmental standards, certifications and contractual commitments with suppliers.
The policies are aligned with applicable European Union regulations, including the Circular Economy Action Plan, and support the transition of the business model towards greater resource efficiency.

In developing and updating its policies, the Group takes into account the expectations of key stakeholders, including customers, suppliers, business partners, investors and regulators. The policies are communicated through public disclosure, integration into commercial agreements and training programmes for employees and business partners.

Oversight is exercised by senior management, while implementation is carried out by ESG functions and operational units. Progress is monitored through environmental indicators and management reporting.

The Group is also developing an environmental management system aligned with ISO guidelines to further strengthen the integration of resource management and environmental data into operational processes.

E5-2 Actions and resources related to resource use and circular economy

The MODIVO Group implements a range of operational measures supporting its strategic circular economy objectives. The measures cover product design, material selection, supply chain management, packaging and post-sale activities. They are directly linked to the Group's objectives of reducing the use of virgin raw materials, increasing the share of recycled materials, improving packaging circularity and closing product loops. The measures cover the Group's own operations, as well as the supply chain and product use phase.

The measures are implemented across different time horizons. In the short term (1–2 years), the focus is on implementing operational standards, increasing the share of recycled materials and improving packaging efficiency. In the medium term (3–5 years), the Group aims to scale circular solutions, develop traceability systems and further transform the supply chain. Over the long term (more than 5 years), the focus is on deeper integration of circular models, including closing material loops and developing new business models.

Actions related to product design and materials (upstream)
As part of its eco-design policy, the Group applies product design principles that support circularity, including durability, repairability and recyclability. Key actions include gradually reducing the use of natural leather through alternative materials and improved product design, increasing the share of recycled and lower-impact materials in line with the Group's strategic objectives, using certified materials, particularly leather sourced from Leather Working Group (LWG)-certified tanneries, reducing material complexity to support easier disassembly and recycling, and eliminating materials and production processes with a high environmental impact. These actions are aligned with product design principles aimed at extending product lifecycles and improving resource efficiency.

Supply chain actions

The Group integrates circular economy principles into supply chain management through the Supplier Code of Conduct and environmental standards.

Key actions include:

- implementing compliance requirements related to international chemicals management standards, including ZDHC MRSL and wastewater standards,
- developing traceability systems for key materials such as cotton, leather and cellulosic fibres,
- conducting regular environmental and social supplier audits,
- promoting the use of recycled materials and reducing material losses in production processes,
- working with suppliers to implement more efficient and less resource-intensive production technologies.

These actions support the Group's objectives related to transparency, responsible sourcing and reducing upstream environmental impacts.

Packaging actions

As part of its transition towards a circular economy, the MODIVO Group is implementing actions aimed at improving packaging circularity.

These include:

- increasing the share of recyclable packaging through mono-material packaging design,
- gradually increasing the share of recycled materials in packaging, reducing packaging volumes and eliminating unnecessary components,
- optimising packaging design to reduce raw material use and waste generation.

These actions are aligned with the Environmental Policy and eco-design standards related to waste reduction and efficient resource use.

Use phase and downstream actions

The Group is developing initiatives aimed at extending product lifecycles and improving material circularity.

A key initiative is the 'Circular Fashion' programme, which supports:

- collection of used footwear and apparel,
- reuse of products by giving them a second life,
- reducing the amount of waste sent to landfill.

These actions directly support the Group's objectives related to increasing product collection rates and improving material circularity.

Where negative environmental impacts are identified within the value chain, the Group works with suppliers to implement remedial actions. These may include corrective action plans, improvements in environmental standards and, where justified, termination of the business relationship. The aim is to reduce actual negative impacts and prevent similar issues from recurring.

Resources and integration of actions

Implementation of the actions described above is supported by:

- integration of circular economy principles into product design, procurement and operational processes,
- development of employee competencies in eco-design and sustainable materials,
- systems for monitoring data related to materials, suppliers and waste,
- cooperation with business partners and suppliers in implementing environmental standards.

This approach supports the systematic implementation of circular economy principles and the Group's strategic objectives related to efficient resource use.

The actions are financed through both operating expenditure (OpEx) and capital expenditure (CapEx), with costs integrated into broader development, operational and transformation projects. Operating expenditure mainly includes costs related to environmental standards implementation, supplier audits, materials development and training activities, while capital expenditure includes investments in IT systems (such as traceability solutions), packaging optimisation and new product solutions.

The Group does not currently allocate separate budgets exclusively to circular economy initiatives. However, these actions are embedded within the Group's main investment and operational activities and linked to cost and investment items disclosed in the financial statements.

In future reporting periods, the Group expects to gradually increase expenditure related to the transition towards a circular economy, particularly in the areas of materials, technologies and environmental data management systems.

The actions implemented by the MODIVO Group are directly linked to its strategic circular economy objectives. In particular, eco-design and material selection actions support objectives related to reducing the use of virgin raw materials and increasing the share of recycled materials, packaging actions support targets related to recyclability and recycled content, supply chain actions, including audits and traceability systems, support objectives related to supplier compliance and traceability, downstream actions, particularly the 'Circular Fashion' programme, support higher product collection rates and closing material loops.

These actions are supported by dedicated teams responsible for product design, procurement and sustainability, as well as through the integration of environmental requirements into decision-making processes. The Group monitors progress using environmental indicators linked to its circular economy objectives, including indicators related to the share of recycled materials, packaging recyclability and supplier coverage under environmental requirements. As environmental data management systems continue to develop, more detailed quantitative disclosures will be introduced gradually in future reporting periods.

E5-3 Targets related to resource use and circular economy

The MODIVO Group defines targets related to resource use and the circular economy as an integral part of its sustainability strategy through to 2030. These targets support the transition from a linear to a circular business model by reducing dependence on virgin raw materials, improving material efficiency and lowering environmental impacts across the value chain. They were developed in response to the identified material impacts, risks and opportunities related to resource use and the circular economy described in SBM-3 in section 1.

The targets are based on industry standards, European Union regulatory guidance and product life cycle assessments (LCA), ensuring alignment with current scientific knowledge related to resource efficiency and environmental impact reduction.

GO.25 Strategy targets

Area	Strategic target	Target value	Base year	Time horizon	2025 progress
Packaging	Share of recycled and recyclable packaging	100%	2022	2025	Packaging audit completed. Operational implementation of optimisation measures is underway. The target remains in progress. Packaging-related initiatives will continue under the 2026–2030 strategy.
Packaging	Introduction of single cardboard packaging in e-commerce	-	2022	2025	
Closing the loop	Expand the used footwear collection programme to cover 100% of stores in Poland and abroad	100%	2021	2025	'Circular Fashion' programme operates across all stores in Poland, as well as in the Czech Republic, Slovakia, Hungary and Romania.
Waste	Waste reduction across the MODIVO Group	30%	2019	2025	he Group's efforts focused on increasing the proportion of waste directed to recovery operations. Waste not sent for recycling was reduced by 42.61% (2025 vs 2024). However, as stores were not included in the base year, the result cannot be directly compared with the baseline. In 2025, the recycling rate increased by 3.64pp year on year, to 94.21%.

In response to identified impacts and risks across the value chain and the evolving business model, the MODIVO Group established new targets in 2025 focused on strengthening circularity across the value chain.

Area**	Strategic target	Target value	Base year	Time horizon	2025 progress / 2025 baseline
Recycled/alternative materials	Share of recycled or lower-impact synthetic and textile materials	≥60%	2025	2030	4.70%
Recyclability	Share of recyclable packaging	≥80%	2025	2030	Packaging audit completed. Operational implementation of optimisation measures is underway.
Recycled content	Share of packaging made from recycled materials	100%	2025	2030	

Closing the loop	Collection rate for used footwear and apparel under the 'Circular Fashion' programme relative to annual sales*	8%	2023	2030	0.54%

* Sustainability Finance Framework KPI4 target
** The targets apply to private-label and licensed-brand products.

Implementation of the targets is spread over the period through to 2030 and supported by the gradual rollout of operational measures and closer cooperation with suppliers. The targets were developed taking into account the expectations of key stakeholders, including customers, suppliers, investors and business partners, as well as value chain dialogue, market analyses and regulatory requirements.

Progress is monitored using operational indicators assigned to individual areas, including data related to product material composition, supplier compliance, packaging parameters and product collection rates. Data is collected regularly, reported through internal management and ESG reporting processes, and subsequently verified to support ongoing monitoring and updates to operational measures.
As at the reporting date, the Group is implementing actions aimed at achieving the adopted targets. Progress across individual indicators varies depending on the stage of implementation, data availability and supplier engagement. More detailed quantitative disclosures are being gradually developed and will be expanded in future reporting periods.

Targets related to materials and products directly support reduced use of virgin raw materials by increasing the share of recycled and alternative lower-impact materials.

At the same time, the targets help reduce pressure on renewable resources by lowering demand for natural materials and promoting more sustainable sourcing practices.
Targets related to packaging and closing the loop directly support waste management through improved recyclability, higher recycled content and the development of collection systems for end-of-life products.

The Group defines sustainable sourcing as an approach ensuring that materials used in products come from sources that reduce negative environmental impacts, including impacts on biodiversity, water resources and climate, while meeting recognised environmental and social standards. This approach supports the Group's circular economy objectives by increasing the share of certified, recycled and lower-impact materials.

The Group's targets address different levels of the waste hierarchy, particularly waste prevention (through eco-design and material reduction), preparation for reuse (through collection and reuse programmes) and material recycling (through increasing recycled content and packaging recyclability).

In connection with the development of the new 2026–2030 Sustainability Strategy, the Group reviewed and partially revised its targets and metrics, including the introduction of new targets related to materials and packaging. These changes reflected the evolution of the business model, improved data availability and alignment with regulatory and market requirements. At the same time, the Group continues to develop its measurement methodologies and data collection systems, which may affect the scope and accuracy of reported metrics in future reporting periods.

E5-4 Resource inflows
Data on resource inflows is sourced from procurement documentation and internal recording systems. In 2025, the MODIVO Group introduced a significant change to the scope of reported data following changes in its business model, particularly the separation of investment activities related to store construction and fit-out from the Group structure.

The methodology and scope of reporting for resource inflows were also updated in 2025. The current report focuses on two main areas: materials used in merchandise production, and technical and biological materials used in packaging and logistics processes. The Group does not operate its own manufacturing facilities and relies on an outsourced production model, which limits its direct influence over the material composition of third-party branded products. Due to limited historical data availability and the excessive effort required to retrospectively separate data under the new analytical structure, reliable comparative data for 2024 could not be presented. As a result, the Group decided not to restate prior-year data.

The main source of information on the weight and material composition of products placed on the market is the Group's procurement recording system, which contains data on purchased goods. The weight of individual raw materials used in these products is calculated based on material composition analysis:

- **Material weight:** The weight of individual materials used in products was calculated by multiplying their percentage share in the material composition and the total net weight of the product. Sources of net weight data differ by product category: footwear data is based on internal Group records, while for apparel and other assortments, indicative weights consistent with PEFCR 3.1 guidelines are applied.

- **Private-label and licensed brands:** Due to direct oversight of design and production processes, the Group has access to detailed material composition data for these categories. Where data gaps exist, reference compositions aligned with PEFCR 3.1 guidelines are used.
- **Third-party brands:** For products sourced from external suppliers where detailed technical specifications are unavailable, the Group applied an approach based on average material compositions. The data was determined in accordance with the Product Environmental Footprint Category Rules for Apparel and Footwear, version 3.1 of 29 April 2025, using percentage indicators for representative product groups included in tables A.IV 2 and A.IV 3.

The weight of packaging placed on the market, reported as technical materials used in packaging, was calculated based on the number of purchased products and average weights assigned to individual packaging categories. In 2025, the Group did not identify any risk of double counting of resources.

In 2025, the total weight of materials used in the Group's products and packaging was 46,565.29 Mg. This included 33,356.00 Mg of materials used in products (71.63% of the total) and 13,209.29 Mg of packaging materials (28.37% of the total).

Polyester (24.39%) and rubber materials (16.26%) represented the largest shares of the product material mix, while biologically sourced materials accounted for 34.32% of total product weight. In packaging, paper and cardboard materials represented the largest share (74.23%), while biologically sourced materials accounted for 91.97% of the category. Materials from sustainable sources represented 4.7% of total product weight, with recycled polyester accounting for a significant share (8.33% within its category).

Table: Materials used in MODIVO Group products in 2025

Material	Volume used (Mg)	Share of total use (%)	Share of sustainable materials (%)
Polyester	8,136.03	24.39%	-
Recycled polyester	678.11	-	8.33%
Rubber materials	5,423.17	16.26%	-
Cotton	4,095.46	12.28%	-
Organic cotton	3.60	-	0.09%
Leather	3,093.29	9.27%	-
including leather with the WECARE attribute	484.98	-	15.68%
Polyurethane (PU)	2,913.29	8.73%	-
including PU with the WECARE attribute	391.62	-	13.44%
EVA	2,283.08	6.84%	-
PVC	1,566.01	4.69%	-
Polyamide (nylon)	1,126.35	3.38%	-
Recycled nylon	4.97	-	0.44%
Wool	1,096.53	3.29%	-
Other synthetic materials	1,362.69	4.09%	-
Recycled acrylic	1.45	-	0.11%
Recycled polycarbonate	0.46	-	0.03%
Cellulosic and paper-based materials	904.30	2.71%	-
Metals and minerals	822.50	2.47%	-
Recycled copper	0.92	-	0.11%
Other natural materials	382.86	1.15%	-
Other	150.44	0.45%	-
Total materials used in products	33,356.00	100.00%	4.7%
including materials from sustainable sources	1,566.12	4.70%	-
including biologically sourced materials	11,448.69	34.32%	-

Table: Materials used in MODIVO Group packaging in 2025

Material category	Volume used (Mg)	Share of total use (%)	Share of sustainable materials (%)
Wooden packaging	2343.5	17.74%	-
Plastic packaging	1,060.99	8.03%	-
Paper and cardboard packaging	9,804.81	74.23%	-
Total packaging materials used	13,209.29	100.00%	-
including recycled or reused materials	-	-	-
including biologically sourced materials	12,148.31	91.97%	-

E5-5 Resource outflows

The MODIVO Group discloses information on resources leaving the organisation (resource outflows), including products and packaging placed on the market during the reporting period.
The scope of disclosure includes:

- products sourced through procurement (third-party brands) and outsourced production (private-label and licensed products),
- packaging used in product distribution.

The Group does not operate its own manufacturing facilities. However, for private-label and licensed products, it has significant influence over product design and material selection, enabling it to shape their environmental characteristics.

Resources leaving the organisation were classified into two main categories. The first includes products such as footwear, apparel, bags, accessories and other items. The second covers packaging, including primary and secondary packaging, plastic components, paper and cardboard packaging, and other auxiliary materials.

Data on resource outflows was developed based on sales data, average net product weights, material composition data for private-label and licensed products, and average material indicators for third-party brands aligned with the Product Environmental Footprint Category Rules (PEFCR) for the apparel and footwear sector.

The recyclability indicator was calculated as the ratio of the weight of potentially recyclable materials to the total weight of materials included in products or packaging.

The assessment of recyclability is based on material properties rather than actual recycling rates at the end of product life.

In the 2025 financial year:

- the total weight of products leaving the organisation amounted to 45,577.05 Mg,
  - of which 53.90% consisted of potentially recyclable materials,
- the total weight of packaging leaving the organisation amounted to 16,659.90 Mg,
  - of which 94.27% consisted of potentially recyclable materials.

The indicators cover the entire portfolio of products and packaging placed on the market.

In relation to resource outflows, the Group applies circular economy principles by designing products with durability and extended product lifecycles in mind, using lower-impact materials, including recycled and certified materials, reducing material complexity and supporting solutions that facilitate disassembly, repair and recycling.

These actions are linked to the policies described in E5-1 and the operational measures outlined in E5-2.

The Group also implements actions aimed at reducing waste generated at the end of product life, including:

- collection programmes for used products ('Circular Fashion'),
- customer return initiatives (including EcoReturns implemented in cooperation with InPost),
- support for the reuse of products and their components.

Product repairability is supported through the design of selected products that allow replacement of consumable components, as well as through the customer complaints process, which enables product repair or replacement.

In 2025, the customer complaint rate amounted to 1.01%. The metric represents the ratio of customer complaints volume to sales volume and is treated as an indirect indication of product quality.

The characteristics and circularity of resource outflows are directly linked to the Group's strategic objectives, including increasing the share of recycled materials, improving the recyclability of products and packaging, and developing product collection systems.

The disclosed data is subject to certain limitations. For third-party branded products, estimates based on sector data are applied; recyclability metrics reflect potential recyclability rather than actual recycling rates; complete data on end-of-life treatment of products is not available; and the methodology applied does not account for regional differences in recycling infrastructure.

The Group is taking actions aimed at gradually improving the quality and granularity of disclosed data.

Table: Resource outflows from the MODIVO Group

	Unit	2024	2025	YoY change
Total weight of products	Mg	44,753.23	45,577.05	1.84%
Total weight of recyclable products	Mg	8,806.35	24,564.33	178.94%

Total weight of packaging	Mg	17,693.97	16,659.90	-5.84%
Total weight of recyclable packaging	Mg	16,694.93	15,705.51	-5.93%
Recyclable content ratio in products	%	19.68%	53.90%	+34.22
Recyclable content ratio in packaging	%	94.35%	94.27%	-0.08

* The total weight of resource outflows was calculated based on the number of products sold, the average weights assumed for each product group, and packaging weight.

Table: Expected durability of products marketed by the MODIVO Group

Product category	Unit	Expected product durability	Average product durability
Footwear	year	2 years	2 years
Bags	year	2 years	2 years
Apparel	year	2 years	2 years
Accessories	year	2 years	2 years
Other products	year	2 years	2 years

Waste generation constitutes a significant environmental impact of the Group's operations, with primary waste streams originating from operational activities, notably transport and logistics processes.

In 2025, the MODIVO Group generated a total of 10,735.57 Mg of waste, including:
2.49 Mg of hazardous waste, all of which was sent for disposal,
10,733.08 Mg of non-hazardous waste, of which 94.21% was recycled.
2.49 Mg of hazardous waste and 615.94 Mg of non-hazardous waste was directed to disposal. In 2025, 622.01 Mg, or 5.79% by weight of all waste generated by the Group, was not recycled.

Table: Hazardous and non-hazardous waste by waste management method in the MODIVO Group

	Unit	2024	2025	YoY change (%)
Waste diverted from disposal	Mg	10,873.35	10,117.14	-6.95%
Hazardous waste	*Mg*	0.74	0.00	-100.00%
Preparation for reuse	Mg	0.00	0.00	-
Recycling	Mg	0.00	0.00	-
Other recovery operations	Mg	0.74	0.00	-100.00%
Non-hazardous waste	*Mg*	10,872.60	10,117.14	-6.95%
Preparation for reuse	Mg	0.00	0.00	-
Recycling	Mg	10,414.83	10,113.56	-2.89%
Other recovery operations	Mg	457.77	3.58	-99.22%
Waste directed to disposal	Mg	625.25	618.43	-1.09%
Hazardous waste	*Mg*	1.77	2.49	+40.76%
Incineration	Mg	0.00	0.00	-
Landfill	Mg	0.00	0.00	-
Other disposal operations	Mg	1.77	2.49	+40.76%
Non-hazardous waste	*Mg*	623.48	615.94	-1.21%
Incineration	Mg	1.13	0.00	-100.00%
Landfill	Mg	556.21	347.90	-37.45%

Other disposal operations	Mg	66.14	268.04	+305.27%
Total amount of hazardous waste	Mg	2.51	2.49	-0.84%
Total amount of non-hazardous waste	Mg	11,496.08	10,733.08	-6.64%
Total amount of radioactive waste	Mg	0.00	0.00	-
Total amount of waste generated	Mg	11,498.59	10,735.57	-6.64%
Total amount of non-recycled waste	Mg	1,083.76	622.01	-42.61%
Percentage of non-recycled waste	%	9.43%	5.79%	-38.53%

Waste data for Polish companies is primarily sourced from the BDO waste database records. For foreign companies, data is derived from current waste reports.

Resource outflows also include products and packaging placed on the market.
The Group systematically monitors waste generated in its own operations, particularly in logistics and retail activities. Data is collected and analysed on an ongoing basis, enabling the identification of areas for optimisation.
The disclosure covers waste generated in warehouses and stores included in the reporting scope. For certain locations, estimates based on comparable data are applied.

The Group implements actions such as:

- baling plastic film waste,
- reducing packaging weight,
- limiting the use of stretch film through reusable solutions,
- redirecting polystyrene waste to recycling streams.

These actions support higher recycling rates, reduced environmental impact, lower waste management costs and improved operational efficiency.

Waste is segregated and transferred to authorised waste management providers. The Group aims to maximise recycling and reuse.
Suppliers are required to minimise waste and improve material efficiency, including through the reuse of offcuts and optimisation of production processes.

The Group continues to develop its data collection systems to improve reporting quality.

17.2.1 EU Taxonomy

EU Taxonomy alignment
This is the MODIVO Group's fourth disclosure of the Taxonomy alignment of its environmentally sustainable activities. The related requirements were introduced under Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and Commission Delegated Regulation (EU) 2026/73 as regards the simplification of the content and presentation of information. Commonly known as the EU Taxonomy, Regulation (EU) 2020/852 translates the environmental and climate objectives of the European Union into technical criteria for assessing the sustainability of various activities against six environmental objectives:

1. *Climate change mitigation*
2. *Climate change adaptation*
3. *Sustainable use and protection of water and marine resources*
4. *Transition to a circular economy*
5. *Pollution prevention and control*
6. *Protection and restoration of biodiversity and ecosystems*

The Taxonomy thus provides a classification system facilitating the assessment and disclosure of the MODIVO Group's environmentally sustainable activities.

All activities of the MODIVO Group fall into one of three categories:

- Taxonomy-eligible economic activities that meet the Technical Screening Criteria and Minimum Safeguards – these are environmentally sustainable activities.

- Taxonomy-eligible economic activities that fail to comply with at least one Technical Screening Criterion or with the Minimum Safeguards – these are Taxonomy-eligible activities that are not environmentally sustainable.
- Taxonomy-non-eligible economic activities for which no Technical Screening Criteria currently exist – these activities may become Taxonomy-eligible in the future when relevant criteria are established.

Technical Screening Criteria (TSC) *are the specific criteria used to definitively determine whether an economic activity contributes substantially to one or more environmental objectives while causing no significant harm to any of the other environmental objectives. The TSC are set forth in two legislative instruments:*

1. Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 ("Climate Delegated Act"), which, since its adoption, has been amended by the following legislation:

   Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022, which established requirements for activities involving nuclear energy generation and energy generation from fossil gaseous fuels

   Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023, which introduced new types of activities and amendments to certain technical screening criteria

   Commission Delegated Regulation (EU) 2026/73 of 8 January 2026 as regards the simplification of the content and presentation of information.

Regulation 2021/2139 contains criteria for substantial contribution to two environmental objectives: climate change mitigation (CCM) and climate change adaptation (CCA), and criteria for doing no significant harm to the other environmental objectives (do no significant harm, DNSH).

Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023[1] ("Environmental Delegated Act").

This regulation defines substantial contribution and do no significant harm TSC in relation to the other four environmental objectives: water and marine resources (WTR), circular economy (CE), pollution prevention and control (PPC), and biodiversity and ecosystems (BIO).

The **Minimum Safeguards** (MS) set forth in Article 18 of Regulation 2020/852 are procedures implemented to ensure the alignment with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Undertakings falling within the scope of Regulation 2020/852 are required under Article 8 to disclose the following:

Proportion of their turnover derived from products or services associated with economic activities that qualify as environmentally sustainable

Proportion of their capital expenditure (CapEx) related to assets or processes associated with economic activities that qualify as environmentally sustainable

Proportion of their operating expenditure (OpEx) related to assets or processes associated with economic activities that qualify as environmentally sustainable.

Specific requirements for the calculation and disclosure of the above indicators are set forth in Commission Delegated Regulation (EU) 2021/2178[2] ("Article 8 Delegated Act").

Taxonomy alignment of the Group's activities

The assessment of Taxonomy alignment of the MODIVO Group's activities has shown that:

- sustainable activities of the MODIVO Group in 2025 accounted for 1.8% of capital expenditure (CapEx). No Taxonomy-aligned turnover or operating expenditure (OpEx) was identified.
- Taxonomy-eligible but not Taxonomy-aligned (not environmentally sustainable) activities in 2025 accounted for 22.26% of its capital expenditure and 7.68% of its operating expenditure.
- Taxonomy-non-eligible economic activities in 2025 accounted for 100% of its turnover, 75.94% of its capital expenditure and 92.32% of its operating expenditure.

	Turnover	CapEx	OpEx
Total for 2025 (PLN million)	10,895.7	2,326.9	277.5
Environmentally sustainable activities (Taxonomy-aligned)	0.0	41.9	0.0
Not environmentally sustainable activities (Taxonomy-eligible but not Taxonomy-aligned)	0.0	517.9	21.3
Neutral activities (Taxonomy-non-eligible)	10,895.7	1,767.1	256.2

[1] 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 the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

[2] Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation.

Later in this section, we discuss the process for assessing Taxonomy alignment. This includes the accounting policies applied and an in-depth discussion of the three performance indicators, complete with tables prepared in accordance with Commission Delegated Regulation (EU) 2021/2178, or the Article 8 Delegated Act.

Taxonomy alignment assessment process
In order to ensure compliance with this framework, a four-stage process was carried out:

1. Identification

This stage involved a comprehensive review of all activities of MODIVO S.A. and its subsidiaries to determine whether, and if so, which types of activities are Taxonomy-eligible. The review covered the Group companies' revenue, capital expenditure, and operating expenditure. To identify the different types of activities, we relied on descriptions found in the annexes to Commission Delegated Regulations (EU) 2021/2139 and 2023/2486, which were then compared to the actual activities carried out by the Group. Where descriptions of activities lacked sufficient clarity, the NACE statistical classification of economic activities was used as a supporting resource3.

2. Allocation

This stage consisted in allocating the adequate amounts of turnover, capital expenditure and operating expenditure to the individual activities identified in the previous stage. This enabled the Group to identify which activities were subject to assessment against the technical screening criteria. For details of the allocation methods used, please refer to the 'Accounting policies' section.

3. Verification

This stage was dedicated to performing two distinct evaluations:

- All the identified types of activities were examined to determine whether they meet the Technical Criteria for substantial contribution and DNSH, as set out in the relevant annexes to Commission Delegated Regulation (EU) 2021/2139. For details of this assessment, please refer to the 'Verification of compliance with Technical Screening Criteria' section.
- Compliance with the Minimum Safeguards was assessed. For details of this assessment, please refer to the 'Minimum Safeguards' section.

4. Calculation

This stage involved using the results of the two previous stages to compile tables with the required disclosures and to formulate the complementary disclosures in accordance with the requirements of Annexes I and II to Commission Delegated Regulations (EU) 2021/2178 and 2026/73.

Taxonomy alignment was assessed by a team consisting of representatives from MODIVO Group companies, who were supported by an external consulting firm. The assessment was conducted under the supervision of the Senior Financial Statements Consolidation Specialist and the Sustainability Manager.

Minimum Safeguards
In accordance with Article 18 of Regulation 2020/852:
"The minimum safeguards referred to in point (c) of Article 3 shall be procedures implemented by an undertaking that is carrying out an economic activity to ensure the alignment with the ***OECD Guidelines for Multinational Enterprises*** *and the* ***UN Guiding Principles on Business and Human Rights****, including the principles and rights set out in the* ***eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work*** *and the* ***International Bill of Human Rights****."*

Compliance with the Minimum Safeguards was assessed in line with the recommendations provided in the Platform on Sustainable Finance's Final Report on Minimum Safeguards[4]. As per the recommendations, non-compliance with the Minimum Safeguards can arise from one of four scenarios:

1. Inadequate or non-existent corporate due diligence processes on human rights, including labour rights, bribery, taxation, and fair competition.
2. Final liability of the company in respect for breaches of labour or human rights laws in certain types of labour or human rights legal cases.
3. The lack of collaboration with an OECD National Contact Point (OECD NCP) on a report received by the OECD NCP.
4. Non-response to allegations by the Business and Human Rights Resource Centre (BHRRC) within three months.

[3] Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains
[4] https://finance.ec.europa.eu/system/files/2022-10/221011-sustainable-finance-platform-finance-report-minimum-safeguards_en.pdf

The MODIVO Group assessed whether these scenarios were met through the following process:

Scenario	Assessment method
Scenario 1	The completeness check of diligence processes was based on an internal verification of the existence and operation of the due diligence process components arising from the due diligence process framework specified in the documents referenced in the definition of Minimum Safeguards. The design of these due diligence processes, in the context of the definition in Article 3(c) of Regulation (EU) 2020/852 of the European Parliament and the Council, is significantly influenced by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The compliance check used a compliance assessment tool based on the assessment methodology proposed by Platform on Sustainable Finance: World Benchmark Alliance Core UNGP indicators. This analysis confirmed that the organisation has a comprehensive due diligence process in place that adheres to these guidelines.
Scenario 2	Scenario 2 was assessed during the process of providing responses to Scenario 1 by verifying whether any individuals mentioned in that scenario had been subject to final convictions related to serious violations during the period under review. The verification concluded that there was no information to suggest that the Group met Scenario 2.
Scenario 2.1	A check against the OECD NCP notification database confirmed that no reports were filed against the Group in the period under review. [http://mneguidelines.oecd.org/database/].
Scenario 2.2	A check against the Business and Human Rights Resource Centre (BHRRC) notification database confirmed that no reports were filed against the Company or the Group in the period under review. [https://www.business-humanrights.org/en/companies].

The verification process found that the MODIVO Group's activities were compliant with the Minimum Safeguards.

Verification of compliance with Technical Screening Criteria
Verification of compliance with the Technical Screening Criteria (TSC) was conducted for all Taxonomy-eligible economic activities. It involved analysing the Substantial Contribution and Do No Significant Harm criteria to assess the extent each type of activity conformed to the TSC as specified in Commission Delegated Regulation (EU) 2021/2139.
Accounting policies

The following policies were applied to calculate the proportion of Taxonomy-eligible and Taxonomy-aligned turnover, CapEx and OpEx.

Turnover

For turnover calculations, the denominator comprised the MODIVO Group's consolidated revenue for 2025, as disclosed in note 3.1 'Revenue' of the consolidated financial statements, excluding income from the incidental sale of fixed assets. The numerator comprised turnover associated with Taxonomy-eligible Taxonomy-aligned activities.

In the 2025 financial year, the MODIVO Group did not generate revenue from activities covered by the EU Taxonomy. As a result, both the Taxonomy-eligible and Taxonomy-aligned share of turnover amounted to 0%.

Capital expenditure (CapEx)

For capital expenditure (CapEx), the denominator primarily comprised capital expenditure for the construction or renovation of retail stores and the construction of the HalfPrice logistics centre. CapEx was determined based on the balance-sheet change in non-current assets (including additions and increases resulting from the acquisition of subsidiaries) recognised in the following categories:

- property, plant and equipment (as disclosed in note 5.3),
- right-of-use assets (as disclosed in note 5.4),
- intangible assets (as disclosed in note 5.1).

The numerator comprised capital expenditure associated with Taxonomy-eligible Taxonomy-aligned activities.

Operating expenditure (OpEx)

For operating expenditure, the denominator comprised all expenditures incurred for the day-to-day servicing of the Group's assets and maintaining them in proper condition, based on the amounts disclosed in note 3.2 to the consolidated financial statements ('Costs by nature of expense'). This encompassed costs of technical maintenance, installation, repairs, security, rent, leases, and other expenditures incurred to keep the buildings, equipment, and vehicles used by the Group in good working order. The numerator comprised OpEx associated with Taxonomy-eligible Taxonomy-aligned activities.

The data used for the calculations was sourced from the MODIVO Group's financial accounting system and financial accounting systems of individual MODIVO Group companies.

The Group avoided double counting when allocating turnover and capital expenditures by making appropriate consolidation exclusions in accordance with applicable accounting regulations. For operating expenditure not accounted for in accordance with international financing reporting standards under Commission Delegated Regulation (EU) 2021/2178, all accounts in the Group's accounting system

were reviewed to identify items meeting the definition of OpEx, which were subsequently allocated to the relevant Taxonomy-eligible activity or a set of other (Taxonomy non-eligible) operating expenses.

No activities were identified that would have contributed to more than one environmental objective. Consequently, no special procedures to avoid double counting were needed.

The verification of compliance with Technical Screening Criteria involved assessment against Substantial Contribution and Do No Significant Harm criteria.

The assessment identified no need for detailed disaggregation of key performance indicators among the Group's operating units in accordance with section 1.2.2.3 of Annex I to Commission Delegated Regulation (EU) 2021/2178.

Summary

Table: Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering 2025 (summary KPIs)

Financial year		2025													
Key performance indicator	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of taxonomy-aligned activities	Breakdown by environmental objectives of Taxonomy-aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy-aligned activities in previous reported period (2024)	Proportion of Taxonomy-aligned activities in previous reported period (2024)
					Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity					
text	*PLN million*	*%*	*PLN million*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*PLN million*	*%*
Turnover	10,895.7	*0%*	0	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	2.31	*0.02%*
Capital expenditure	2326.9	*24.06%*	41.9	*1.80%*	*0%*	*1.80%*	*0%*	*0%*	*0%*	*0%*	*0%*	*1.80%*	*0%*	29.32	*3.05%*
Operating expenditure (OpEx)	277.5	*7.68%*	0	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	0	*0%*

Capital expenditure (CapEx)

Table: Proportion of capital expenditure (CapEx) of MODIVO Group in the financial year 2025

Reported KPI: Capital expenditure													
Financial year	2025												
Economic activity	Code	Taxonomy-eligible KPI (proportion of Taxonomy-eligible CapEx)	Taxonomy-aligned KPI (monetary value of CapEx)	Taxonomy-aligned KPI (proportion of Taxonomy-aligned CapEx)	Environmental objectives of Taxonomy-aligned activities						Enabling activity *(where applicable)*	Transitional activity *(where applicable)*	Proportion of Taxonomy-aligned in Taxonomy-eligible
					Climate change mitigation	Climate change adaptation	Water and marine	Circular economy	Pollution	Biodiversity			
		%	PLN million	%	%	%	%	%	%	%			%
Transport by motorbikes, passenger cars and light commercial vehicles	*CCM6.5*	*0.40%*	*0*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*			*0%*
Construction of new buildings	*CCA7.1*	*1.80%*	*41.9*	*1.80%*	*0%*	*1.80 %*	*0%*	*0%*	*0%*	*0%*		*T*	*100%*
Construction of new buildings	*CCM7.1*	*0.41%*	*0*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*			*0%*
Renovation of existing buildings	*CCM7.2*	*0.10%*	*0*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*			*0%*
Installation, maintenance and repair of energy efficiency equipment	*CCM7.3*	*3.09%*	*0*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*			*0%*
Acquisition and ownership of buildings	*CCM7.7*	*18.25%*	*0*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*			*0%*

In 2025, the MODIVO Group's total capital expenditure amounted to PLN 2,326.9 million. A portion of the expenditure (24.06%) was associated with Taxonomy-eligible activities, including the following items (listed in descending order of their proportion of the total capital expenditure):

- Capital expenditure associated with activity CCM 7.7 *Acquisition and ownership of buildings* amounted to PLN 424.7 million (18.25% of the total capital expenditure)
- Capital expenditure associated with activity CCM 7.3 *Installation, maintenance and repair of energy efficiency equipment* totalled PLN 72.0 million (3.09% of the total capital expenditure)
- Capital expenditure associated with activity CCA 7.1 *Construction of new buildings* totalled PLN 41.9 million (1.80% of the total capital expenditure)
- Capital expenditure associated with activity CCM 7.1 *Construction of new buildings* totalled PLN 9.6 million (0.41% of the total capital expenditure)
- Capital expenditure associated with activity CCM 6.5 *Transport by motorbikes, passenger cars and light commercial vehicles* totalled PLN 9.2 million (0.40% of the total capital expenditure)
- Capital expenditure associated with activity CCM 7.2 *Renovation of existing buildings* totalled PLN 2.3 million (0.10% of the total capital expenditure)

It was confirmed that for activity CCA 7.1, the relevant criteria of substantial contribution to climate change adaptation and doing no significant harm to the other environmental objectives were met by selected companies. Consequently, the capital expenditure associated with this activity was classified as Taxonomy-aligned.

The MODIVO Group's capital expenditure associated with Taxonomy-non-eligible activities totalled PLN 1,767.1 million (75.94% of the total capital expenditure).

The proportion of CapEx associated with environmentally sustainable (Taxonomy-aligned) activities was 1.80% in 2025, and the proportion of CapEx associated with Taxonomy-eligible but not Taxonomy-aligned activities was 22.26%. The aggregate share of CapEx associated with Taxonomy-eligible activities was 24.06%.

During the reporting period, the MODIVO Group did not incur any capital expenditure related to activities 8.1 (Data processing...) and 8.2 (Computer programming...). This represents a change compared with the previous year, when capital expenditure attributable to these activities totalled PLN 27.61 million, accounting for 2.88% of the Group's total CapEx and 6.04% of its Taxonomy-eligible activities. The absence of capital expenditure in these categories during the reporting period contributed to a decline in the Group's overall Taxonomy-eligible CapEx KPI to 24.06%, compared with 47.57% in the previous year.

Operating expenditure (OpEx)

Table: Proportion of Taxonomy-aligned operating expenditure (OpEx) of MODIVO Group in the financial year 2025

Reported KPI:	Operating expenditure (OpEx)												
Financial year	2025												
Economic activity	Code	Taxonomy eligible KPI (proportion of Taxonomy-eligible OpEx)	Taxonomy-aligned KPI (monetary value of OpEx)	Taxonomy-aligned KPI (proportion of Taxonomy-aligned OpEx)	Environmental objectives of Taxonomy-aligned activities						Enabling activity *(where applicable)*	Transitional activity *(where applicable)*	Proportion of Taxonomy-aligned in Taxonomy-eligible
					Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity			
		%	*PLN million*	*%*	*%*	*%*	*%*	*%*	*%*	*%*			*%*
Transport by motorbikes, passenger cars and light commercial vehicles	CCM6.5	0.75%	0	0%	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*			0%
Renovation of existing buildings	CCM7.2	6.93%	0	0%	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*			0%

In 2025, the MODIVO Group's operating expenditure amounted to PLN 277.5 million. Only a portion of the expenditure was associated with Taxonomy-eligible activities, including the following items (listed in descending order of their proportion of the total operating expenditure):

Operating expenditure associated with activity CCM 7.2 *Renovation of existing buildings* totalled PLN 19.2 million (6.93% of the total operating expenditure)
Operating expenditure associated with activity CCM 6.5 *Transport by motorbikes, passenger cars and light commercial vehicles* totalled PLN 2.1 million (0.75% of the total operating expenditure)

The other activities were not confirmed to meet the applicable criteria of substantial contribution and doing no significant harm to the other environmental objectives. Therefore, the operating expenditure associated with these activities was classified as Taxonomy-non-aligned.

No environmentally sustainable (Taxonomy-aligned) activities were identified within total operating expenditure, and the proportion of OpEx associated with Taxonomy-eligible but not Taxonomy-aligned activities was 7.68%.

The aggregate proportion of OpEx associated with Taxonomy-eligible activities was 7.68%.

In the current reporting period, the MODIVO Group did not record any operating expenditure related to activity 7.7 (Acquisition and ownership...), 8.1 (Data processing...) and 8.2 (Computer programming...). This represents a significant change compared with the previous year, when operating expenditure attributable to these activities amounted to PLN 31.26 million, representing 11.36% of the Group's total OpEx and 70.6% of its Taxonomy-eligible activities. The absence of operating expenditure in these categories during the reporting period resulted in a decline in the Group's overall Taxonomy-eligible OpEx KPI to 7.68%, compared with 16.08% in the previous year.

17.3 Social information

S1 Own workforce

SBM-2 Interests and views of stakeholders

The MODIVO Group defines its own workforce as comprising individuals employed under employment contracts or by appointment, as well as individuals providing work for the Group under arrangements other than employment contracts. Hereinafter, the term 'employees' refers to individuals employed under employment contracts or by appointment.

Employees constitute a key stakeholder group for the MODIVO Group and play a significant role in the implementation of the Group's strategy. Employees' perspectives are incorporated into management processes through ongoing dialogue, internal communication and consultations with employee representatives.

The MODIVO Group operates a multi-channel internal communication system designed to facilitate the communication of operational changes and development plans.
Employees are informed of material operational changes in advance, in accordance with applicable legal requirements.
In the area of human resources and remuneration management, information concerning organisational changes is communicated no less than 14 days in advance.

Key internal regulations related to working conditions, including the Work Rules and Remuneration Rules, are subject to consultation with trade unions and employee representatives.

The MODIVO Group also provides employees with the opportunity to submit opinions, suggestions and reports of potential breaches of ethical standards through its whistleblowing mechanism, including by contacting the Ethics Officer. The mechanism constitutes an element of the Group's human rights and human resources due diligence system and supports the identification of potential workplace-related issues.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The MODIVO Group's strategy and business model are closely linked to the management of its workforce. Employees across all organisational levels contribute to the implementation of the GO.25 strategy, under which ESG objectives form an integral part of operational and strategic decision-making.

The Group employs more than **17,500** people and therefore considers the impacts related to its own workforce to be material and widespread. The scope of disclosures covers all individuals comprising its own workforce, including employees engaged under employment contracts as well as individuals performing work under other arrangements. The Group's operations are conducted primarily in Central and Eastern Europe, where high standards of labour rights and human rights protection apply.

The following material impacts related to own workforce within the Group's own operations were identified as part of the double materiality assessment process and risk management system.

Actual positive impacts
- providing stable working conditions, competitive remuneration and support for work-life balance,
- promoting social dialogue and supporting freedom of association,
- preventing social exclusion through the employment and integration of persons with disabilities.

Actual or potential negative impacts
- potential negative impact associated with the risk of workplace accidents, particularly within logistics and retail operations,
- actual impact related to the need for further strengthening diversity within the administrative, management and supervisory bodies.

Risks
- risk of cyberattacks and operational disruptions that could affect the functioning of sales and logistics systems,
- risk of breaches of personal data protection related to employees and customers, potentially resulting in regulatory sanctions and reputational damage.

The risks relate primarily to the Group's own operations and downstream relationships with customers, particularly in connection with its e-commerce operations.

To mitigate the identified impacts and risks, the MODIVO Group has implemented a range of policies, procedures and due diligence mechanisms in human resources management, occupational health and safety, and personal data protection.

The identification of material impacts, risks and opportunities was carried out as part of the double materiality assessment process, based on the analysis of internal documentation, expert workshops and consultations with selected stakeholders. Further details are provided under disclosure requirement SBM-3 in section 1.

S1-1 Policies related to own workforce

The MODIVO Group is committed to fostering a working environment based on respect for human rights, equal opportunities and high ethical standards. The organisation seeks to provide employees with safe and decent working conditions, prevent discrimination and workplace bullying, and promote diversity and employee wellbeing.

The MODIVO Group does not tolerate forced labour or child labour and respects employees' rights to freedom of association and social dialogue.
The fundamental principles governing conduct towards employees are set out in the MODIVO Group Code of Ethics, which constitutes the key document defining standards of conduct across the organisation. The Code of Ethics reflects principles derived from international standards, including:

- UN Guiding Principles on Business and Human Rights,
- International Labor Organization Conventions,
- OECD Guidelines for Multinational Enterprises,
- Principles of the United Nations Global Compact,
- Universal Declaration of Human Rights and the Charter of Fundamental Rights of the European Union.

Policies related to workforce apply to all individuals comprising the MODIVO Group's own workforce, irrespective of the form of engagement. Ultimate responsibility for the establishment of these policies and oversight of their implementation rests with the Management Board of the MODIVO Group, supported by the organisational units responsible for human resources management and the compliance function.

Key policies related to employees
The MODIVO Group has implemented a set of policies governing human resources management and safeguarding employees' rights.

- The **Code of Ethics** sets out the core values and standards of conduct applicable across the MODIVO Group. It covers principles related to respect for human rights, the prevention of discrimination and workplace bullying, the prohibition of forced labour and child labour, as well as standards for ethical business conduct. The Code applies to all employees and entities cooperating with the Group. Responsibility for its application rests with employees, their line managers and the organisational units responsible for compliance, under the overall oversight of the Management Board.
- The **Human Resources Policy** defines the principles of human capital management, including employee recruitment, development and retention. The Policy supports the development of competent, diverse and engaged teams contributing to the implementation of the Group's strategy.
- The **Diversity Policy** promotes equal opportunities and the prevention of discrimination in the workplace. Decisions related to employment, promotion and employee development are made on the basis of objective criteria, including competencies and professional experience. The MODIVO Group is a signatory to the Diversity Charter, confirming its commitment to fostering an inclusive working environment.
- The **Wellbeing Policy** is intended to support employee wellbeing through initiatives related to work-life balance, health promotion and the creation of a supportive working environment. It includes health programmes, employee benefits, social initiatives and flexible organisational arrangements.
- The **Occupational Health and Safety Policy** sets out the principles for ensuring safe and healthy working conditions across all MODIVO Group locations. The Management Board is responsible for establishing the Policy and ensuring the allocation of adequate resources, while management and OHS specialists oversee its implementation and monitoring.
- The **Personal Data Protection Policy** governs the processing of employee data in accordance with applicable legal requirements and privacy protection standards. Oversight of its implementation is exercised by the Management Board, supported by the Data Protection Officer.
- The **Minors Protection Policy** sets out the principles for ensuring safe conditions for students undertaking vocational training placements within the MODIVO Group and defines the rules governing interactions between employees and minors.
- **Internal regulations related to employees**

Employee relations are additionally governed by internal regulations and procedures, including:

- Work Rules,
- Remuneration Rules,
- Rules of the Company Social Benefits Fund,
- Equal Treatment, Non-Discrimination and Anti-Harassment Rules,
- recruitment and offboarding procedures.

The above policies are available on the corporate website in the Reports and policies – MODIVO PLATFORM section, as well as on the Group's intranet.

Implementation and communication of policies
Policies related to employees are implemented in accordance with the Group's internal corporate procedures, which include legal review, consultations with the relevant organisational units and approval by the Group's management.
The policies are published on the intranet and communicated to employees through training sessions, email communications and team meetings. Selected policies are supported by dedicated training materials and e-learning courses designed to facilitate effective implementation.
The policies are subject to regular reviews and updates in response to regulatory developments and the outcomes of stakeholder dialogue.

The MODIVO Group provides mechanisms enabling the reporting of breaches and access to remedial actions, including through its whistleblowing system, investigative procedures and the implementation of corrective and preventive actions.

Diversity
The MODIVO Group undertakes actions related to diversity, equity and inclusion on the basis of the Code of Ethics and the Diversity Policy, which form part of the Group's human resources management framework. The documents define the principles governing recruitment, employment, professional development and promotion processes across all organisational levels.

The Diversity Policy applies to all individuals comprising the MODIVO Group's own workforce.
Its objective is to ensure equal treatment and prevent all forms of discrimination in the workplace. The Code of Ethics and the Diversity Policy have been translated into the languages used in the countries where the Group operates and adapted to the specific characteristics of local labour markets.

The MODIVO Group implements the Diversity Policy across two dimensions: primary identity characteristics (such as gender, age, nationality, ethnic origin, sexual orientation and disability) and secondary and organisational identity characteristics (such as educational background, place of residence, family status, length of service, position and professional experience).
In implementing the Diversity Policy, the MODIVO Group undertakes actions aimed at:

- fostering gender- and age-diverse teams in order to support knowledge sharing and diversity of perspectives,
- ensuring equal access to recruitment processes, promotions, training opportunities and employee benefit schemes,
- preventing discrimination, workplace bullying and other forms of unequal treatment,
- supporting the integration of persons with disabilities and initiatives promoting inclusion,
- promoting development initiatives, mentoring programmes and internship opportunities for individuals entering the labour market.

Recruitment, training and promotion processes are supported by HR systems (SAP HR) and internal tools that enhance the transparency and objectivity of employment-related decisions and enable employee development to be managed on the basis of competencies, qualifications and professional experience.

The MODIVO Group also undertakes educational initiatives related to non-discrimination and inclusion. Based on the Code of Ethics and the Diversity Policy, regular training sessions are conducted for employees, particularly management personnel, covering:

- principles of equal treatment and non-discrimination in the workplace,
- identification of systemic and unintentional discrimination,
- tools for preventing discrimination and fostering an inclusive organisational culture,
- case study analysis and practical scenarios for managing diverse teams.

Training is delivered through e-learning courses available to all employees, in-person workshops for management personnel, and development programmes, including workshops such as 'Diversity in Practice' and educational initiatives promoting equity and inclusion in the workplace.

The implementation of diversity-related initiatives supports the development of an organisational culture based on equal opportunities, mutual respect and openness to diverse perspectives.

The MODIVO Group is also a signatory to the Diversity Charter, confirming its commitment to promoting equity, preventing discrimination and fostering an inclusive working environment.

S1-2 Processes for engaging with own workforce and workers' representatives about impacts

Responsibility for engagement with employees rests with managers and directors in charge of the respective organisational units. As part of day-to-day operational activities, particular importance is attached to ensuring appropriate work organisation, employee safety and wellbeing, and maintaining open communication with teams.

Dialogue with employees is conducted directly through line managers and, where appropriate, through employee representatives, including trade unions. An example of such engagement is the consultation of documents governing working conditions, including the Work Rules, with employee representatives.

Communication with employees is conducted on an ongoing basis through day-to-day team cooperation, team meetings and consultations related to organisational and regulatory changes.

Opinions and suggestions submitted by employees are reviewed by line managers and taken into account in decisions related to work organisation and employment conditions.

Employee dialogue also takes into account the perspectives of groups that may be more vulnerable to impacts, including persons with disabilities, younger employees and individuals returning to the labour market.

S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

The MODIVO Group provides employees with access to various channels for reporting breaches and irregularities. Whistleblowing mechanisms are available to all individuals covered by the scope of reporting and enable the reporting of matters related to breaches of ethical standards, discrimination, workplace bullying and other irregularities in the working environment. Reports may be submitted confidentially and anonymously.

Employees are regularly informed about the availability of these mechanisms through email communications and the intranet. Detailed information regarding the operation of the whistleblowing channels is presented in section 17.4.

The whistleblowing mechanisms enable reports to be submitted anonymously. Reports are reviewed in accordance with the procedures applied within the Group and forwarded to the appropriate organisational units responsible for their assessment and resolution.

The MODIVO Group undertakes measures aimed at ensuring employee awareness of the available whistleblowing channels, including through internal communication and training. The organisation applies a whistleblower protection policy that safeguards whistleblowers against retaliation.

In 2025, the MODIVO Group did not conduct a separate formal assessment of the effectiveness of the whistleblowing channels or an analysis of feedback related to their use. The Group intends to conduct periodic assessments of the effectiveness of the whistleblowing mechanisms in future reporting periods.

S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The MODIVO Group's actions related to its own workforce result from the material impacts and risks identified through the double materiality assessment process. These include impacts related to working conditions, social dialogue, workplace diversity and occupational safety, as well as risks associated with information security and the protection of employees' personal data.
The actions taken are aimed at advancing positive impacts on employees and mitigating potential negative impacts arising from the Group's operations.

Actions to advance positive impacts on employees
In response to the identified positive impact related to the provision of stable working conditions and the conduct of social dialogue, the MODIVO Group undertakes actions aimed at maintaining high employment standards and fostering a stable working environment.

These actions include:

- applying the principles set out in the Code of Ethics, including respect for employees' rights, the prohibition of discrimination and support for social dialogue,
- implementing the objectives of the Human Resources Policy, aimed at building an engaged, competent and diverse workforce,
- conducting dialogue with social partners and consulting selected internal regulations with trade unions,
- providing employees with access to whistleblowing channels and maintaining the roles of the Ethics Officer and Compliance Officer,
- implementing the Wellbeing Policy, including initiatives supporting work-life balance and employee wellbeing.

These positive impacts relate to all employees of the MODIVO Group, particularly operational employees in logistics and retail, office-based employees, and individuals belonging to groups that may be more vulnerable to impacts, including persons with disabilities and younger employees.

In response to the positive impact related to the prevention of social exclusion, the MODIVO Group undertakes actions supporting the employment of persons with disabilities and the development of diverse teams.
These actions include promoting equal opportunities in recruitment processes, adapting the working environment to employees' needs, and conducting educational activities related to diversity.

Actions to mitigate negative impacts on employees
In response to the potential negative impact associated with the risk of workplace accidents, the MODIVO Group undertakes actions related to occupational health and safety management.

These actions include:
- identifying hazards and conducting regular occupational risk assessments,
- carrying out occupational health and safety inspections across the Group's locations,
- providing regular occupational safety training for employees,
- analysing workplace incidents and implementing preventive measures,
- monitoring accident frequency indicators and updating safety procedures.

These actions are aimed at mitigating the risk of workplace accidents, particularly within operational areas such as logistics and the offline retail network.
In response to the identified adverse impact related to the level of diversity within administrative, management and supervisory bodies, the MODIVO Group undertakes actions supporting the development of an organisational culture based on equal opportunities and diversity.

These actions include:
- implementing the Diversity Policy,
- conducting training on equal treatment and diversity,
- incorporating diversity principles into recruitment and employee development processes,
- undertaking educational initiatives supporting an organisational culture based on social inclusion.

Actions related to managing identified risks
In response to the risk of cyberattacks and disruptions to operational continuity, the MODIVO Group undertakes actions aimed at strengthening IT security and the protection of employee data.

These actions include:
- continuous monitoring of IT infrastructure and e-commerce systems,
- implementing solutions designed to protect IT systems against cyberattacks,
- conducting security audits and penetration testing,
- training employees on cybersecurity and data protection.

In response to the risk of personal data breaches and regulatory sanctions related to data protection, the MODIVO Group applies organisational and technological solutions designed to ensure compliance with the GDPR.

These actions include:
- applying system-wide data encryption,
- implementing multi-level access control mechanisms for IT systems,
- maintaining a central register of security incidents,
- cooperating with the Data Protection Officer in the assessment of risks related to data processing.

Tracking the effectiveness of actions
The effectiveness of actions undertaken in relation to the MODIVO Group's own workforce is tracked through the analysis of HR indicators, occupational accident data, employee reports and the outcomes of training activities.
In 2025, the actions undertaken by the Group in this area did not require significant additional financial expenditure. During the reporting period, no separate studies assessing the impact of these actions on employees' working conditions were conducted.

The actions are implemented using internal resources, in particular HR, occupational health and safety, and compliance teams. The expected outcomes of these actions include maintaining a safe and healthy working environment, improving employee wellbeing, and increasing employee engagement and satisfaction.

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Targets related to HR policy and human resource management are outlined in the MODIVO Group's Sustainability Strategy. The 2025 targets set in the Strategy include the following:

- Achieve zero work-related accidents involving MODIVO Group employees
- Reduce the Glass Ceiling Ratio (GCR) to 5pp,

- 100% of MODIVO Group employees trained in diversity
- Reduce the Gender Pay Gap Ratio (GPGR) to 5%.

The targets are developed in cooperation with the relevant business areas, which are actively involved in the strategy development process, monitoring progress and identifying conclusions arising from the actions undertaken.

Employees and their representatives are indirectly involved in monitoring progress towards the targets through employee satisfaction surveys and internal dialogue. The conclusions drawn from these actions are used to identify areas requiring improvement and to update the approach to target achievement. The established targets are intended to support a safe and development-oriented working environment based on respect for the principles of equity and the recognition of workforce diversity as an important factor supporting the MODIVO Group's development.

Progress towards the targets is monitored on a regular basis, with results compared both year on year and against the 2019 baseline year on which the targets were established.
Progress is tracked using quantitative indicators and year-on-year trend analyses. The level of target achievement is presented in the ESRS disclosures. The results obtained provide the basis for updating actions and strategic priorities in subsequent reporting periods.
All targets were also subject to independent verification by an external advisor, which strengthens the credibility of the underlying assumptions and the related monitoring process.

The targets were established with reference to the Sustainable Development Goals (SDGs):



S1-6 Characteristics of the undertaking's employees

The MODIVO Group employs and collaborates with a total of 21,628 individuals, including 17,528 employees under employment contracts and 4,100 individuals engaged under other types of contracts. The organisation employs staff across 17 markets: Poland, Czech Republic, Lithuania, Latvia, Estonia, Austria, Slovakia, Hungary, Serbia, Romania, Ukraine, Croatia, Slovenia, Spain, Bulgaria, Germany and Italy. In 2025, 13% of the MODIVO Group's workforce was employed in office-based roles, 79% in retail stores, and 8% in warehouse operations.

In the 2025 financial year, the MODIVO Group's workforce was as follows:
17,528 employees across all Group companies in Poland and abroad had employment contracts at the end of 2025,
85.74% of the workforce were women,
62.49% of employees had permanent contracts,
97.90% of employees worked in Central and Eastern Europe, including 67.38% in Poland,
8,291 employees left the organisation.

Further details of the MODIVO Group's workforce are provided in the tables below and cover the entire Group. The employment data refers to the number of individuals employed under employment contracts or by appointment (headcount) as at 31 January 2026.

Table: Number of employees under employment contracts in the MODIVO Group by gender

Gender	Employees under employment contracts		
Period	2024	2025	YoY change
Women	13,571	15,028	+10.74%
Men	2,133	2,500	+17.21%
Other	0	0	-
Not disclosed	0	0	-
Total	15,704	17,528	+11.61%

Table: Number of employees under employment contracts in the MODIVO Group by country

Country	Employees under employment contracts		
Period	2024	2025	YoY change
Poland	10,940	11,810	+7.95%
Austria	86	59	-31.40%
Bulgaria	204	367	+79.90%
Croatia	217	235	+8.29%
Czech Republic	1,084	1,264	+16.61%
Estonia	31	33	+6.45%
Lithuania	34	111	+226.47%
Latvia	59	114	+93.22%
Germany	1	1	0.00%
Romania	1,040	1,134	+9.04%
Serbia	91	170	+86.81%
Slovakia	653	739	+13.17%
Slovenia	186	169	-9.14%
Ukraine	256	276	+7.81%
Hungary	820	772	-5.85%
Italy	2	1	-50.00%
Spain	0	273	-
Total employees	15,704	17,528	+11.61%

Table: Number of employees under employment contracts in the MODIVO Group by contract type, working time, and gender

Period	2024				2025				YoY change			
Gender	Women	Men	Other/not disclosed	Total	Women	Men	Other/not disclosed	Total	Women	Men	Other/not disclosed	Total
Employees under employment contracts	13,571	2,133	0	15,704	15,028	2,500	0	17,528	+10.74%	+17.21%	-	+11.61%
Number of employees under permanent employment contracts	8,703	1,375	0	10,078	9,379	1,574	0	10,953	+7.77%	+14.47%	-	+8.68%
Number of employees under temporary employment contracts	4,859	750	0	5,609	5,649	926	0	6,575	+16.26%	+23.47%	-	+17.22%
Number of non-guaranteed hours employees under employment contracts	9	8	0	17	0	0	0	0	-100%	-100%	-	-100%
Number of full-time employees under employment contracts	6,915	1,496	0	8,411	7,530	1,669	0	9,199	+8.89%	+11.56%	-	+9.37%
Number of part-time employees under employment contracts	6,656	637	0	7,293	7,498	831	0	8,329	+12.65%	+30.46%	-	+14.21%

Table: Number of employees under employment contracts in the MODIVO Group by region

Period	2024		2025		YoY change	
Region	Central and Eastern Europe, including Poland	Western Europe	Central and Eastern Europe, including Poland	Western Europe	Central and Eastern Europe, including Poland	Western Europe
Total number of employees under employment contracts	15,615	89	17,194	334	+10.11%	+275.28%
Number of employees under permanent employment contracts	9,989	89	10,683	270	+ 6.95%	+203.37%
Number of employees under temporary employment contracts	5,609	0	6,511	64	+16.08%	-
Number of non-guaranteed hours employees under employment contracts	17	0	0	0	-100%	-
Number of full-time employees under employment contracts	8,389	22	9,122	77	+8.74%	+250.00%
Number of part-time employees under employment contracts	7,226	67	8,072	257	+11.71%	+283.58%

Table: Number of employees under employment contracts who left the MODIVO Group during the reporting period

Period	2024	2025	YoY change
Number of employees under employment contracts who left the CCC Group during the reporting period	8,054	8291	+2.94%
Turnover rate* (%)	51.29%	47.30	-3.98%

*The turnover rate was calculated as follows: the number of employees who left the Group during the 2025 financial year, divided by the number of employees as at 31 January 2026.

Employment data is consistent with the data presented in the MODIVO Group's consolidated financial statements.

S1-7 Characteristics of non-employees in the undertaking's own workforce

The MODIVO Group engages individuals under several forms of employment other than employment contracts, including:

- civil-law contracts (including contracts of mandate and management contracts),
- cooperation agreements (B2B),
- provision of labour under contracts with temporary employment agencies.

In 2025, 4,100 individuals worked with the MODIVO Group under arrangements other than employment contracts in 2025, including 2,722 women and 1,378 men. The majority – 47.03% – were engaged via temporary employment agencies. Individuals working under civil-law contracts (contracts of mandate, piece-work contracts, and management contracts) accounted for 46.51%, while 6.43% worked under business-to-business (B2B) contracts.

Table: Number of associates providing work to the MODIVO Group under arrangements other than employment contracts

Period	2024			2025			YoY change		
Gender	Women	Men	Other/not disclosed	Women	Men	Other/not disclosed	Women	Men	Other/not disclosed
Number of associates under civil-law contracts (contracts of mandate, piece-work contracts, and management contracts)	802	195 0	0	1,524	383	0	+90.02%	+96.41%	-
Number of associates under business-to-business (B2B) contracts	35	183	0	52	212	0	+48.57%	+15.85%	-
Associates providing work under contracts with temporary employment agencies	1,287	744	0	1,146	783	0	-10.96%	+5.24%	-
Total number of associates providing work to the CCC Group under arrangements other than employment contracts	2,124	1,122	0	2,722	1,378	0	+28.15%	+22.82%	-

Data related to associates engaged under arrangements other than employment contracts was prepared on the basis of operational data and information provided by service providers, assuming their completeness as at the reporting date.

S1-8 Collective bargaining coverage and social dialogue

The MODIVO Group companies prioritise employee wellbeing and the ongoing enhancement of working conditions.
Dialogue between employees and the organisation is facilitated by employees' freedom of association, as outlined in the Work Rules. In 2025, the number of employees covered by collective bargaining agreements was 305, or 1.7% of the total workforce. 4.4% of employees based in Poland are represented by employee representatives.

Table: Collective bargaining coverage and social dialogue

Collective bargaining coverage			Social dialogue
Coverage rate	Employees under employment contracts – EEA	Associates providing work under arrangements other than employment contracts – EEA	Workplace representation for employees under employment contracts (EEA only)
Period	2025		
0-19%	Poland		Poland
20-39%			
30-59%			
60-79%			
80-100%			

The Group has not established any agreements with its employees for representation by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.

S1-9 Diversity metrics

The MODIVO Group's workforce is divided into three levels: senior management, managers and other employees. In 2025, women represented:

- 47.06% of the 34 employees classified as senior management,
- 87.28% of the 3,153 employees classified as managers,
- 85.49% of the 14,341 employees classified as other employees.

The predominant age group within the workforce was below 30 years old, constituting 46.40% of all employees. Following closely were employees in the 30–50 age bracket, comprising 45.61% of the total workforce. The remaining 7.99% were individuals over 50 years old.

Table: Gender distribution in number and percentage at senior management level for employees under employment contracts at the MODIVO Group

	2024			2025			YoY change		
Gender	Women	Men	Other/not disclosed	Women	Men	Other/not disclosed	Women	Men	Other/not disclosed
Number of senior management personnel*	17	30	0	16	18	0	-5.88%	-40.00%	-
Percentage of senior management personnel	36.17%	63.83%	0%	47.06%	52.94%	0.00%	+10.89	-10.89	-

*Senior management personnel comprises individuals holding senior executive positions and members of the Management Board.

Table: Number of employees under employment contracts in the MODIVO Group by age group

	2024			2025			YoY change		
Employees under employment contracts	Women	Men	Other/not disclosed	Women	Men	Other/not disclosed	Women	Men	Other/not disclosed
Total, including:	13,571	2,133	0	15028	2500	0	+10.74%	+17.21%	-
Age group: over 50 years old	909	91	0	1264	136	0	+39.05%	+49.45%	-
Age group: 30–50 years old	6,624	886	0	7011	984	0	+5.84%	+11.06%	-
Age group: under 30 years old	6,038	1,156	0	6753	1380	0	+11.84%	+19.38%	-

S1-10 Adequate wages

In 2025, 100% of the MODIVO Group's employees engaged under employment contracts received remuneration above the level recognised by the Group as constituting an adequate wage.
The MODIVO Group defines an adequate wage as a level of remuneration that enables employees and their households to meet their basic needs, taking into account national economic and social conditions. For the purposes of this disclosure, the adequate wage level was assumed to correspond to the statutory minimum wage applicable in the respective country of operation, in accordance with local labour market regulations.

S1-11 Social protection

All employees of the MODIVO Group are covered by social protection systems available in the countries where the Group companies operate. These systems provide protection against loss of income resulting from events such as illness, unemployment, occupational accidents, parental leave and retirement.
The scope of social protection is determined by the applicable legal requirements in the respective countries where the Group operates.

In addition, Company Social Benefits Funds operate within MODIVO S.A., MODIVO.eu Sp. z o.o., MODIVO.com S.A., HalfPrice Sp. z o.o., eobuwie Logistics Sp. z o.o., CCC Tech Sp. z o.o. and Rawaki Sp. z o.o., providing additional support for employees.

Employees may apply for financial assistance in the event of difficult personal, family or financial circumstances such as serious or chronic illness, accidents or the death of a close relative.
Social protection covers all employees engaged under employment contracts within the MODIVO Group.

S1-12 Persons with disabilities

Table: Persons with disabilities providing work under employment contracts

Period	2024	2025	YoY change
Persons with disabilities as percentage of total employees under employment contracts	3.02%	3.78%	+0.76pp

Data related to persons with disabilities is collected on the basis of voluntary employee declarations and administrative records, in accordance with applicable legal requirements. Due to the sensitive nature of such data, the information may be incomplete and subject to reporting limitations.

S1-13 Training and skills development metrics

In 2025, the average number of training hours per employee under an employment contract was 9.61 hours for women and 7.76 hours for men.

In 2025, the MODIVO Group conducted an average of 0.26 career development reviews per female employee and 0.05 career development reviews per male employee. Career development reviews were conducted for 26.18% of women and 4.52% of men.

Table: Average number of training hours per employee under an employment contract at the MODIVO Group by gender

Period	2024	2025	YoY change

Average number of training hours per person	Women	Men	Other/not disclosed	Women	Men	Other/not disclosed	Women	Men	Other/not disclosed
Senior management	5.24	9.93	0	1.56	0.33	0	-70.25%	-96.64%	0
Managers	18.10	25.97	0	12.41	10.60	0	-31.43%	-59.17%	0
Other employees under employment contracts	7.63	10.19	0	9.00	7.27	0	+17.92%	-28.67%	0
Average number of training hours per person	9.45	12.69	0	**9.61**	**7.76**	0	+1.69%	-38.89%	0

Table: Number of completed career development reviews as a proportion of scheduled reviews among employees under employment contracts at the MODIVO Group by gender

Period	2024			2025		
Percentage completion rate of scheduled performance reviews among employees under employment contracts	Women	Men	Other/not disclosed	Women	Men	Other/not disclosed
Senior management	100%	100%	-	-	-	-
Managers	96%	96%	-	73.61%	48.18%	-
Other employees under employment contracts	100%	100%	-	98.40%	100.00%	-

* Data relates to MODIVO S.A., HalfPrice PL, Croatia, eobutev Si, Modivo HU

S1-14 Health and safety metrics

As part of its commitment to workplace safety, the MODIVO Group maintains records of accidents involving its own employees. In 2025, 79 workplace accidents were recorded among employees engaged under employment contracts, all of which were classified as minor accidents. No serious workplace accidents were recorded during the year. No accidents involving associates providing work under arrangements other than employment contracts were recorded. Accordingly, the workplace accident rate for 2025 was 3.59 for employees under employment contracts and 0 for associates under other types of contract.

In 2025, three minor accidents involved subcontractor employees working on site. Two cases of ill health involving individuals engaged under employment contracts were identified through medical supervision or otherwise reported to the Group. No cases of ill health involving associates providing work under arrangements other than employment contracts were recorded. In 2025, 100% of employees were covered by the occupational health and safety management system.

Table: Accidents at the MODIVO Group

Period	2024	2025	YoY change
Accidents involving employees under employment contracts			
Minor accidents	51	79	+54.90%
Serious accidents	12	0	-100.00%
Fatal accidents	0	0	-
Group accidents	0	0	-
Total accidents	63	**79**	+25.40%
Accidents involving associates providing work under arrangements other than employment contracts			

Minor accidents	1	0	-100.00%
Serious accidents	0	0	-
Fatal accidents	0	0	-
Group accidents	0	0	-
Total accidents	1	0	-100.00%
Accidents involving subcontractors working on site			
Minor accidents	0	3	-
Serious accidents	0	0	-
Fatal accidents	0	0	-
Group accidents	0	0	-
Total accidents	0	3	-

Table: Other health and safety data for employees under employment contracts and associates providing work to the MODIVO Group under arrangements other than employment contracts

Period	2024	2025	YoY change
Employees under employment contracts			
Number of days lost due to work-related injuries and recordable work-related ill health among employees under employment contracts	682	962	+41.06%
Number of cases of ill health involving employees under employment contracts identified through medical supervision or otherwise reported to the Group	0	2	-
Number of fatalities resulting from ill health among employees under employment contracts	0	0	-
Work-related accident rate*	3.32	3.59	+8.19%
Associates providing work under arrangements other than employment contracts			
Number of days lost due to work-related injuries and recordable work-related ill health among associates providing work under arrangements other than employment contracts	5	0	-100%
Number of cases of ill health involving associates providing work under arrangements other than employment contracts identified through medical supervision or otherwise reported to the Group	0	0	-
Number of fatalities resulting from ill health among associates	0	0	-
Work-related accident rate**	0.69	0.00	-100%

* The work-related accident rate was calculated in accordance with ESRS S1-14: the number of accidents divided by the number of hours worked by employees under employment contracts, multiplied by 1,000,000. The number of hours worked by employees under employment contracts was determined based on internal timekeeping systems for hourly employees of the MODIVO Group.
** The work-related accident rate for associates providing work under arrangements other than employment contracts was calculated in accordance with ESRS S1-14: the number of accidents divided by the number of hours worked by associates under arrangements other than employment contracts, multiplied by 1,000,000. The number of hours worked by associates was determined based on timekeeping records prepared by the contractor and approved by the supervisor.

Table: Number of employees under employment contracts covered by the health and safety management system

Period	2024	2025	YoY change
Number of employees under employment contracts covered by the health and safety management system	15,704	17,528	+14.49%
Number of employees under employment contracts and associates under arrangements other than employment contracts covered by a certified and audited health and safety management system	0	409	-

S1-15 Work-life balance metrics

Table: Key data on family-related leave

Period	2024	2025	YoY change

Gender	Women	Men	Other/ not disclosed	Women	Men	Other/not disclosed	Women	Men	Other/not disclosed
% of employees entitled to take family-related leave	100%	100%	--	100%	100%	0	0.00	0.00	-
% of entitled employees that took family-related leave, and a breakdown by gender	6.65%	1.08%	--	16.88%	5.36%	0	+10.23	+4.28	-

All employees entitled to leave under national legislation are considered eligible and authorised to take such leave.

S1-16 Remuneration metrics

The Gender Pay Gap (unadjusted pay gap) represents the difference between the average gross hourly remuneration of men and women, divided by the average gross hourly remuneration of men, expressed as a percentage. The metric was calculated in accordance with ESRS requirements.
The metric was calculated for all employees engaged under employment contracts within the MODIVO Group.

The calculation methodology is based on determining an individual gross hourly rate for each employee during the reporting period using monthly data and taking into account base salary, bonuses and other remuneration components. All data was aggregated at Group level, after which average hourly rates were calculated separately for women and men.
The calculation was based on data for the 2025 financial year covering all Group companies. Where remuneration was paid in different currencies, the amounts were translated into PLN using exchange rates applicable to the respective months of the reporting period. In 2025, the Gender Pay Gap Ratio for the MODIVO Group amounted to 23.48%, representing a decrease of 5.42pp compared with the previous year.

The level of the metric is influenced primarily by the workforce structure, including the representation of women and men across different employment levels and areas of the Group's operations.
The metric is unadjusted and does not take into account differences arising from employment level, length of service, location or other structural factors.
The methodology applied to calculate the metric is consistent with the approach used to determine total remuneration presented in other disclosures within the report, including the CEO Pay Ratio.

The CEO Pay Ratio represents the ratio of the remuneration of the highest-paid individual within the organisation to the median remuneration of all other employees engaged under employment contracts, excluding the highest-paid individual, as at 31 January 2026. In 2025, the CEO Pay Ratio for the MODIVO Group was 18.47, marking a 47.02% decrease compared with the previous year.

Table: CEO Pay Ratio in the MODIVO Group

Period	2024	2025	YoY change
CEO Pay Ratio			
	34.87	18.47	- 47.02%

Table: Unadjusted Gender Pay Gap in the MODIVO Group

Period	2024	2025	YoY change
Gender Pay Gap			
Unadjusted Gender Pay Gap for all employees	28.90%	23.48%	-5.42%

Glass Ceiling Ratio

The Glass Ceiling Ratio (GCR) reflects the gender equality of promotion opportunities within the organisation. The GCR is calculated as the absolute difference between the proportion of women at a given employment level and the proportion of women across the entire organisation.
A difference of 0 percentage points indicates that women and men have equal opportunities for promotion to mid- and senior-level positions.

In the MODIVO Group, the GCR is calculated for two employment levels: senior management personnel and managers. In the 2025 financial year, the GCR for the MODIVO Group was as follows:

- 38.68pp for senior management, meaning that the share of women in senior management positions was 38.68pp lower than their share in the Group's total workforce. This represented a decrease of 11.57pp compared with the previous year.
- 1.54pp for managers, meaning that the share of men in managerial positions was 1.54pp lower than their share in the Group's total workforce. This represented a decrease of 0.44pp compared with the previous year.

The methodology for calculating the GCR is based on the assumption that, since women make up 85.74% of the total workforce in the MODIVO Group, they should similarly dominate at all employment levels. However, as women represent 47.06% of senior management (less than men), the GCR indicates that women find it more difficult to advance to these positions than men. In contrast, women in managerial positions represent 88.28%, a higher proportion than men, indicating that men find it more difficult to advance to these positions than women. The ratio is presented in absolute value.

S1-17 Incidents, complaints and severe human rights impacts

W 2025, a total of 64 reports were submitted through internal whistleblowing channels, compared with 36 in 2024. They primarily concerned inappropriate behaviour by management staff and irregularities in business relations. Following investigations, no instances of workplace bullying or discrimination were identified.

The total amount of fines, penalties, and compensation for damages resulting from incidents and grievances or complaints amounted to PLN 0.
No reports of severe human rights incidents were recorded in 2025. The Group also did not record any reports filed with National Contact Points for the OECD Guidelines.

S2 Workers in the value chain

SBM-2 Interests and views of stakeholders

Workers in the value chain were identified as a material stakeholder group as part of the updated double materiality assessment conducted in 2025.

The MODIVO Group does not engage directly with workers employed by suppliers. In practice, communication takes place through supplier representatives responsible for cooperation with the MODIVO Group, who represent partner organisations in their business relationships with the Group.

- Dialogue with representatives of the value chain is conducted through:
- consultations with suppliers as part of the process of updating the Supplier Code of Conduct, during which key definitions, requirements and the interpretation of specific provisions of the document were discussed,
- involvement of supplier representatives in the materiality assessment process, including through surveys and interviews, which enabled them to express their views on cooperation with the MODIVO Group and sustainability-related matters. The collected feedback was reflected in the results of the materiality assessment,
- audits of high-risk suppliers conducted to verify compliance with requirements related to working conditions, human rights and ethical standards across the supply chain.

The conclusions drawn from dialogue with value chain representatives support the updating of policies, supplier cooperation standards and supply chain risk management processes.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The MODIVO Group defines workers in the value chain as individuals employed by entities engaged in direct or indirect business relationships with the Group across the upstream and downstream segments of the value chain.

Key categories include:
- workers employed by direct suppliers (Tier 1),
- workers engaged at subsequent tiers of the supply chain (Tier 2+), including raw material producers and logistics operators,
- individuals belonging to potentially vulnerable groups, including women, migrants, younger workers and home-based workers.

The Group takes these categories into account in identifying material impacts, risks and due diligence actions, to the extent that they may be materially affected by the Group's operations.

The MODIVO Group's business model is based on cooperation with an extensive value chain that is essential to the Group's ability to offer its products and services. Consequently, impacts on workers in the value chain, together with the related risks and opportunities, are closely linked to the Group's business and sustainability strategies.

The most vulnerable group comprises workers in the upstream segment of the value chain, particularly individuals employed by suppliers of merchandise.

Chart: **Workers in the upstream value chain (by region)**

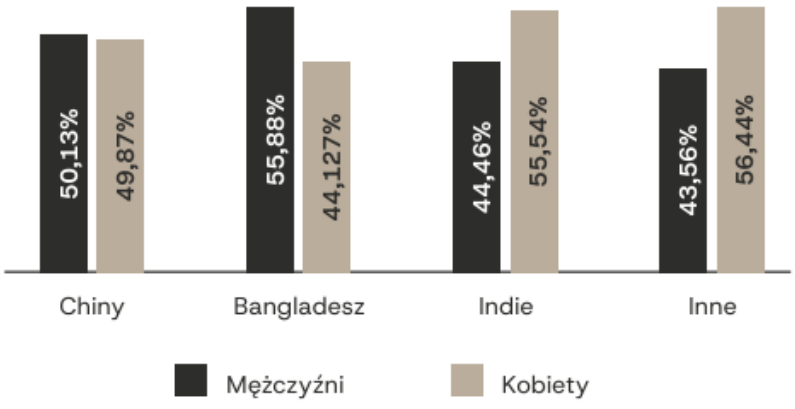


Table: Workers in the upstream value chain (by region)

Country	Men	Women	Total	Share (%)
China	14,659	14,583	29,242	51.18%
Bangladesh	14,497	11,448	25,945	45.41%
India	650	812	1,462	2.56%
Germany	119	126	245	0.43%
Poland	74	122	196	0.34%
Italy	20	28	48	0.08%
Total	30,019	27,119	57,138	100.00%

* The data is based on audit results for suppliers representing 45% of the Group's purchases by value in the AW and SS 2025 seasons.

Due to the nature of its business relationships, the MODIVO Group has limited access to direct data related to all workers in the value chain.

In 2025, the MODIVO Group identified the following material impacts and risks related to workers in the value chain:

- a potential positive impact on working conditions (including sanitary conditions) and on the equal treatment of workers in the value chain arising from the implementation of responsible supply chain management standards,
- the risk of labour rights violations and the absence of a living wage within the supply chain, particularly in the upstream segment of the value chain.

In order to mitigate identified risks and advance positive impacts within the value chain, the MODIVO Group undertakes human rights due diligence actions, including:

- supplier audits, particularly in relation to high-risk suppliers,
- development and enforcement of standards set out in the Supplier Code of Conduct,
- supervisory and educational activities within the supply chain,
- direct monitoring of selected manufacturing facilities and site visits conducted by Group employees.

These actions support the identification of potential labour rights violations and the implementation of preventive measures across the supply chain.

The assessment of impacts, risks and opportunities was carried out in relation to both the upstream and downstream segments of the value chain, to the extent that the MODIVO Group's operations may cause, contribute to or be directly linked to such impacts.

S2-1 Policies related to value chain workers

The MODIVO Group's policy governing the management of material impacts related to workers in the value chain is the Supplier Code of Conduct, which applies across the entire Group.
The Code sets out standards of conduct for suppliers in the areas of human rights, labour rights, environmental protection and business ethics. In particular, it addresses:

- prohibition of child labour and forced labour,
- non-discrimination and the promotion of diversity,
- provision of safe and healthy working conditions,
- fair working hours and fair wages,
- respect for freedom of association,
- anti-corruption measures, personal data protection and information security.

The Code is based on recognised international standards and regulatory frameworks, including:

- Universal Declaration of Human Rights,
- Charter of Fundamental Rights of the European Union,
- Ten Principles of the United Nations Global Compact,
- selected conventions of the International Labour Organization, including Conventions No. 29 and No. 138,
- OECD Guidelines for Multinational Enterprises,
- UN Guiding Principles on Business and Human Rights.

The MODIVO Group expects suppliers to:

- implement the standards set out in the Code within their own operations and throughout their supply chains,
- identify and manage risks related to the areas covered by the Code,
- undertake remedial actions and pursue continuous improvement,
- report any breaches without undue delay.

The Compliance Officer oversees the process for receiving and handling reports of breaches of the Code. Detailed supplier requirements are publicly available on the Group's website.

The Supplier Code of Conduct is available on the Group's website at https://modivoplatform.com/raporty-i-polityki.

Human rights clauses
Actions undertaken by the MODIVO Group in relation to workers in the value chain form part of the Group's human rights due diligence processes and are aligned with the United Nations Guiding Principles on Business and Human Rights.

Since 2019, the MODIVO Group General Terms and Conditions of Purchase have incorporated clauses that require all suppliers and contractors providing goods or services to the MODIVO Group to comply with the rules and regulations contained in the MODIVO Group Code of Ethics and to apply all provisions contained therein, particularly those related to anti-corruption, respect for human dignity, mutual respect, tolerance and environmental protection, in their activities.

Acceptance of a purchase order by a supplier or contractor constitutes acceptance of the General Terms and Conditions of Purchase. In certain cases, however, suppliers or contractors make cooperation conditional on the application of their own general terms and conditions.

Pursuant to the General Terms and Conditions of Purchase, suppliers are also required to comply with the MODIVO Group Supplier Code of Conduct, which establishes standards related to human rights, working conditions, anti-corruption and environmental stewardship. Suppliers acknowledge and accept the Supplier Code of Conduct and undertake to comply with its principles.

The MODIVO Group is not aware of any cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises.

S2-2 Processes for engaging with value chain workers about impacts

The MODIVO Group takes into account the perspectives of workers in the value chain in its sustainability management processes and human rights due diligence actions.

Due to the structure of the supply chain and the indirect nature of its business relationships, the MODIVO Group does not engage directly with workers employed by its suppliers. In practice, communication is conducted through supplier representatives and the management teams of manufacturing facilities, who represent workers in interactions with the Group.

Dialogue with value chain representatives is conducted on a regular basis, in particular through:

- consultations with suppliers conducted as part of the process of updating the Supplier Code of Conduct, during which requirements related to human rights, working conditions and environmental standards are discussed,
- involvement of supplier representatives in the double materiality assessment process, including through surveys and interviews, which enable them to express their views on cooperation with the MODIVO Group and sustainability-related matters,
- supplier social audits, during which working conditions at manufacturing facilities and compliance with labour and human rights requirements are assessed,
- visits by Group employees to suppliers' manufacturing facilities, enabling direct observation of working conditions and the identification of potential risks.

The conclusions drawn from dialogue with supplier representatives are used to support the updating of supply chain policies, the management of human rights risks and the implementation of the MODIVO Group's sustainability strategy. Information obtained through supplier audits and supplier assessment processes is used to identify potential labour rights violations and support the implementation of preventive measures within the supply chain. Responsibility for engagement with suppliers rests with the operational units, in particular the Procurement Department and the teams responsible for supply chain management, under the oversight of the ESG and compliance functions. The effectiveness of the dialogue is assessed on the basis of supplier audit results, the number and quality of remedial actions implemented, and information obtained through the materiality assessment process.

The MODIVO Group has not entered into agreements with global trade union federations regarding the respect for the human rights of workers in the value chain.

S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns

The MODIVO Group has established mechanisms to identify, report and remedy potential negative impacts affecting workers across its value chain. These mechanisms form part of the Group's broader risk management and human rights due diligence framework within the supply chain. Whistleblowing channels are available to all individuals covered by the scope of reporting, and concerns may be raised confidentially and anonymously.

Suppliers of the MODIVO Group may report any concerns or breaches of the Supplier Code of Conduct via a dedicated email address: etyka@modivoplatform.com. Information about the whistleblowing process is provided to suppliers together with the Supplier Code of

Conduct. In addition, the Group's website includes a contact form that enables any individual – regardless of the nature of their relationship with the Group – to report potential irregularities.

The MODIVO Group requires suppliers to provide accessible grievance mechanisms for their employees, although it does not yet have comprehensive information regarding employees' awareness of the available whistleblowing channels. At the same time, the Group supports the further development of such mechanisms across its supply chain. All reported concerns are reviewed through the Group's whistleblowing system. However, during the reporting period, no reports were received from supplier employees. The Group also maintains a whistleblower protection policy designed to protect whistleblowers against retaliation, as set out in the Whistleblowing Procedure. Further information is provided in section 4.

To identify and mitigate potential negative impacts, the MODIVO Group operates a supplier audit programme. Audits are carried out both by Group employees and by independent external certification bodies. They cover mainly:

- environmental matters, including environmental management systems and risk identification,
- social and labour-related matters, including human rights, employment standards, and occupational health and safety,
- governance-related matters, including anti-corruption measures.

In addition, the Group conducts ongoing monitoring of working conditions at selected suppliers through regular visits by Group employees to manufacturing facilities, as well as through continuous oversight at key production sites in Asia. Suppliers are required to provide the results of social audits conducted by recognised external organisations. Verification includes compliance with the Supplier Code of Conduct and the holding of recognised social, environmental and operational certifications, such as Amfori BSCI, SMETA, SA8000, ISO 14001, ISO 45001, FSC, GRS and LWG Gold.

At the end of the reporting period, the Group cooperated with 134 suppliers of private-label and licensed-brand products, 98.51% of whom had signed the Supplier Code of Conduct. Together, these suppliers held 217 certification units related to social, environmental and operational compliance audits.

The Group also monitors selected qualitative indicators related to working conditions, including wage levels, and continues to identify areas requiring further improvement, particularly in relation to ensuring living wages throughout the supply chain.

Where irregularities are identified, the MODIVO Group works collaboratively with suppliers to implement corrective and preventive actions, which includes identifying the root causes of violations, implementing remediation plans, and monitoring the effectiveness of corrective actions.

The MODIVO Group tracks the effectiveness of the actions taken and uses insights gained from audits and reported concerns to further strengthen and improve its supply chain risk management system.

S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

In response to the material impacts and risks related to workers in the value chain identified in 2025, the MODIVO Group takes actions aimed at improving working conditions among suppliers and mitigating risks associated with labour rights and human rights violations.

These actions focus primarily on the upstream segment of the value chain, where the highest level of potential risk has been identified, and comprise short-, medium- and long-term actions. Short-term actions include ongoing supplier audits and monitoring activities. Medium-term actions focus on the implementation of remedies and the enhancement of standards, while long-term actions are aimed at achieving lasting improvements in working conditions throughout the supply chain.

To strengthen positive impacts related to working conditions and equal treatment of workers in the value chain, the MODIVO Group:

- implements and enforces the standards set out in the Supplier Code of Conduct, including requirements related to human rights, working conditions, occupational health and safety, and non-discrimination,
- operates a supplier social audit programme that includes verification of compliance with employment standards and working conditions,
- monitors working conditions at manufacturing facilities through visits by Group employees to supplier factories and ongoing oversight of production processes, reviews the results of social and environmental audits conducted by independent certification bodies.

To mitigate the risk of labour rights violations and the absence of living wages within the supply chain, the MODIVO Group also takes actions including:

- assessing suppliers' compliance with social and environmental requirements,
- cooperating with suppliers in the implementation of remedial actions where irregularities are identified,
- regularly monitoring progress in the implementation of corrective actions,

- further developing supplier cooperation standards and updating policies related to human rights and responsible supply chain management.

The effectiveness of the actions taken is tracked through the analysis of social audit results, reviews of remedies and ongoing monitoring of working conditions at suppliers' facilities.

Analysis of audit results related to key suppliers indicates that 26% currently declare the payment of living wages both within their own operations and among their manufacturing partners. At the same time, this result highlights significant potential for further strengthening practices related to living wages and for continued progress towards higher social standards within the supply chain.

The MODIVO Group intends to continue monitoring this area and undertaking actions to support improvements in wage levels among suppliers in future reporting periods.

Accordingly, the Group has identified remuneration within the supply chain as one of the key areas of social risk.

The MODIVO Group takes actions to support the implementation of the living wage concept throughout the supply chain through the integration of relevant requirements into the Supplier Code of Conduct, the further development of social audits, and cooperation with suppliers in identifying and reducing wage gaps. These actions also include the implementation of remediation plans and the gradual enhancement of remuneration standards.

They are implemented as part of the Group's ongoing supply chain management and risk management processes using existing operational resources, including supplier audit costs, monitoring activities and personnel engaged in supply chain management. As at the reporting date, the Group had not allocated material capital expenditure exclusively to these actions. Related costs are recognised within the Group's operating expenses and are consistent with the data presented in the financial statements. In future reporting periods, the Group intends to continue financing these actions within existing operational budgets, with the possibility of increasing expenditure should the scope of audits or remedial actions expand.
No severe human rights issues or incidents were reported in 2025.

S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The MODIVO Group has established targets related to the management of material impacts and risks associated with workers in the value chain, particularly within the upstream segment. The targets relate to actions undertaken at different stages of cooperation with suppliers and are intended to support improvements in working conditions and mitigate risks associated with labour rights violations.

The key targets under the GO.25 strategy are to:

- ensure that 100% of suppliers are covered by the updated Supplier Code of Conduct,
- conduct audits of 100% of high-risk suppliers,
- increase the engagement of Tier 1 suppliers in the provision of non-financial data related to environmental and social matters,
- review 100% of reports concerning potential breaches of ethical standards and human rights.

For the purpose of monitoring progress against the targets, the Group adopted 2022 as the baseline year, reflecting with the implementation of the supplier audit programme and the introduction of a systematic approach to supply chain management.

Achievement of the targets is monitored as part of the MODIVO Group's risk management framework and supply chain management processes. Progress is assessed using operational indicators, including supplier audit coverage and implementation of the Supplier Code of Conduct. The level of target achievement is presented in ESRS 2. Workers in the value chain are not directly involved in defining, setting or monitoring the targets. However, their perspectives are indirectly reflected through supplier engagement and audit outcomes. Areas for improvement are identified on the basis of audit findings, dialogue with suppliers and risk analyses, and are subsequently incorporated into updates to the Group's approach to supply chain management.

In 2025, the targets, underlying assumptions and monitoring methodology remained unchanged.

S4 Consumers and end-users

SBM-2 Interests and views of stakeholders

For the MODIVO Group, a consumer or customer is any individual who purchases and uses products offered by the Group through offline stores and online sales channels.

'We are powered by customers' is one of the corporate values the MODIVO Group.
The Group's business model, strategy and organisational values are centred on customers and their needs and expectations.

The MODIVO Group takes into account the interests and views of consumers and end-users in its management processes, as well as in the development of its product and service offering. Information regarding customer expectations is obtained mainly through the analysis of customer feedback, interactions with customer service teams, and the monitoring of customer experiences across online and offline sales channels.

The interests and views of consumers and end-users were also considered in the double materiality assessment conducted in 2025, the results of which were used to identify key impacts, risks and opportunities associated with the Group's operations.

Insights derived from the analysis of customer feedback are used to support the ongoing improvement of the product offering, service quality and the development of sales channels.

SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The MODIVO Group identifies material impacts, risks and opportunities related to consumers and end-users as an integral part of its business model and development strategy.

Given the customer-centric nature of its operations, the MODIVO Group recognises that its activities may influence consumer behaviour, levels of social awareness and ethical attitudes. The way in which products are communicated and the availability of information may affect consumption patterns. Accordingly, the development of responsible marketing communication and transparent product information constitutes an important element of the Group's strategic approach.

All consumers and end-users purchasing products offered by the MODIVO Group through offline stores and online sales channels are covered by the scope of this disclosure.

In 2025, as a result of the double materiality assessment, three material impacts related to consumers and end-users were identified:

- a positive actual impact related to increasing the availability of product information, educating on sustainability and enhancing digital accessibility,
- a positive potential impact related to ensuring product safety and high product quality,
- a positive actual impact related to responsible marketing communication and ethical communication practices.

The MODIVO Group recognises that certain groups of consumers, including younger individuals and persons with lower levels of digital experience, may be more exposed to specific risks, particularly in relation to product information and online purchasing.
One material risk related to consumers and end-users was also identified:

- the risk of changing consumption patterns and consumer preferences associated with increasing social awareness and the growing 'smart consumption' trend.

The identified risks may affect certain consumer groups to a greater extent, in particular users of digital channels and individuals with limited access to information.
Further details are provided under disclosure requirement SBM-3 in section 1.

These impacts and risks are reflected in the MODIVO Group's strategy through the development of products meeting sustainability criteria, increasing the transparency of product information, and developing tools that support customers in making informed purchasing decisions.

The MODIVO Group provides consumers with information on product composition and actions undertaken in the area of sustainability. These actions, together with market segmentation and diversification of the product portfolio, constitute an important element of the Group's business model.

All identified impacts and risks relate to customers of all brands belonging to the MODIVO Group and apply to sales conducted through offline stores and online sales channels.

S4-1 Policies related to consumers and end-users

The MODIVO Group is committed to respecting consumer rights, including the right to product safety, access to reliable information and protection of privacy. The Group's approach also includes maintaining active dialogue with customers and providing mechanisms for submitting and handling complaints.

Consumer rights within the MODIVO Group arise from applicable consumer protection laws as well as from internal policies and regulations governing customer relationships.
The key documents in this area include:

- Advertising Code of Ethics,

- Privacy Policy,
- Customer complaints and returns regulations,
- MODIVO Website Rules,
- MODIVO Club Customer Loyalty Programme Rules.

Advertising Code of Ethics
The Advertising Code of Ethics sets out the principles governing marketing communication within the MODIVO Group. Its purpose is to ensure that advertising messages are reliable, transparent and not misleading to consumers. The document prohibits discriminatory content, content infringing human dignity, and practices that exploit consumers' trust.
Responsibility for compliance with the Code rests with employees responsible for sales and marketing activities and their line managers, while oversight of its application is exercised by the Management Board of the MODIVO Group.

Privacy Policy
The Privacy Policy defines the principles governing the processing of customers' personal data in accordance with the GDPR and other applicable data protection regulations. The document applies to all data processed by the MODIVO Group across online and offline sales channels and ensures transparency regarding the purposes and methods of data processing.
Oversight of the implementation of the Policy is exercised by the Management Board of the MODIVO Group, supported by the Data Protection Officer.

Internal regulations governing customer relationships
Relationships with consumers are also governed by operational documents, including customer complaints and returns regulations, the MODIVO website rules, and the MODIVO Club loyalty programme terms and conditions. The documents define the rules related to sales, complaint handling, product returns and participation in loyalty programmes.

Marketing communication
The MODIVO Group conducts marketing communication in accordance with the principles set out in the Advertising Code of Ethics. Information on products, promotions and sales conditions is communicated in a transparent and accessible manner.
All internal policies and regulations are publicly available on the MODIVO Group's websites.
In developing its policies, the MODIVO Group takes into account the interests of consumers and end-users, particularly with regard to product safety, transparency of information and personal data protection.
The Group's policies are aligned with recognised international standards, including the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines and European Union consumer protection regulations.

No instances of non-compliance in marketing communications were identified in 2025.
The policies are available on the Group's intranet website and at https://ccc.eu/pl/regulaminy.

S4-2 Processes for engaging with consumers and end-users about impacts

The MODIVO Group takes into account the views of consumers and end-users in its management processes, as well as in the development of its product and service offering.

In stakeholder dialogue and materiality assessment processes, consumers were represented by the Advertising Ethics Board. The conclusions drawn from stakeholder dialogue were used in determining the Group's strategic directions and the scope of ESG reporting. Responsibility for managing customer relationships rests primarily with the organisational units responsible for customer service, marketing and e-commerce, under the oversight of the Group's management.

The MODIVO Group also engages with customers through market research, analysis of consumer feedback and ongoing contact with customers via the Customer Service Office. Information obtained through these channels is used to better understand customer needs and to further improve the product offering and service quality. The effectiveness of dialogue with consumers is assessed on the basis of customer feedback analysis, complaint levels and customer satisfaction survey results.

At present, the MODIVO Group does not conduct separate studies specifically related to consumers who may be particularly vulnerable to impacts associated with the Group's operations.

S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

The MODIVO Group provides consumers and end-users with the opportunity to submit comments, complaints and reports related to potential issues associated with products or services offered by the Group.

Customers may raise concerns and submit complaints through various communication channels, in particular via the Customer Service Office, contact forms available on the Group's websites, and complaint procedures applicable in offline stores and online sales channels.

Reports and complaints are reviewed by the relevant organisational units within the MODIVO Group. Where irregularities are confirmed, remedial actions are undertaken, including:

- handling product complaints,
- investigating reported irregularities,
- implementing changes to sales or customer service processes.

Customer complaint procedures and product return policies are set out in internal regulations available on the MODIVO Group's websites. Insights derived from customer reports are used to support the ongoing improvement of product quality, customer service and the operation of sales channels.
The MODIVO Group considers that the availability of communication channels and the transparency of customer complaint procedures contribute to building customer trust, although it does not currently conduct separate assessments of customer awareness in this regard. Customers submitting complaints or grievances are not subject to any adverse consequences as a result of raising concerns.

No human rights violations concerning consumers and end-users were reported in 2025.

S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

The MODIVO Group focuses its attention on responding to customer needs, taking into account changing consumer expectations, technological developments and increasing environmental awareness. Actions taken in this area are aimed at advancing positive impacts on consumers, mitigating risks and supporting responsible consumption.

Cybersecurity and personal data protection
The MODIVO Group undertakes actions aimed at ensuring the security of customers' personal data and maintaining the continuity of its e-commerce systems. These actions include:

- data encryption and secure password storage,
- the use of web application security measures (WAF) and encrypted HTTPS communication,
- monitoring activity within IT systems and conducting regular penetration testing,
- employee training on personal data protection.

In the event of a security incident, the Group implements response procedures that include restricting system access, informing affected individuals and cooperating with the relevant authorities.

Consumer information and promotion of responsible consumption
Since 2022, the MODIVO Group has taken actions aimed at supporting informed purchasing decisions and reducing the environmental impact of products. These actions are implemented under the weCare concept and include:

- labelling selected products that meet defined material criteria,
- optimising e-commerce packaging in order to reduce material consumption and transport-related emissions,
- the 'Circular Fashion' used footwear collection programme, supporting the extension of product lifecycles.

Implementation of these actions is tracked through analysis of the number of labelled products, the scale of packaging optimisation and the volume of products collected through the programme.

Product safety and quality
The MODIVO Group implements a product safety policy covering the entire value chain, from product design and manufacturing to sales. Key actions include:

- ensuring compliance of products with applicable safety regulations and standards,
- applying a Restricted Substances List (RSL),
- conducting laboratory testing of products in accredited laboratories,
- carrying out two-stage quality control at the production stage and the logistics centre,
- assessing suppliers for compliance with quality and ESG standards.

Products that do not meet applicable safety or quality requirements are not approved for sale.

Compared with previous reporting periods, the MODIVO Group continued to strengthen its measures related to product safety, transparency of information and customer data protection. Progress in this area included the development of information tools and initiatives supporting responsible consumption.

Tracking the effectiveness of actions
The effectiveness of actions undertaken in relation to consumers is tracked through:

- analysis of customer complaints and reports,
- product quality control,
- supplier audits,

- monitoring of IT systems security.

These actions are implemented primarily through operating expenses (OpEx), including costs related to customer service, IT systems, data security and product quality assurance. The Group does not allocate material capital expenditure (CapEx) exclusively to these actions. Related costs are recognised within operating expenses and are consistent with the data presented in the Group's financial statements. In future reporting periods, the MODIVO Group intends to continue financing these actions within existing operational budgets, with the possibility of increasing expenditure in response to evolving regulations and changing customer expectations.

In 2025, supervisory authorities did not identify any irregularities related to violations of consumer rights, product safety or exceedances of permitted levels of chemical substances.

S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The MODIVO Group's targets related to the management of impacts, risks and opportunities in its relationships with consumers and end-users are linked to the nature of the products offered and to the Group's commitment to providing customers with transparent and reliable product information.
Under the GO.25 strategy, the Group pursues the following targets:

- **100% of products to include information on materials used and production methods** (base year: 2019),
- **100% of product categories to include sustainable collections** (base year: 2019).

These targets support greater transparency of product information, enable customers to make informed purchasing decisions and contribute to the development of a more sustainable product offering.

Progress towards achieving the targets is tracked on the basis of data related to the products offered and the communication of product information, including through the analysis of product labelling and information made available to customers. A detailed description of progress towards the targets is provided in ESRS 2.

Although the targets are linked to environmental considerations and sustainable product development, they are not directly science-based.

No changes were made to the targets in 2025.

Consumers and end-users are not directly involved in defining or tracking the targets. However, their representatives participate in the double materiality assessment process, the results of which inform the direction of the MODIVO Group's ESG-related actions.

The targets also support the maintenance of a high level of product safety and the transparency of information provided to consumers.

17.4 Governance

G1 Business conduct

GOV-1 The role of the administrative, management and supervisory bodies

Members of the Management Board and the Supervisory Board, including the Audit Committee, play a key role in the conduct of the Group's business. The Management Board consists of individuals with relevant industry experience, while members of the Supervisory Board and Audit Committee, who also serve in similar roles at various publicly listed companies, bring substantial expertise in overseeing and managing significant sustainability-related impacts, risks, and opportunities.

The allocation of roles and responsibilities related to sustainability is crucial for the effective implementation of sustainability policies, action plans and objectives, as well as for the ongoing management of sustainability efforts. The Management Board and members of the Supervisory Board actively participate in the implementation of key internal regulations within the Group, reflecting the governance bodies' commitment to sustainability. They regularly receive reports covering:

- review of procedures related to conflicts of interest, ethical conduct, and the detection and prevention of fraud and misconduct,
- review of procedures related to the prevention of money laundering and terrorist financing,
- review of processes related to business partner due diligence,
- review of procedures governing related-party transactions,
- review of correspondence with regulatory authorities, potential litigation against the company, and the risk of financial penalties or other sanctions.

The Management Board and the Supervisory Board are responsible for overseeing the process to identify, assess and manage material impacts, risks and opportunities (IROs) related to business conduct, particularly in the areas of ethics, anti-corruption, regulatory compliance and supply chain management. The process, covering both the Group's own operations and its upstream and downstream value chain, is conducted in accordance with the principle of due diligence.

The identification of material risks, impacts and opportunities is based on an assessment of:

- magnitude and nature of the effects,
- probability of occurrence,
- relevant time horizon,
- relevance to stakeholders and the Group's operations.

Key risks identified in relation to business conduct include:

- risk of limited supply chain traceability,
- reputational risks associated with breaches of ESG standards,
- risks related to regulatory changes and resource availability.

At the same time, the Group has identified opportunities that may arise from:

- building a competitive advantage through transparency and regulatory compliance,
- access to sustainability-linked finance.

The Group also exerts a positive impact by fostering ethical organisational practices, responsible supply chain management, and strong data security standards.

These areas are managed through implemented policies, procedures, internal control systems and due diligence mechanisms.

The Management Board and the Supervisory Board participate in the preparation and approval of the sustainability statement and oversee its compliance with the applicable reporting requirements.

For further details regarding the role of the administrative, management and supervisory bodies, refer to section 17.1 of this statement.

G1-1 Business conduct policies and corporate culture

MODIVO Group organisational culture
The MODIVO Group pursues its mission and vision guided by the core values of its organisational culture:



In order to ensure compliance with applicable standards and to conduct the business in a socially and environmentally responsible manner, due diligence procedures have been implemented in accordance with the framework stated in the UN Guiding Principles on Business and Human Rights:

- embedding due diligence in the governance system and policies,
- identifying and assessing negative impacts,
- eliminating, preventing and mitigating negative impacts,
- tracking the effectiveness of implemented remedies,
- communicating due diligence efforts,
- remediating any harm done or cooperating in its remediation with relevant stakeholders.

The MODIVO Group is committed to respecting and upholding human rights and adhering to the provisions and guidelines of internationally recognised legal standards, including:

- Universal Declaration of Human Rights,
- Ten Principles of the United Nations Global Compact,
- International Bill of Rights,
- OECD Guidelines for Multinational Enterprises,
- UN Guiding Principles on Business and Human Rights,
- ILO Convention.

The MODIVO Group's internal policies, including the Code of Ethics and the Supplier Code of Conduct, are also based on the standards and guidelines listed above.

The Group is committed to maintaining and promoting the highest standards. To this end, it has implemented a range of documents and procedures to ensure compliance with human rights and ethical principles throughout its value chain. The key documents are as follows:

Value chain: Own operations	Value chain: Upstream and downstream
MODIVO Group Code of Ethics, MODIVO Group Anti-Corruption Code, Equal Treatment, Non-Discrimination and Anti-Harassment Rules, MODIVO Group Whistleblowing Procedure, Compliance Policy, Conflict of Interest Policy, Risk Management Policy, Procurement Policy, Anti-Money Laundering and Counter-Terrorist Financing Procedure,	MODIVO Group Code of Ethics, MODIVO Group Supplier Code of Conduct, MODIVO Group Whistleblowing Procedure, MODIVO Group Advertising Code of Ethics, Procurement Policy, General Terms and Conditions of Purchase, Anti-Money Laundering and Counter-Terrorist Financing Procedure,

Policies related to business conduct and corporate culture of the MODIVO Group

The Code of Ethics defines the standards of conduct and core values of the MODIVO Group, including commitments relating to the prevention of human rights violations, corruption and conflicts of interest. It supports the development of a responsible organisational culture and transparent relationships by providing mechanisms for reporting, investigating and addressing violations.

The **Compliance Policy** ensures that the MODIVO Group's activities are conducted in accordance with applicable laws, internal regulations and adopted standards, thereby mitigating legal, financial and reputational risks. The compliance framework strengthens responsible governance and enhances transparency towards stakeholders.

The **Anti-Corruption Code** sets out the rules for preventing corruption and safeguarding the assets and reputation of the MODIVO Group, supporting a zero-tolerance approach to misconduct. Together with the Code of Ethics and the Whistleblowing Procedure, it establishes clear standards of conduct and protections for individuals reporting violations.

The **Equal Treatment, Non-Discrimination and Anti-Harassment Rules** define the principles of equal treatment and the prevention of discrimination and workplace harassment within the MODIVO Group, ensuring employee protection and transparent procedures for handling violations. They help foster an inclusive workplace environment and equal opportunities in employment, professional development and remuneration.

The **Conflict of Interest Policy** establishes the rules for identifying, notifying and managing conflicts of interest within the MODIVO Group, supporting transparency and responsible business decision-making. It introduces mandatory reporting obligations and a central register of conflicts of interest, reinforcing a culture of compliance and trust.

The **cybersecurity regulations** define the principles for secure and responsible use of systems and AI-based tools in accordance with applicable legal requirements, standards and values of the MODIVO Group. They support data protection and the mitigation of technological and operational risks.

The **personal data protection regulations** ensure the protection of personal data within the MODIVO Group through comprehensive rules and procedures implemented to reduce the risk of data loss, breaches or unauthorised access. The framework covers risk management, data retention and incident response, ensuring respect for the right to privacy.

The Risk Management Policy establishes the rules to govern implementation, maintenance and continuous improvement of the Group's risk management framework, safeguarding the value and operational stability of the organisation. The system encompasses identification, analysis, assessment and management of risks throughout all stages of operations and assigns accountability to designated risk owners.

The **Anti-Money Laundering and Counter-Terrorist Financing Procedure** defines the rules for preventing the risk of money laundering and terrorist financing, by integrating legal requirements with the business model of the MODIVO Group. It focuses on risk identification, the application of appropriate financial security measures and the development of relevant competencies among employees, thereby supporting an ethical and transparent organisational culture.

The **Procurement Policy** promotes a responsible and transparent procurement culture at the MODIVO Group, ensuring the highest quality standards, optimal commercial terms and due diligence throughout the supply chain. It supports the development of long-term, ethical relationships with trade partners and helps advance the Sustainability Strategy.

These policies apply to:

- all employees, regardless of the form of employment,
- members of the corporate bodies across the Group,
- contractors and individuals acting on behalf of the Group,
- suppliers and business partners, where relevant.

The Group also expects cooperating entities to comply with applicable ethical standards.

Responsibility for the implementation and oversight of the policies is assigned to:

- the Management Board – responsible for the adoption, updating and oversight of the compliance system,
- the Supervisory Board / Audit Committee – responsible for monitoring the effectiveness of the system,
- Compliance Officer – responsible for operational implementation of the compliance system,
- Ethics Officer – responsible for oversight of the Code of Ethics and the handling of reports,
- other specialised functions, including HR, Internal Audit and the Data Protection Officer.

The policies are:

- made available to employees via the intranet and, in key areas, publicly accessible on the corporate website,
- communicated through mandatory training, including e-learning modules,
- supported by educational and advisory activities (including the role of the Ethics Officer).

Implementation of the policies includes:

- obligation to acknowledge the Code of Ethics,
- regular training on ethics, compliance and human rights,
- system for declaring conflicts of interest and maintenance of relevant registers.

The policies applicable within the organisation are available on the Company's corporate website at https://modivoplatform.com/raporty-i-polityki and on the Group's intranet.

Whistleblowing procedure and mechanism
The Internal Whistleblowing Procedure of the MODIVO Group provides a means to report legal violations, or behaviour that breaches the Group's codes and internal policies, supporting socially responsible and ethical conduct. Reports may be submitted anonymously or openly, through both internal and external reporting channels, with full protection afforded to whistleblowers.



Whenever a violation of the law, the Code of Ethics or the Anti-Corruption Code is suspected, any person (whether an employee or a third party) can use the available information tools to report the violation. Reports can be submitted from inside or outside the organisation.

Protection of whistleblowers
The MODIVO Group ensures the confidentiality and – where required under applicable laws – the anonymity of reports, prohibiting any form of retaliation against whistleblowers. Moreover, whistleblowers are provided with appropriate support, including, where justified, legal and psychological assistance. Access to information on reported concerns is restricted exclusively to authorised individuals responsible for handling and investigating such reports.

The whistleblowing procedures implemented by the MODIVO Group are compliant with applicable legal requirements, including the Polish Act on the Protection of Whistleblowers. Whistleblower protection, including reporting and case handling procedures, safeguards against retaliation and other matters, are comprehensively governed by the Internal Whistleblowing Procedure applicable across the MODIVO Group.
Accordingly, the Group has not adopted a separate whistleblower protection policy, as this area is fully covered by the existing procedure.

Management of reports and handling of complaints
The strategic objective of the MODIVO Group is to consistently maintain a 100% review rate for reported concerns. All reports are reviewed confidentially by the Ethics Officer, with the support of the Compliance Officer, and, in exceptional cases, by the Management Board. Complaints relating to workplace harassment and discrimination are reviewed by an independent committee, with findings reported to the Management Board and the Audit Committee.

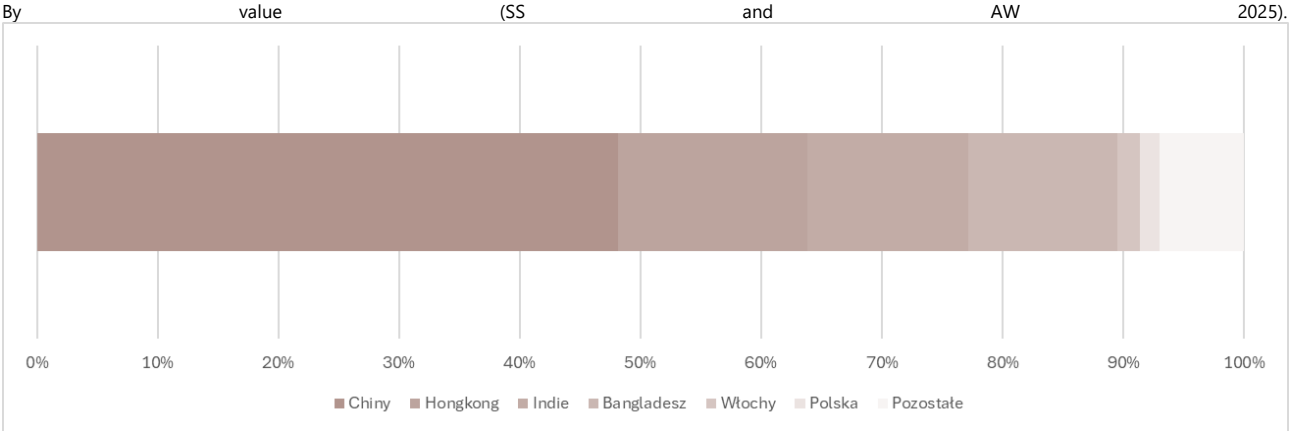
Communication and training on business conduct, corporate culture and ethics, including human rights and anti-corruption policies
The Group conducts regular communication activities and mandatory e-learning programmes covering ethics, human rights and anti-corruption policies. All employees have access to the Code of Ethics and the Anti-Corruption Code, while members of the Management Board and the Supervisory Board review updates to the applicable regulations on an annual basis.
In 2025, 100% of the workforce completed mandatory ethics training within the required validity period.

G1-2 Management of relationships with suppliers

Supplier relationships at the MODIVO Group are managed through formalised policies, procedures and oversight mechanisms that integrate environmental, social and governance (ESG) requirements into its procurement processes and supply chain management.

Chart*: *Geographical breakdown of sourcing for private-label and licensed-brand products

By value (SS and AW 2025).



Long-term relationships with trade partners enable the MODIVO Group to implement standards that support compliance with exacting requirements in relation to product safety and quality, timely production and deliveries, respect for human rights, as well as adherence to social and environmental standards.

The principles governing cooperation with suppliers are defined in the Supplier Code of Conduct, which constitutes an integral component of contractual documentation and the supplier qualification process. The Code establishes minimum standards in the areas of human and labour rights (including the prohibition of child labour and forced labour, respect for freedom of association, non-discrimination, safe and hygienic working conditions, and fair wages), environmental protection (including water and wastewater management, management of chemicals, emissions and waste, anti-deforestation measures, and responsible sourcing of raw materials), animal welfare, business integrity, anti-corruption, and the protection of data and information.

The acknowledgement of and compliance with the Supplier Code of Conduct constitutes a prerequisite for establishing and maintaining a supplier relationship.
In 2025, 98.51% of key private-label and licensed-brand suppliers cooperating with the MODIVO Group formally committed to complying with the provisions of the Code.

These principles are further reflected in the Procurement Policy, the General Terms and Conditions of Purchase, contractual clauses and supplier compliance declarations.

In addition, ESG criteria form part of the supplier qualification and periodic evaluation process. Prior to the award of a supplier contract, potential suppliers are subject to a risk assessment covering, among other things, the country and region of operations, product category, potential environmental and social risks, their regulatory compliance track record and past ethical performance.

Where suppliers are found to present an elevated risk exposure, additional scrutiny and due diligence measures may be applied, including pre-contractual audits or enhanced documentation requirements.

The Group applies a due diligence approach throughout its value chain, including regular internal audits conducted by trained employees and external audits carried out by authorised local entities.
The system involves supplier assessment and classification, monitoring of corrective actions, and the analysis of geographic and sector-specific risks.

Social audits are primarily based on the Amfori BSCI and SMETA standards. 50% of unique suppliers of private-label and licensed-brand products (representing 60% of the total value of orders) hold either an Amfori or SMETA audit certification. Among these suppliers, 10.5% hold both certifications (representing 17.88% of the total value of orders), while 11 entities are certified as having passed an integrated Higg Index audit.
In addition, 15% of suppliers, accounting for 20.76% of the total value of orders, have undergone verified environmental audits (19 under the SMETA module and one under the Higg Index).

The Group regularly monitors certification levels among its key suppliers of private-label and licensed-brand products, analysing certification coverage relative to the value of orders. The results confirm that compliance with material sourcing and environmental protection standards constitutes a priority within the Group's procurement structure.

The largest group of suppliers (64) hold material sourcing certifications. Standards of key importance include FSC (27.9% of the total value of orders), GRS (20.0%) and RCS (19.0%), demonstrating a high level of control over the origin of raw materials.

A distinct category comprises leather manufacturers affiliated with the Leather Working Group (LWG). As many as 37 out of 39 suppliers within this group hold the highest Gold status. Their share in the total value of orders exceeds 52%, demonstrating the Group's preference for partners exhibiting the highest environmental performance standards. ISO 9001 (38% of the total value of orders) and ISO 14001 (over 26%) remain the operational foundation of the Group's supplier base.
In addition, the Group tracks the origin of raw materials in order to minimise the risk of using environmentally and socially non-compliant materials.

Selected Group companies hold the Authorised Economic Operator (AEO) status and are subject to regular audits conducted by the National Revenue Administration. Procurement and supply chain management are also subject to independent review by the Internal audit function.

Where non-compliance with the Supplier Code of Conduct or other ESG requirements is identified, the Group applies a graduated approach, which may include requiring the supplier to prepare and implement a corrective action plan, monitoring whether the corrective actions have been duly implemented within a specified timeframe, and – where no improvement is achieved – limiting or terminating the contractual relationship.

Suppliers and their employees may report concerns through the available reporting channels, in accordance with the whistleblower protection rules applicable at the Group.

Responsibility for the implementation and oversight of principles governing the management of supplier relationships rests with the Procurement Department, which cooperates with the compliance, ESG and internal audit functions. Material risks and the outcomes of monitoring are reported to senior management as part of the Group's enterprise risk management system.

Employees of the Procurement Department are required to adhere to ethical standards in commercial relations with suppliers and to incorporate ESG criteria into decision-making.

To facilitate their alignment with the Group's standards and transition towards more sustainable business models, the Group has developed a dedicated incentive programme for suppliers.
Strong emphasis is also placed by the MODIVO Group on digital security and the protection of customer data through proactive measures aimed at preventing unauthorised access to systems and data breaches. Advanced safeguards and monitoring procedures have been implemented to ensure the effectiveness of these measures.

G1-3 Prevention and detection of corruption or bribery

The MODIVO Group applies a zero-tolerance approach to corruption. The principles it has adopted to govern the prevention, detection and response to corruption-related risks are set out in the Anti-Corruption Code, which is publicly available and accessible via the Group's intranet. Employees are required to report actual or potential instances of corruption, including attempts to offer or accept improper benefits, through dedicated reporting channels, with protection against retaliatory actions ensured. Such reports are investigated by the Compliance Officer or the Ethics Officer, while in justified cases the Management Board or the Supervisory Board may appoint an authorised body to carry out the investigation. Employees of the Group are covered by mandatory, recurring ethics and anti-corruption training, with the objective of ensuring the 100% annual training coverage.
Information on reported incidents and the outcomes of investigations is reported by the Compliance Officer to the Management Board, the Supervisory Board and the Audit Committee. The Group's Anti-Corruption Code is available on the corporate website.

Areas at risk of corruption and bribery
In 2025, the areas most vulnerable to corruption and bribery risks at the MODIVO Group were procurement and business development functions.
In 2025, the percentage of individuals identified as being at risk who were covered by anti-corruption and anti-bribery training, delivered either through e-learning or in-person sessions, was 100% (91 individuals in total).

Table: Anti-corruption and anti-bribery training in the MODIVO Group in 2025

	Functions at risk	Management personnel	Management Board and Supervisory Board	Other employees
Scope of training				
Total number of people	17,528	3187	8	0
Total number of people trained in anti-corruption and anti-bribery during the reporting period	14,135	1,555	1	0
Training delivery method and duration (in hours)				
In-person training	0	0	0	0
Computer-based training	1,177.91 h	129.58 h	0.08 h	0
Voluntary in-person training	0	0	0	0
Voluntary computer-based training	0	0	0	0
Training frequency				
Frequency of required training	Annually	Annually	Annually	Annually
Topics covered				
Definition of corruption and bribery	YES	YES	YES	YES
Policies	YES	YES	YES	YES
Procedures	YES	YES	YES	YES

*The figure includes senior management personnel and managers.

Measures to counteract money laundering terrorist financing are governed by the Anti-Money Laundering and Counter-Terrorist Financing Procedure.

During the reporting period, the MODIVO Group continued to implement anti-corruption and anti-bribery measures established in previous reporting periods.

These included, in particular:

- provision of recurring employee training,
- development and updating of compliance policies and procedures,
- business partner due diligence processes,
- maintenance and enhancement of whistleblowing and misconduct reporting mechanisms.

The effectiveness and progress of these measures are monitored by the Group through the analysis of training indicators, reported cases and the outcomes of internal audits. In 2025, the Group did not identify any material gaps in the implementation of adopted measures.

Anti-corruption measures are financed as part of the Group's ongoing operating expenses, mainly within the compliance, internal audit, HR and IT functions.
Resources allocated to these measures include:

- costs related to training and educational activities,
- costs associated with the operation of the compliance system,
- costs related to the maintenance and development of supporting tools (including the whistleblowing system),
- dedicated personnel resources (including the Compliance Officer, Ethics Officer and control functions).

Expenditure incurred on anti-corruption measures is recognised in the financial statements under operating expenses, primarily within the general administrative and support function categories.
The Group does not maintain a separate budget dedicated exclusively to anti-corruption measures, but such costs constitute an integral part of the Group's risk management and compliance frameworks.

The Group intends to continue its anti-corruption and anti-bribery efforts in future reporting periods, funding them through ongoing operating budgets.

Planned measures include:

- continued delivery of training,
- further development of compliance tools and processes,
- strengthening of the risk control and monitoring mechanisms.

No material changes to the current level of resource allocation are anticipated compared with the existing funding model.

G1-4 Incidents of corruption or bribery

During the reporting period, no companies of the MODIVO Group were fined for violations of anti-corruption or anti-bribery laws and regulations.
Furthermore, there were no confirmed incidents involving breaches of anti-corruption regulations during 2025.

G1-6 Payment practices

The average time the MODIVO Group takes to settle an invoice from the date when the contractual or statutory term of payment begins is up to 180 days, which reflects the standard payment terms applied. This primarily concerns the supply of merchandise.
The payment terms for non-merchandise goods typically range from 90 to 180 days.

During the reporting period, no legal proceedings related to late payment were initiated.

The MODIVO Group has no formal policy in place governing late payments, but the implemented cost processing procedure governs the flow of cost documents, documents that are required and deadlines for each step of the cost approval process.

The Group uses reverse factoring services under which, following the submission of an invoice for goods purchased, the factor bank settles the amounts due to suppliers within seven business days.
The Group then repays the factor within the original payment term specified in the invoice.

The consolidated financial statements were authorised for issue by the Management Board on 28 May 2026.	
Signatures of all Management Board Members:	
Dariusz Miłek	President of the Management Board
Łukasz Stelmach	Vice President of the Management Board