

26 March 2024

**REPORT OF THE SUPERVISORY BOARD OF
POLENERGIA S.A. WITH ITS REGISTERED OFFICE IN
WARSAW ('THE COMPANY')
ON THE ACTIVITIES OF THE SUPERVISORY BOARD IN 2023**

The Supervisory Board, acting in accordance with Article 382 § 3(3) and § 31 of the Code of Commercial Companies ('CCC') and Rule 2.11. of the Code of Best Practice for Companies Listed on the WSE 2021 ('Best Practices'), has prepared this annual report on its activities ('Report') for presentation to the Company's Annual General Meeting for approval.

I. Information on the composition of the Supervisory Board and its committees, indicating which of its members meet the independence criteria set out in the Act of 11 May 2017 on statutory auditors, audit firms and public supervision, and which of them do not have actual and significant links with a shareholder holding at least 5% of the total number of votes in the company, as well as information on the composition of the Supervisory Board in the context of its diversity (principle 2.11.1. of the Best Practices)

In accordance with Article 5.4.1. of the Company's Articles of Association, the Supervisory Board currently consists of eight members appointed for an independent three-year term of office. As the Company is a public company within the meaning of the Act of 29 July 2005 on public offerings and conditions for the introduction of financial instruments into the organised trading system and on public companies, the Supervisory Board is composed of two members who meet the independence criteria set out in Article 129(3) of the Act of 11 May 2017 on statutory auditors, audit firms and public supervision.

As of the date of the Report, three members of the Supervisory Board are entitled to be appointed by Mansa Investments sp. z o.o. based in Warsaw in a personal capacity, three by BIF IV Europe Holdings Limited in a personal capacity and two are appointed by the Company's General Meeting.

Composition of the Supervisory Board, information on meeting the independence criteria

The composition of the Supervisory Board in 2023 was as follows:

No.	Name and surname	Function
1	Dominika Kulczyk	Chairperson of the Supervisory Board
2	Thomas O'Brien	Deputy Chairperson of the Supervisory Board
3	Szymon Adamczyk	Member of the Supervisory Board, Independent Member of the
4	Orest Nazaruk	Member of the Supervisory Board, Independent Member of the
5	Prof. dr hab. Krzysztof Oblój	Member of the Supervisory Board from 18 December 2023**.
6	Ignacio Paz-Ares Aldanondo	Member of the Supervisory Board
7	Emmanuelle Rouchel	Member of the Supervisory Board
8	Jacek Santorski	Member of the Supervisory Board until 18 December 2023*

9	Hans E. Schweickardt	Member of the Supervisory Board until 18 December 2023*
10	Andrzej Filip Wojciechowski	Member of the Supervisory Board from 18 December 2023 until 29 February 2024

In addition, Mr Jacek Głowacki was appointed to the Supervisory Board on 29 February 2024.

Composition of committees of the Supervisory Board

The Supervisory Board has an Audit Committee, whose composition in 2023 was as follows:

No.	Name and surname	Function
1	Orest Nazaruk	Chairperson of the Audit Committee
2	Szymon Adamczyk	Member of the Audit Committee
3	Hans E. Schweickardt	Member of the Audit Committee until 18 December 2023
4	Andrzej Filip Wojciechowski	Member of the Audit Committee from 18 December 2023 until 29 February 2024

In addition, as of 13 March 2024, Mr Jacek Głowacki was appointed to the Audit Committee.

The Supervisory Board also has an Operational Supervisory Committee, whose composition in 2023 was as follows:

No.	Name and surname	Function
1	Hans E. Schweickardt	Chairperson of the Operational Supervisory Committee until 18 December 2023.
2	Andrzej Filip Wojciechowski	Chairperson of the Operational Supervisory Committee from 18 December 2023 until 29 February 2024.
3	Ignacio Paz-Ares Aldanondo	Member of the Operational Supervisory Committee
4	Thomas O'Brien	Member of the Operational Supervisory Committee
5	Prof. dr hab. Krzysztof Oblój	Member of the Operational Supervisory Committee from 18

In addition, Mr Jacek Głowacki was appointed to the Operational Supervisory Committee with effect from 13 March 2024 and has since served as Chairperson of this Committee.

II. Summary of the activities of the Supervisory Board and its committees (rule 2.11.2. of the Best Practices)

The Supervisory Board performed its duties in accordance with the CCC and the Company's Articles of Association. In particular, the Supervisory Board exercised constant supervision over the Company's activities, in accordance with Article 382 § 1 of the CCC, analysed the Company's financial results, and supervised the Management Board's activities.

The Supervisory Board also participated in the process of making important decisions concerning the Company, exercising the powers of the Supervisory Board as defined in the Articles of Association. This is related to the fact that, pursuant to Article 384 § 1 of the CCC, in the cases indicated in the Articles of Association, the performance of a specific action by the Company or the exercise of voting rights by the Company in the bodies of significant subsidiaries requires

the prior consent of the Supervisory Board. In view of this, the Supervisory Board adopted resolutions on matters reserved for the SB and on limited matters reserved for the SB within the meaning of the Company's Articles of Association.

The Supervisory Board exercised control over the Company's activities and made decisions in the course of its meetings. In the course of its meetings, the Supervisory Board considered matters arising from the provisions of the Commercial Companies Code, other legal regulations, the provisions of the Company's Articles of Association, as well as the current needs of the Company. Where required, the Supervisory Board also made use of the option provided for in the Articles of Association to adopt resolutions by written ballot (so-called circulation resolutions).

In 2023, five Supervisory Board meetings were held. This is in line with the requirement of Article 5.4.11. of the Articles of Association of the Company, which provides for meetings to be held at least quarterly. All meetings of the Supervisory Board were held in a composition that allows the adoption of resolutions. The Management Board of the Company was invited to the Supervisory Board meetings.

In the 2023 financial year, there were also 2 committees within the Supervisory Board: The Audit Committee and the Operational Supervision Committee. The Audit Committee performed the tasks set out in the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision and the Regulations of the Audit Committee, and in particular performed tasks in the area of the Company's proper application of financial reporting principles, the effectiveness of the Company's and its Group's internal control systems, including with regard to financial reporting, and the monitoring of auditing activities, in particular the audit firm's statutory audit.

Six meetings of the Audit Committee were held in 2023. All meetings were held in a composition that allows the adoption of resolutions. Where required, the Audit Committee also passed resolutions by written ballot (so-called circulation resolutions).

Since November 2021, there has also been an Operational Supervisory Committee within the Supervisory Board. This Committee carried out the tasks set out in the Operational Supervisory Committee Regulations. Its tasks include overseeing (i) the Company's and the Group's development strategy, (ii) the development of business plans, sales and marketing strategies; (iii) the Group's financial operations, financial condition, capital structure and prospects; (iv) the Group's internal control and compliance structure; (v) investment projects and their financing; and (vi) other matters of strategic importance to the Group's business.

III. Result of the assessment of the reports and the Management Board's proposal for the distribution of profit (art. 382 § 3(1) CCC)

Supervisory Board, finds that the Management Board's report on the Company's activities in 2023, the Company's financial statements for 2023, as well as the Management Board's report on the Group's activities in 2023 and the consolidated financial statements for 2023 are in accordance with the books and documents and the facts. The Supervisory Board's report on the assessment of the Company's financial statements for 2023, the Management Board's report on the Company's activities in 2023 and the Management Board's proposal on the appropriation of profit for 2023 is attached hereto. The appendix to the above report includes the statements prepared by the Supervisory Board, including the statement referred to in § 71(1)(12) of the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and the conditions for recognising as equivalent the information required by the laws of a non-member state,

stating that the report on the Group's activities in 2023 and the consolidated financial statements for 2023 are in accordance with the books and documents and with the facts.

IV. Evaluation of the implementation by the Management Board of the obligations referred to in Article 380₁ of the CCC (Article 382 § 31(3) of the CCC)

The Company's Supervisory Board was kept informed by the Management Board on an ongoing basis on the Company's situation, including with regard to its assets, as well as on any significant circumstances with regard to the conduct of the Company's affairs and progress in the implementation of the Company's designated business development directions, as well as transactions and other circumstances or events that could materially affect the Company's asset situation. The Management Board of the Company provided the Supervisory Board with information on the current situation of the Company and the information in its possession regarding its subsidiaries and affiliated companies, taking into account Resolution of the Supervisory Board No. 4/I/2023 of 26 January 2023 on the determination of the time limit and manner of providing information by the Management Board pursuant to Article 380₁ of the Commercial Companies Code. In the opinion of the Supervisory Board, the Management Board of the Company correctly fulfilled the information obligations set out in Article 380₁ of the CCC.

V. Assessment of the manner in which the Management Board prepared or provided the Supervisory Board with the information, documents, reports or explanations requested pursuant to Article 382 § 4 of the CCC (Article 382 § 3₁(4) of the CCC)

In the opinion of the Supervisory Board, the information and explanations provided by the Management Board of the Company in the 2023 financial year were transparent and comprehensive, and the Supervisory Board therefore positively assesses the manner in which the Management Board prepared or provided the Supervisory Board with the requested information, documents, reports or explanations.

VI. Information on the total remuneration payable by the Company for all audits commissioned by the Supervisory Board during the financial year pursuant to section 382₁ of the CCC (section 382 § 31 (5) of the CCC)

In the financial year 2023, the Supervisory Board did not commission any studies pursuant to section 382₁ of the CCC.

VII. Assessment of the Company's situation on a consolidated basis, taking into account the adequacy and effectiveness of the systems of internal control, risk management, ensuring compliance of operations with standards or applicable practices and internal audit applied in the company (art. 382 § 31(2) CCC and rule 2.11.3. of the Best Practices)

In 2023, a system to ensure that the Company's activities comply with standards or applicable practices (*compliance*) was separated in the Polenergia Group. Measures were also taken to implement a compliance management system in the Polenergia Group. At that time, the function of Compliance Officer was established, an updated Polenergia Group Code of Ethics was adopted, Polenergia Group's Anti-Corruption Policy, Whistleblower Procedure and Business Partner Code were adopted.

In 2023, a separate risk management and internal control department was established in the Company. The updated Polenergia Group Risk Management and Internal Control Policy and the Risk Management and Internal Control Procedure were adopted. At the beginning of 2024, these documents were updated - an updated Risk Management Policy, an updated Risk Management Procedure along with a new Risk Register template were adopted.

In 2024, the internal audit function was separated and the Internal Audit Procedure was adopted.

The systems for internal control, risk management and the internal audit function are implemented through systems for identifying, monitoring and mitigating risks to the Company's operations, as well as orders and procedures to increase the security of the Company's and Group companies' operations, which are adapted on an ongoing basis to the Company's situation and needs. Control mechanisms are implemented regularly in the relevant organisational departments of the Company. In each financial year, including 2023, the Management Board prepares an assessment of the effectiveness of the internal control systems. The Supervisory Board evaluates their effectiveness based on the Audit Committee's recommendations.

The Board of Directors is responsible for the effectiveness of the internal control system and risk management in the preparation of the financial statements. Periodic financial and management reports are prepared by the Accounting Department and the Controlling and Investor Relations Department under the substantive supervision of the Director of Finance - in 2023 the Vice President of the Management Board and from 1 March 2024 the President of the Management Board. In addition, the effectiveness of the internal control and risk management systems and internal audit, as well as the performance of auditing activities, are monitored by the Audit Committee.

The Audit Committee periodically evaluates the risk management and internal control system on the basis of an analysis of the consolidated risk register prepared by the Management Board in accordance with the Polenergia Group Risk Management Policy.

The effectiveness of the internal control system is also ensured by a number of orders and internal procedures approved by the Management Board, including, inter alia, on the circulation of accounting documents, description of accounting evidence, making purchases on behalf of the Group, incurring liabilities by the Group, carrying out the inventory process, sale of fixed assets and items owned by the Group, the manner of decision-making in the Group and the budgeting process.

In the opinion of the Supervisory Board, the internal controls in place at the Company allow risks to be identified, assessed and minimised in good time and ensure the accuracy of the information contained in the financial statements.

VIII. Evaluation of the Company's application of the principles of corporate governance and the manner of fulfilling the information obligations regarding their application set out in the Stock Exchange Rules and the regulations on current and periodic information provided by issuers of securities, together with information on the actions taken by the supervisory board to make this evaluation (rule 2.11.4. of the Best Practices)

The Company applies the principles of corporate governance set out in the Best Practices, which became effective on 1 July 2021. The Company publishes a statement on the status of the Company's application of the principles contained in the Collection of Best Practices for Companies Listed on the WSE 2021 ('**Best Practices**'), including information on deviation from the application of selected principles of corporate governance, through the EBI system. The Company has updated its statement on the status of application of the Best Practices.

Currently, the Company does not apply five of the sixty-three corporate governance principles, i.e. the principles indicated in the sections of the Best Practices: 1.4.2, 2.1, 2.2, 2.11.6, 3.4.

Having analysed the Company's position on the reasons for not applying the above principles, the Supervisory Board considered the explanations provided to be appropriate and sufficient. The deviations from the application of the Best Practices do not affect the possibility of achieving the objectives guiding the Best Practices. In particular:

- a) care shall be taken to ensure proper communication with stakeholders and the Company has a transparent and reliable information policy;
- b) only persons with appropriate competence, skills and experience are appointed to the bodies, and the members of the Management Board act in the interests of the Company and take responsibility for its activities. The members of the Supervisory Board, in the performance of their duties, including in their decision-making, are guided by independence of opinion and judgement, acting in the interests of the Company. The Supervisory Board works in a culture of debate;
- c) well-functioning internal systems and functions are in place within the Company, which allows the Company to be supervised;
- d) shareholders are encouraged to engage with the Company, in particular through active participation in the Company's General Meeting, which deliberates with respect for the rights and legitimate interests of all shareholders.

The Supervisory Board also monitored the manner in which the Company complied with its disclosure obligations regarding confidential, current and periodic information provided by issuers of securities, concluding that the Company was operating correctly in this area.

IX. Assessment of the reasonableness of expenditures to support culture, sports, charitable institutions, media, social organisations, trade unions, etc. (rule 2.11.5. of the Best Practices)

The Polenergia Group is involved in social and biodiversity activities because it is socially responsible. Polenergia voluntarily supported numerous activities for culture, education, sport and equal opportunities in 2023. Projects were implemented by charitable institutions and community organisations. In line with earlier declarations, the Group was also involved in helping war refugees from Ukraine.

In 2023, Polenergia allocated a total of PLN 2,378,130.08 for activities in the area of social responsibility.

From 1 January to 31 December 2023, 333 donation and sponsorship agreements were signed covering projects: in operation, development and construction for a total amount: PLN 1,885,864.70

By project phase, funds were disbursed as follows:

- for projects in operation (Polenergia S.A. operations without support for Ukraine): PLN 1,348,806.80
- for projects in development: PLN 406,000.00 •
for projects under construction: PLN 77,557.90
- sponsorship (ENS activities only): PLN 53,500.00

In 2023, the Polenergia Group co-financed 13 projects supporting refugees from Ukraine to the amount of PLN 492,265.38. The support went to organisations that operate on the Group's projects.

Polenergia aims to fulfil its role as a responsible business and employer, a member of the local community and a good neighbour. A declaration to this effect is included in the Community Engagement Policy, which was updated in 2023 and adopted in March 2024.

Polenergia Group's social commitment is the result of a well-considered strategy with the overarching goal of growing Polenergia Group's business while having a positive impact and mitigating or preventing negative impacts. Polenergia is sensitive to the needs of its stakeholders (internal - employees and staff - and external - local communities, among others). Polenergia proactively plans and implements activities in cooperation with local communities, taking into account their needs and the well-being of the environment.

The ESG team, which operates within the Environmental and Sustainability Department, conducts a transparent dialogue, both with Polenergia Group's female and male employees, as well as with local communities, keeping nature and climate action in mind.

Both the actions resulting from the Polenergia Group's Community Engagement Policy and the biodiversity actions planned for 2023 have been implemented. Project managers and supervisors in development, construction and operation were involved in community engagement. In addition, they took part in the workshop 'Polenergia Group's Community Engagement Policy - local actions in practice', which aimed to better understand the community actions undertaken.

Extremely important stakeholders of the Polenergia Group are its male and female employees. A number of activities were targeted at them, such as employee volunteering, family nature walks and health webinars.

In view of the above, the Supervisory Board positively evaluates the Company's CSR activities and considers the expenses incurred to be justified.

X. Information on the degree of implementation of the diversity policy with regard to the Management Board of the Company and the Supervisory Board, including the achievement of the objectives referred to in rule 2.1. (rule 2.11.6. of the Best Practices)

According to the Company's report on the status of the Company's application of the principles contained in the Collection of Best Practices of Companies Listed on the WSE 2021, the Company has not currently implemented a diversity policy, but is taking active steps to implement it. In accordance with the adopted Polenergia Group Sustainable Development Strategy 2023-2030, the Company plans to bring the gender share in Polenergia Group structures in line with the regulations implemented at the European Union level by 2030. The Company also plans to adopt a Diversity Policy.

Summary

In the Supervisory Board's opinion, in 2023 it exercised due continuous supervision over the Company's activities in all areas of its operation, including financial control of the Company's activities in terms of correctness, but also expediency and rationality.

The members of the Supervisory Board have demonstrated professionalism and integrity in their activities, using their expertise, experience and skills to fulfil the functions entrusted to them. Thanks to this, as well as given the very good cooperation with the Management Board of the Company and the Company's support in the organisation of the Supervisory Board's work, the Supervisory Board effectively carried out its tasks, always guided by the interests of the Company.

Appendix:

1. Supervisory Board's report on the evaluation of the Company's financial statements for 2023, the Management Board's report on the Company's activities in 2023 and the Management Board's proposal on the appropriation of profit for 2023.

SUPERVISORY BOARD:

Dominika Kulczyk Chairperson of
the Supervisory Board

Thomas O'Brien
Deputy Chairperson of the Supervisory Board

Emmanuelle Rouchel Member
of the Supervisory Board

Szymon Adamczyk
Member of the Supervisory Board

Jacek Głowacki
Member of the Supervisory Board

Orest Nazaruk
Member of the Supervisory Board

Krzysztof Obłój
Member of the Supervisory Board

Ignacio Paz-Ares Aldanondo
Member of the Supervisory
Board

26 March 2024

**REPORT OF THE SUPERVISORY BOARD OF
POLENERGIA S.A. WITH ITS REGISTERED OFFICE IN
WARSAW ('THE COMPANY')
of 26 March 2024**

**on the evaluation of the Company's financial statements for
2023, the Management Board's report on the Company's
activities in 2023 and the Management Board's motion
regarding the allocation of profit for 2023**

The Supervisory Board of the Company, acting in accordance with Article 382 § 3 of the Commercial Companies Code, has assessed the following documents:

1. The Company's financial statements for 2023, consisting of the following:

(a) Balance sheet prepared as at 31 December 2023.

The balance sheet shows on the assets and liabilities side an amount of **3,494,984** thousand PLN.

(b) Profit and loss account for the year ended 31 December 2023.

The income statement shows a net profit of **159,903** thousand PLN.

(c) Cash flow statement.

The cash flow statement for the year ended 31 December 2023 shows an ending cash balance of **949,238** thousand PLN.

(d) Statement of changes in equity.

The statement of changes in equity for the year ended 31 December 2023 shows an ending equity balance of **3,441,992** PLN thousand.

2. Management Board reports on the Company's activities in 2023.

The Supervisory Board positively assesses the Management Board's report on the Company's activities in 2023.

3. Management Board's request to dispose of the net profit for 2023.

The Management Board proposes that the net profit for the financial year 2023 be disposed of in such a way that it is allocated in full to a reserve capital that can be used in the future to pay dividends or advance dividends.

The Supervisory Board positively assesses the Management Board's proposal regarding the disposition of the net profit for 2023.

4. Report of the independent auditor on the audit of the annual financial statements.

The independent auditor's report on the audit of the Company's financial statements for 2023 is unqualified.

The Supervisory Board, acting in accordance with Article 382 § 3(1) of the Commercial Companies Code, hereby states, having assessed the Company's financial statements for 2023 and the Management Board's report on the Company's activities in 2023, that the Company's financial statements for 2023 and the Management Board's report on the Company's activities in 2023 are in accordance with the books and documents and the facts.

The Supervisory Board has reviewed the consolidated financial statements for 2023 and the report on the activities of the Company's group for 2023 and does not raise any objections as regards their compliance with the requirements of the Accounting Act of 29 September 1994.

In view of the above, the Supervisory Board has made the statements referred to in: (i) § 70(1)(7) and § 71(1)(7) of the Ordinance of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and conditions for recognising as equivalent the information required by the laws of a non-member state ('**Ordinance**'), (ii) § 70(1)(8) and § 71(1)(8) of the Ordinance, and (iii) § 71(1)(12) of the Ordinance. These statements are attached to this report.

At the same time, the Supervisory Board requests the Annual General Meeting of the Company to:

- (a) to approve the Company's financial statements for 2023 and the Management Board's report on the Company's activities in 2023;
- b) approve the consolidated financial statements for 2023 and the Management Board's report on the Group's activities in 2023;
- c) adoption of a resolution to dispose of the net profit for the financial year 2023 so that it is allocated in full to a reserve capital that may be used in the future to pay dividends or advance dividends;
- d) the discharge of the members of the Executive Board for their duties in 2023.

The Supervisory Board hereby submits its report to the Annual General Meeting of the Company.

SUPERVISORY BOARD:

Dominika Kulczyk Chairperson of
the Supervisory Board

Thomas O'Brien Deputy Chairperson
of the Supervisory Board

Emmanuelle Rouchel Member
of the Supervisory Board

Szymon Adamczyk
Member of the Supervisory Board

Orest Nazaruk
Member of the Supervisory Board

Jacek Głowacki
Member of the Supervisory Board

Krzysztof Obłój
Member of the Supervisory Board

Ignacio Paz-Ares Aldanondo
Member of the Supervisory
Board