

# **REPORT ON ACTIVITIES OF THE SUPERVISORY BOARD OF ZUE S.A. FOR 2023**

With supplement on the activities of the Audit Committee until 26 March 2024

Cracow, 8 May 2024

## 1. General information

The Supervisory Board of ZUE S.A. (the Company) operates on the basis of the Polish Companies Act of 15 September 2000 and other generally applicable laws, including the Polish Act on Auditors,<sup>1</sup> the Articles of Association of ZUE S.A., the Regulations of the Supervisory Board of ZUE S.A and the rules of corporate governance set out in 2021 Code of Best Practice.<sup>2</sup>

This Report contains:

- Assessment of the Company's financial statements for 2023;
- Assessment of the Group's financial statements for 2023;
- Assessment of the Management Board report on the activities of the Capital Group for 2023, which also contains disclosures about the Parent Company;
- Assessment of the Management Board proposal concerning the distribution of profit for the financial year 2023;
- Assessment of the Company's and the Group's position;

and other information required under 2021 Code of Best Practice and Article 382 § 3<sup>1</sup> of the Companies Act.

The Report covers the period of the Company's operation between 1 January 2023 and 31 December 2023 and contains supplementary information about the activities of the Audit Committee by the date of publication of the annual financial statements for 2023; i.e. until 26 March 2024.

The assessments contained in this Report are made after the Supervisory Board have read the Report of the Audit Committee prepared on the basis of § 19.6 of the Regulations of the Supervisory Board, which contains, *inter alia*, the evaluation of the processes and areas supervised by the abovementioned Committee, summary of the audit results, explanation on how the audit has contributed to reliable financial reporting of the public company and explanation of the Audit Committee's role in the audit.

## 2. Composition of the Supervisory Board in 2023

In 2023, the Supervisory Board was composed of:

Piotr Korzeniowski	Supervisory Board Chairperson
Barbara Nowak	Supervisory Board Vice-Chairperson
Agnieszka Klimas	Supervisory Board Member
Irena Piekarska-Konieczna	Supervisory Board Member
Maciej Szubra	Supervisory Board Member

The composition of the Company's Supervisory Board remained unchanged.

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<sup>1</sup> Polish Act on Statutory Auditors, Audit Firms and Public Supervision of 11 May 2017 (Consolidated text, Journal of Laws of 2023, item 1015, as amended).

<sup>2</sup> Rules adopted under the resolution no. 13/1834/2021 of the Stock Exchange Board of 29 March 2021 concerning "2021 Code of Best Practice."

Agnieszka Klimas, Irena Piekarska-Konieczna and Maciej Szubra meet the independence criteria referred to in the Act on Auditors and 2021 Code of Best Practice.

Barbara Nowak has the skills referred to in Article 129.5 the Act on Auditors relating to the skills and knowledge of the business run by the Company.

Irena Piekarska-Konieczna has the skills and knowledge of accountancy and financial statements audit.

The people with no actual or major links to the shareholders holding at least 5% of the total vote at the Company include Agnieszka Klimas, Maciej Szubra, Piotr Korzeniowski and Irena Piekarska-Konieczna.

The skills of individual members of the Supervisory Board and their extensive professional experience complement each other and encourage proper joint supervision of the Company management.

### **3. Review and assessment of the Supervisory Board activities**

In the financial year ended 31 December 2023, the Supervisory Board exercised constant supervision of the operations of ZUE S.A. It held 8 meetings and passed 21 resolutions. In between the meetings, members of the Supervisory Board held regular talks with the Audit Committee, the Management Board and the Company's Financial Department to find out about the situation at the Company and help the Management Board solve the problems relating to the issues of strategic significance to the Capital Group. The meetings of the Supervisory Board were held according to the regulations adopted by the Supervisory Board.

At the meetings attended by members personally or by means of remote communication, the Supervisory Board passed the resolutions on, *inter alia*:

- Approval of agreements entered into with business entities in which members of the Management Board participate as shareholders or members of their governing bodies;
- Submission to the General Meeting of the annual written report on the assessment of the financial statements for the prior financial year and the Management Board report on the activities of the Capital Group in 2022;
- Assessment of the Management Board's proposal concerning the distribution of profit for the financial year 2022.

As part of its supervisory role, the Supervisory Board analysed on an ongoing basis the financial and economic condition of the Company and assessed the Management Board's activities concerning, *inter alia*:

- Maintenance of financial liquidity;
- Proper management of the Company's expenses and working capital;
- Obtaining new contracts;
- Assessment of the effect of the war in Ukraine on the operating activities and financial results of the Capital Group.

At the Supervisory Board meetings, the Company's Management Board gave account of the Company's financial and economic position, and major business operations, including the Company's financial liquidity, winning new contracts both on the Polish and international markets and the effect of the war in Ukraine on the operating activities and financial results of the Capital Group. The Supervisory Board was also informed about the contracts underway both in terms of the works progress and budgets. In addition, the Supervisory Board learnt about the Company's cooperation with subsidiaries.

The cooperation of the Supervisory Board and the Management Board in 2023 was proper.

In addition, the Supervisory Board read the report of the Audit Committee on activities including the evaluation of processes and areas supervised by the Audit Committee, taken measures and their consequences, summarized information about the results of the audit of the Company's annual reports for 2023, explanation on how the audit contributed to reliable financial reporting at the Company and explanation of the Audit Committee's role in the audit. Comments on the Report of the Audit Committee were taken into account in the course of making the following assessments by the Supervisory Board.

#### **4. Functioning and tasks of the Supervisory Board Committees**

The Audit Committee was established at ZUE S.A. on 18 October 2017. On 23 May 2019, members of the Audit Committee were reappointed by the Supervisory Board.

On 31 May 2022, members of the Audit Committee were reappointed by the current Supervisory Board. By this Report preparation date, the Audit Committee operated uninterruptedly and was composed of:

- Irena Piekarska-Konieczna – Chairperson of the Audit Committee (independent member within the meaning of the Act on Auditors);
- Barbara Nowak – Member of the Audit Committee;
- Maciej Szubra – Member of the Audit Committee (independent member within the meaning of the Act on Auditors).

The tasks (including statutory tasks) of the Audit Committee of ZUE S.A. include, in particular:

- Monitoring of financial reporting process;
- Monitoring of effectiveness of the Company's internal control systems, risk management systems and internal audit, including financial reporting;
- Monitoring of financial audit including, in particular, audits of the Company's financial statements conducted by audit firms and taking into consideration any comments and findings of the Audit Oversight Committee following from an inspection carried out at the audit firm;
- Control and monitoring of independence of an auditor or audit firm delivering services to the Company;
- Informing the Supervisory Board about the results of the Company's financial statements audit and explaining how the audit has contributed to reliable financial reporting at the Company and the role of the Committee during the audit;
- Assessment of an auditor's independence and giving consent to the provision of services to the Company by the said auditor;

- Developing the policy of appointing an audit firm to conduct the audit of the Company's financial statement;
- Developing the policy of delivering non-audit services by an audit firm conducting the audit of the financial statements, entities related to the said audit firm and a member of the audit firm network;
- Defining the procedure of appointment of an audit firm by the Company; and
- Making recommendations to ensure reliable financial reporting at the Company.

As part of its activities, the Audit Committee discussed with the Management Board the plan of the audit of the Company's financial statements for 2023, including the dates of initial and final audits, and held three conversations with the representatives of POLINVEST-AUDIT Sp. z o.o. – Auditor appointed to review the half-yearly separate financial statements of the Company and the half-yearly consolidated financial statements of the Group and to audit the annual separate financial statements of the Company and the annual consolidated financial statements of the Group for the first half of 2023 and the year 2023, respectively.

The first conversation concerned a summary of activities connected with the review of the half-yearly financial statements of the Company and the Capital Group and important reporting issues covered by the review.

The information for the Audit Committee of ZUE S.A. on the review of the financial statements for the first half of 2023 prepared on the basis of the National Standard on Auditing (NSA) 260 contains a detailed scope of the issues discussed at the meeting.

The second meeting involved the talks about purpose of the audit, the scope and schedule of the audit, the concept of materiality in financial audit, planned activities and procedures aimed at evidencing the identified risks, discussion of performed audit procedures, including the procedures relating to initial audit, and questions about the identification and occurrence of events connected with errors, fraud and violation of law.

The third meeting dealt with:

- Summary of the audit of the financial statements of ZUE S.A. and the following subsidiaries: PBI Energopol Sp. z o.o. and Railway GFT Polska Sp. z o.o. Discussion of major aspects of the audit;
- Discussion of adjustments to the financial statements submitted to the Management Board of ZUE S.A.
- Discussion of suggested clauses in the reports on the audits of the companies within the Capital Group and the report on the audit of the consolidated financial statements.
- Discussion of the effects of the war in Ukraine and, to a smaller extent, of the covid-19 pandemic on the activities and financial reporting of the companies within the Capital Group.
- Discussion of the terms and rules of the audit of the financial statements for 2023.

The Audit Committee was also provided by the Auditor with the additional report which contained a detailed discussion of issues relating to the audit of the financial statements within the Group.

Detailed results of the Audit Committee's tasks were submitted to the Supervisory Board in the Audit Committee's Report on Activities.

No other committees were formed at the Supervisory Board of ZUE S.A.

## **5. Assessment of the financial statements of ZUE S.A. for the financial year ended 31 December 2023**

Acting pursuant to Article 382 § 3 of the Polish Companies Act and § 16.2.f) of the Company's Articles of Association, the Supervisory Board of ZUE S.A. assessed:

- The financial statements of the Company for 2023 comprising:
  - a) Statement of financial position showing as at 31 December 2023 the total assets and the total equity and liabilities of PLN 909,052 thousand (nine hundred and nine million fifty two thousand złotych);
  - b) Statement of comprehensive income showing as at 31 December 2023 the net comprehensive income of PLN 21,872 thousand (twenty one million eight hundred and seventy two thousand złotych) and the net profit of PLN 22,028 thousand (twenty two million twenty eight thousand złotych);
  - c) Statement of changes in equity showing as at 31 December 2023 an increase in equity by PLN 20,278 thousand (twenty million two hundred and seventy eight thousand złotych);
  - d) Statement of cash flows showing as at 31 December 2023 a net increase in cash by PLN 151,903 thousand (one hundred and fifty one million nine hundred and three thousand złotych);
  - e) Notes to the financial statements, including information on adopted accounting policy and other explanatory information; and
- Management Board Report on activities of the Parent Company and the Capital Group for 2023;

in terms of the compliance thereof with records, documents and actual state.

Based on the analysis of:

- a) content of the abovementioned reports submitted by the Company's Management Board;
- b) documents and accounting records and information provided by the Company's Management Board;
- c) results of additional review of selected financial and operating areas;
- d) report on the audit of the Company's financial statements for the financial year 2023 prepared by Polinvest-Audit Sp. z o.o. with registered office in Cracow, an audit firm;
- e) additional report prepared by the audit firm for the Audit Committee referred to in Article 131 of the Act on Auditors;
- f) results of the meetings with representatives of the abovementioned audit firm, including key auditor; and
- g) information from the Audit Committee about the course, results and significance of the audit for the reliability of financial reporting at the Company and the role of the Committee in the process of the financial statements auditing;

the abovementioned reports have been favourably assessed by the Supervisory Board.

In addition, on the basis of the knowledge about the Company and a broad scope of activities undertaken in connection with the preparation and audit of the abovementioned reports, the Supervisory Board of the Company state that the report on activities and the financial statements of the Company for the financial year 2023 have been prepared in compliance

with the law, accounting records, documents and actual state and that they contain a true view of the Company's achievements and development as well as the Company's standing and no reservations have been voiced about the form or content thereof.

The Supervisory Board recommend that the abovementioned financial statements and the components thereof be approved by the General Meeting.

#### **6. Assessment of the consolidated financial statements of the Capital Group for the financial year ended 31 December 2023**

The Supervisory Board of ZUE S.A. assessed:

- The consolidated financial statements of the Capital Group for 2023 comprising:
  - a) Consolidated statement of financial position showing as at 31 December 2023 the total assets and the total equity and liabilities of PLN 935,361 thousand (nine hundred and thirty five million three hundred and sixty one thousand zlotys);
  - b) Consolidated statement of comprehensive income showing as at 31 December 2023 the net comprehensive income of PLN 20,971 thousand (twenty million nine hundred and seventy one thousand zlotys) and the net profit of PLN 21,127 thousand (twenty one million one hundred and twenty seven thousand zlotys);
  - c) Consolidated statement of changes in equity showing as at 31 December 2023 an increase in equity by PLN 19,307 thousand (nineteen million three hundred and seven thousand zlotys);
  - d) Consolidated statement of cash flows showing as at 31 December 2023 a net increase in cash by PLN 160,028 thousand (one hundred and sixty million twenty eight thousand zlotys);
  - e) Notes to the financial statements, including information on adopted accounting policy and other explanatory information; and
- Management Board Report on activities of the Parent Company and the Capital Group for 2023;

in terms of the compliance thereof with records, documents and actual state.

Based on the analysis of:

- a) content of the abovementioned reports submitted by the Company's Management Board;
- b) documents and accounting records and information provided by the Company's Management Board;
- c) results of additional review of selected financial and operating areas;
- d) report on the audit of the consolidated financial statements for the financial year 2023 prepared by Polinvest-Audit Sp. z o.o. with registered office in Cracow, an audit firm;
- e) additional report prepared by the audit firm for the Audit Committee referred to in Article 131 of the Act on Auditors;
- f) results of the meetings with representatives of the abovementioned audit firm, including key auditor; and
- g) information from the Audit Committee about the course, results and significance of the audit for the reliability of financial reporting at the Company and the role of the Committee in the process of the financial statements auditing;

the abovementioned reports have been favourably assessed by the Supervisory Board.

In addition, on the basis of the knowledge about the Company and a broad scope of activities undertaken in connection with the preparation and audit of the abovementioned reports, the Supervisory Board of the Company state that the report on activities and the consolidated financial statements of the Capital Group for the financial year 2023 have been prepared in compliance with the law, accounting records, documents and actual state and that they contain a true view of the Group's achievements and development as well as the Group's standing and no reservations have been voiced about the form or content thereof.

The Supervisory Board recommend that the abovementioned consolidated financial statements and the components thereof be approved by the General Meeting.

## **7. Assessment of the Management Board Report on Activities of ZUE and ZUE Group in 2023**

After they have analysed the Management Board report on the activities of ZUE S.A. and the Capital Group in the period 1 January 2023 – 31 December 2023, the Supervisory Board accept the document submitted by the Management Board and state that the activities of the Management Board have been performed in accordance with the Polish Companies Act, the Company's Articles of Association, the Management Board Regulations and the best interest of the Company. Pursuant to Article 382 of the Polish Companies Act, the Supervisory Board have given a favourable opinion on the Management Board report and recommend that all the members of the Management Board be granted discharge in respect of the performance of their duties in the period 1 January 2023 - 31 December 2023.

## **8. Assessment of the proposal of the Management Board of ZUE S.A. concerning the distribution of profit for the financial year 2023**

The Supervisory Board of ZUE S.A. have approved the proposal of the Company's Management Board and make recommendations to the Company's Ordinary General Meeting for allocating the profit for the financial year 2023 of PLN 22,028,232.93 (twenty two million twenty eight thousand two hundred and thirty two zlotys 93/100) in the following manner:

- 1) The portion of the net profit for the financial year 2023 of PLN 4,780,740.51 (four million seven hundred and eighty thousand seven hundred and forty zlotys 51/100) should be paid as dividend (PLN 0.21 per share);
- 2) The residual net profit for the financial year 2023 of PLN 17,247,492.42 (seventeen million two hundred and forty seven thousand four hundred and ninety two zlotys 42/100) should be allocated to reserve funds.

## **9. Assessment of the Company's and the Capital Group's position**

The Group's revenue in 2023 increased by 61% to almost PLN 1.5bn (PLN 1,484.1m). The Group definitely achieved its highest-ever sales. The Group posted the net profit nearing PLN 21m (+22% y/y). The revenue of ZUE S.A. was up by 66% year-on-year and the net profit of PLN 22m grew over the year by 115%.



In 2023, the construction companies within the Group obtained the new construction contracts whose total value was approximately PLN 959m. The most important contract, whose net value was PLN 785m, was entered into with PKP PLK S.A. The task undertaken by the Group constitutes one of three stages in what is the largest multi-stage railway investment in the Silesian Province in recent years. Among other things, the investment is expected to ensure better access to the railways, shorten travel times by increasing train speeds and improve passenger comfort. It will also improve the safety of goods and passengers.

Although tram and railway markets remained the main areas of the Group's activity in 2023, the Group was also involved in developing the Group's youngest member, namely Energopol. The skills and experience of Energopol supplement ZUE's activities in the area of road works, construction of roads and bridges and many other specialist works. In 2023, Energopol obtained three new construction contracts with the total value of approximately PLN 65m.

ZUE is prepared for a resumption in investment plans by major contracting authorities, which the industry anticipates in connection with the potential inflow of EU funds. PKP PLK estimates combined investment needs in railway infrastructure of approximately PLN 300bn a significant amount of which will be incurred by 2030. Construction works under investments projects continue as part of the National Railway Programme (the NRP) and another pool of new investments under the NRP will be financed with EU funds, including funds from the National Recovery Plan.

Construction activities carried out by ZUE are the biggest item in the Group's backlog. At the date of publication of the annual report for 2023, the Group's backlog amounted to PLN 1,731m, including the contracted construction and assembly works with the net value of PLN 1,679m providing the Group with ability to operate in 2024-2025. The backlog of Railway gft concerning the supply of materials and equipment amounted to PLN 16m. The backlog of Energopol for construction services was PLN 36m. The value of the new construction contracts signed by the companies within the Group in 2023 was approximately PLN 959m, including the contracts entered into by Energopol, a road company, worth approximately PLN 65m. In 2024, the Company and a consortium member were awarded another tram infrastructure contract worth PLN 295m (50% for ZUE). The Group continues to participate in tenders.

The Supervisory Board state, after they have analysed the documents and the actual state of affairs, that the current financial position of ZUE S.A. and the Capital Group as regards liquidity and access to external financing sources does not pose any risk to the financing of their activities in 2024. The Supervisory Board have favourably assessed the condition of the Company and the Group and state that both the Company and the Group are in a good financial position.

#### **10. Assessment of the accuracy and effectiveness of internal control and risk management systems as well as the supervision of compliance with the law and internal audit functions**

After they have made periodic reviews and discussed certain issues with the Company's Management Board, the Supervisory Board and the Audit Committee favourably evaluate the

functioning of the internal control and risk management systems as well as the supervision of compliance with the law and internal audit functions.

Until 11 July 2023, the tasks associated with internal control, risk management and supervision of the compliance of activities with the law were dispersed and carried out by the Company's individual organizational units. On 11 July 2023, the Company adopted the Internal Control Rules (the "Rules"). According to the Rules, the aim of internal control is to check whether employees act according to the law and internal acts of the Company, the Company's organisational units operate properly, contracts are performed properly, the rules of ethical conduct are observed, the circulation of information at the Company is proper, the resources are used properly, activities are carried out effectively and economically and tasks assigned to individual employees are completed; and to determine the reasons for and the effects of irregularities as well as people responsible to the occurrence thereof; to recommend remedies and verify the implementation thereof; and to train employees on compliance. The internal control is exercised as functional control, institutional control and system control. Functional control is a duty of all employees holding managerial positions and selected employees holding independent positions. Institutional control is carried out by internal control office. System control is exercised by selected employees who have access to the Company's IT systems.

In addition, there is an ethical management policy at the Company and an advisor was appointed to handle reports on irregularities, including anonymous reports.

## **11. Assessment of compliance with disclosure requirements**

Considering the requirement set out in the rule 2.11.4. contained in 2021 Code of Best Practice, which reads that apart from its tasks specified by the law, the supervisory board shall prepare once a year and submit to the ordinary general meeting for approval its assessment of the way the rules of corporate governance and the disclosure requirements set out in the Stock Exchange Regulations and the laws concerning current and periodic information published by issuers of securities are observed by the company, accompanied by the information on the activities undertaken by the supervisory board to make the assessment, the Company's Supervisory Board have analysed the year 2023 in terms of the Company's performance of:

- a) Disclosure requirements concerning the publication in Electronic Database of reports on incidental violation of or deviation from corporate governance rules;
- b) Disclosure requirements concerning the publication of the statement of compliance with corporate governance rules in annual reports of the management board on activities;
- c) Disclosure requirements concerning the publication of specific information on the Company's website.

The following documents, information and circumstances have been considered as part of the analysis:

- a) 2021 Code of Best Practice for the Warsaw Stock Exchange Listed Companies;

- b) Notice of 21 December 2022 about the Company's compliance with rules contained in 2021 Code of Best Practice for the Warsaw Stock Exchange Listed Companies;
- c) Information on corporate governance published on the website of ZUE S.A.; and
- d) Actual compliance with the rules of Best Practice for the Warsaw Stock Exchange Listed Companies by ZUE S.A.

After they have read the abovementioned documents and information, the Supervisory Board state that the Company observed in 2023 the rules of corporate governance as set out in 2021 Code of Best Practice, except for the following rules: 1.3.1., 1.3.2., 1.4., 2.1., 2.2., 3.5., 3.6., 3.7., 4.1., 4.3., 4.8., 4.9.1.

Following the analysis, the Supervisory Board state that information submitted as part of the disclosure requirement concerning the use of corporate governance rules complies with the actual use of the Code of Best Practice for the Warsaw Stock Exchange Listed Companies by ZUE S.A.

Accordingly, the Supervisory Board of ZUE S.A. have positively judged the Company's compliance with the rules of corporate governance and disclosure requirements concerning the use of corporate governance rules set out in the Stock Exchange Regulations and the laws concerning current and periodic information published by issuers of securities. In addition, the Supervisory Board agree with the Company that there is no need for observing certain rules of 2021 Code of Best Practice.

## **12. Assessment of sponsorship and charity activities**

After they have assessed the Company's policy on sponsorship and charity, the Supervisory Board state that the Company's sponsorship and charity activities are sufficient and rational from the point of view of the Group's development strategy and the type of activity conducted by the Company.

## **13. Diversity policy with regard to the Management Board and the Supervisory Board**

The five-member Management Board of the Company includes one woman and four men. Two members of the Management Board are aged 30-50. Three members of the Management Board are more than 50 years old. Members of the Management Board are responsible for the entire scope of the Company's operations. People with higher technical education are responsible for the operating and production area and the two of them also have building qualifications. There is one person with a degree in economy and finance followed by relevant post graduate studies. A person with PhD in law has dealt with the Company's legal and corporate issues since the beginning of his professional career. The Management Board President and the founder of ZUE has been with the Company since the first day of the Company's activity; i.e. for more than 30 years. All members of the Management Board have long experience on the market on which the Company operates. They gained it either as the Company's employees or employees of other entities from the civil engineering industry.

The five-member Supervisory Board of the Company includes three women and two men. Three members of the Supervisory Board are aged 30-50. Two members of the Supervisory

Board are more than 50 years old. One person was linked to the Company as its financial employee. Other people have education in economy, finance, law as well as sales and marketing. Wide knowledge and experience of the Supervisory Board are compatible with the skills and competence of the Management Board.

The Company does not apply the diversity policy to the Management Board or the Supervisory Board. Members of the Management Board or the Supervisory Board are appointed on the basis of their competence, skills and effectiveness. The appointment decisions are made on the basis of these criteria.

To sum up, the composition of the management and supervisory personnel meets the diversity criteria with regard to competence, education, experience as well as gender and age.

#### **14. Information on compliance by the Company's Management Board with obligations referred to in Article 380<sup>1</sup> and Article 382 § 3<sup>1</sup> item 4 of the Polish Companies Act and information referred to in Article 382 § 3<sup>1</sup> item 5 of the Polish Companies Act**

In 2023, the Company's Management Board provided the Company's Supervisory Board with the information referred to in Article 380<sup>1</sup> of the Polish Companies Act.

The Company's Management Board informed the Supervisory Board about the Company's financial and economic position, the Company's assets and major business operations, including the Company's financial liquidity, winning new contracts both on the Polish and international markets, effect of the war in Ukraine on the operating activities and financial results of the Capital Group. The Supervisory Board was also informed about the contracts underway both in terms of the works progress and budgets. In addition, the Supervisory Board learnt about the Company's cooperation with subsidiaries.

The Management Board informed the Supervisory Board on an ongoing basis about resolutions passed by the Management Board, the Company's standing, including the Company's property and major circumstances relating to the management of the Company's affairs, especially in the operating, investing and personnel areas. The Supervisory Board also received information about the paths of the Company's development, transactions as well as other events or circumstances which influence or may influence the Company's economic situation, including its profitability or liquidity. In addition, the Company's Management Board diligently prepared and submitted to the Supervisory Board the information, documents, reports and explanations requested by the Supervisory Board pursuant to Article 382 § 4 of the Polish Companies Act.

The Supervisory Board state that the Management Board have properly complied with the obligations specified in Article 380<sup>1</sup> and Article 382 § 3<sup>1</sup> item 4 of the Polish Companies Act dealing with the submission of information to the Supervisory Board.

The Supervisory Board also inform that no remuneration was paid by the Company in 2023 in connection with any audit ordered by the Supervisory Board pursuant to Article 382<sup>1</sup> of the Polish Companies Act.

The Report has been completed and signed.

1. Piotr Korzeniowski	Supervisory Board Chairperson:
2. Barbara Nowak	Supervisory Board Vice-Chairperson:
3. Agnieszka Klimas	Supervisory Board Member:
4. Irena Piekarska-Konieczna	Supervisory Board Member:
5. Maciej Szubra	Supervisory Board Member: