



***Report of the ENEA S.A. Supervisory Board  
on its activity in 2022***

Warsaw, 26 April 2023

## 1. Information on the term of office of the Supervisory Board and its activity during the year.

In 2022, the ENEA S.A. Supervisory Board operated as the Supervisory Board of the 11th term of office.

The 10th term of office of the Supervisory Board Members expired on 24 June 2022 during the Ordinary General Meeting of ENEA S.A.

On the same date, the Company's Ordinary General Meeting appointed Supervisory Board Members to the Company's Supervisory Board for the new 11th term of office, effective as of 25 June 2022. On that date, the new 11th term of the ENEA S.A. Supervisory Board began.

## 2. Composition of the Supervisory Board, functions served, changes in the Supervisory Board's composition during the financial year.

As at 1 January 2022, the Company's Supervisory Board of the 10th term operated in the following composition:

1. Rafał Włodarski – Supervisory Board Chairman,
2. Roman Stryjski – Supervisory Board Deputy Chairman,
3. Michał Jaciubek – Supervisory Board Secretary,
4. Paweł Korobłowski – Supervisory Board Member,
5. Tomasz Lis – Supervisory Board Member,
6. Maciej Mazur – Supervisory Board Member,
7. Piotr Mirkowski – Supervisory Board Member,
8. Mariusz Pliszka – Supervisory Board Member,
9. Dorota Szymanek – Supervisory Board Member.

In 2022, the composition of the ENEA S.A. Supervisory Board changed in the following way:

- 1) on 10 March 2022, the Company's Extraordinary General Meeting adopted a resolution by the power of which Mr. Radosław Kwaśnicki was appointed to the ENEA S.A. Supervisory Board of the 10th term of office,
- 2) on 24 June 2022, the Company's Ordinary General Meeting appointed, effective as of 25 June 2022, the following Supervisory Board Members for the joint 11th term: Mr. Rafał Włodarski (who was simultaneously entrusted with the function of Supervisory Board Chairman), Mr. Mariusz Damasiewicz, Mr. Mariusz Pliszka, Mr. Mariusz Romańczuk, Mr. Paweł Korobłowski, Mr. Tomasz Lis, Mr. Radosław Kwaśnicki, Ms. Dorota Szymanek and Mr. Roman Stryjski.
- 3) on 6 July 2022, the Company's Supervisory Board elected Mr. Roman Stryjski as Deputy Chairman of the ENEA S.A. Supervisory Board for the 11th joint term of office and Mr. Mariusz Pliszka as Secretary of the ENEA S.A. Supervisory Board for the 11th joint term of office,
- 4) on 11 July 2022, the Company received a letter of resignation tendered by Ms. Dorota Szymanek from serving in the capacity of an ENEA S.A. Supervisory Board member as of 11 July 2022,
- 5) on 5 August 2022, Mr. Radosław Kwaśnicki tendered his resignation from serving in the capacity of an ENEA S.A. Supervisory Board Member, effective as of 31 August 2022,
- 6) on 16 September 2022, the Company received a statement from the Minister of State Assets that the Minister of State Assets had exercised its powers to appoint an ENEA S.A. Supervisory Board Member pursuant to § 24 sec. 1 of the Company's Articles of Association. Based on the said powers, Mr. Łukasz Ciołko was appointed to the Company's Supervisory Board as of 16 September 2022,
- 7) on 18 November 2022, the Company's Extraordinary General Meeting adopted a resolution, by the power of which, as of that date, Mr. Paweł Korobłowski was dismissed from the ENEA S.A. Supervisory Board of the 11th term of office,
- 8) on 18 November 2022, the Company's Extraordinary General Meeting adopted resolutions by the power of which, as of that date, Ms. Aneta Kordowska, Mr. Paweł Łacki and Mr. Piotr Zborowski were appointed to the ENEA S.A. Supervisory Board of the 11th term of office.

In connection with the above changes, as at 31 December 2022, the composition of the Supervisory Board was as follows:

1. Rafał Włodarski – Supervisory Board Chairman,
2. Roman Stryjski – Supervisory Board Deputy Chairman,

3. Mariusz Pliszka – Supervisory Board Secretary,
4. Łukasz Ciołko – Supervisory Board Member,
5. Mariusz Damasiewicz – Supervisory Board Member,
6. Aneta Kordowska – Supervisory Board Member,
7. Tomasz Lis – Supervisory Board Member,
8. Paweł Łącki – Supervisory Board Member,
9. Mariusz Romańczuk – Supervisory Board Member,
10. Piotr Zborowski – Supervisory Board Member.

On 4 January 2023, the Company received Mr. Rafał Włodarski's resignation from the position of an ENEA S.A. Supervisory Board Member, including the function of the Company's Supervisory Board Chairperson, effective as of as at 4 January 2023.

On 13 March 2023, the Company's Extraordinary General Meeting adopted a resolution by the power of which Ms. Aleksandra Agatowska, as of that date, was appointed to the ENEA S.A. Supervisory Board of the 11th term of office.

On 13 March 2023, the Extraordinary General Meeting of ENEA S.A. elected Mr. Łukasz Ciołko as Chairman of the ENEA S.A. Supervisory Board.

As of the date of publication of this Report, the Company's Supervisory Board is composed of 10 members and operates in the following composition:

1. Łukasz Ciołko – Supervisory Board Chairman,
2. Roman Stryjski – Supervisory Board Deputy Chairman,
3. Mariusz Pliszka – Supervisory Board Secretary,
4. Aleksandra Agatowska – Supervisory Board Member,
5. Mariusz Damasiewicz – Supervisory Board Member,
6. Aneta Kordowska – Supervisory Board Member,
7. Tomasz Lis – Supervisory Board Member,
8. Paweł Łącki – Supervisory Board Member,
9. Mariusz Romańczuk – Supervisory Board Member,
10. Piotr Zborowski – Supervisory Board Member.

### **3. Activity of the ENEA S.A. Supervisory Board**

In 2022, the Supervisory Board of the 10th and 11th term of office held 17 meetings altogether and adopted a total of 155 resolutions.

The supervisory and oversight activities of the Supervisory Board in the 2022 financial year covered, among others, the following issues:

#### **1) Appointment of a certified auditor to audit the financial statements**

In 2022, the Supervisory Board did not appoint a certified auditor.

(On 28 January 2021, the Supervisory Board selected PricewaterhouseCoopers spółka z ograniczoną odpowiedzialnością Audyt sp.k. as the audit firm for ENEA S.A. for 2021-2022.)

#### **2) Approval of annual material and financial plans**

In 2022, the Supervisory Board did not approve material and financial plans.

(On 22 December 2021, the Supervisory Board approved the Material and Financial Plan of ENEA S.A. for 2022 and the Material and Financial Plan of the ENEA Group for 2022).

#### **3) Issuing opinions on all matters submitted by the Management Board to the General Meeting for consideration**

a) On 23 March 2022, the Supervisory Board issued a positive assessment of:

- the Standalone Financial Statements of ENEA S.A. for the financial year ended 31 December 2021 and the Consolidated Financial Statements of the ENEA Group for the financial year ended 31 December 2021,
- The Management Board Report on the Activity of ENEA S.A. and the ENEA Group in 2021.

- b) On 27 April 2022, the Supervisory Board issued a positive opinion and recommended that the Ordinary General Meeting grants a discharge to all the ENEA S.A. Management Board Members on the performance of their duties in the financial year 2021.
- c) On 27 April 2022, the Supervisory Board has issued a positive opinion on the motion from the Company's Management Board on the distribution of the net profit for the financial year ended 31 December 2021 in the amount of PLN 460,408,613.85 as follows:
  - to allocate PLN 442,110,040.96 to increase reserve capital to execute planned investment projects,
  - to allocate PLN 18,298,572.89 to reduce the negative value of other capital accounts.
- d) On 26 January 2022, the Supervisory Board issued a favorable opinion on the matters submitted for consideration by ENEA S.A. General Meeting as regards:
  - adopting a resolution to increase the Company's share capital through the issue of series D ordinary bearer shares by way of a private placement,
  - depriving the existing shareholders of their pre-emptive rights in full to all series D shares,
  - amending the Company's Articles of Association,
  - applying for admission to trade and floating of series D shares and/or rights to series D shares on the regulated market operated by the Warsaw Stock Exchange and dematerialization of series D shares and/or rights to series D shares.

#### **4) Approval of the Company's Organizational Rules and Regulations**

In 2022, the ENEA S.A. Supervisory Board approved three rounds of amendments to the Company's Organizational Rules and Regulations and adopted their consolidated version.

#### **5) Granting approvals to the Management Board**

In 2022, the Supervisory Board granted approvals to the Company's Management Board for, among others, the following:

- execution of framework contracts on provision of support services for the performance of planned and unplanned audit and internal control activities in the ENEA Group in 2022-2023,
- execution of donation agreements by ENEA S.A. for the benefit of the ENEA Foundation,
- execution of agreements within a proceeding for the provision of market research services,
- execution of an agreement for the procurement of media purchasing services for ENEA S.A.,
- execution of an investment agreement with the State Treasury represented by the Prime Minister for the State Treasury to subscribe for new series D shares in exchange for a cash contribution from the Restitution Fund,
- execution of a partnership agreement with Kongres 590 Sp. z o.o. on ensuring a package of benefits to ENEA S.A. during Congress 590,
- execution of an agreement on conducting Vendor Due Diligence in the legal and financial and tax areas for the companies spun off the ENEA Group to the National Energy Security Agency (NABE),
- defining the manner of exercising the voting right at an Extraordinary Shareholder Meeting of ENEA Operator Sp. z o.o. (as a Material Subsidiary) with regard to amendments to the Articles of Association,
- execution of a loan agreement for PLN 750,452,377.50 between ENEA S.A. as lender and ENEA Operator Sp. z o.o. as borrower,
- funding by ENEA S.A. prizes in a lottery for individual customers of ENEA S.A. with the total value of 200,000 Polish zloty,
- lending for use recreation centers of ENEA S.A. in Sieraków, Dziwnów and Mierzyn for an indefinite term for the ENEA Foundation to accommodate refugees from Ukraine,
- assuming financial liabilities by ENEA S.A. in excess of an equivalent of PLN 20,000,000, in connection with carrying out issues of bonds under the Program Agreement for issuing bonds, up to the maximum amount of all the issued and outstanding series of bonds not exceeding the amount of PLN 5,000,000,000 and the maximum margin level,

- execution of an Annex with Radzikowski, Szubielska i Wspólnicy sp.j. law firm, whose subject matter is to update the completed Vendor Due Diligence in the legal and financial and tax areas for the companies spun off the ENEA Group to the National Energy Security Agency (NABE),
- acquisition of 100% of shares in PAD RES Genowefa Sp. z o.o. holding rights to the design of Genowefa 35 MW solar farm,
- execution of agreements for financing ongoing activity and granting guarantees and sureties by the Company to subsidiaries in the ENEA Group.

The Supervisory Board also gave its consent for the Company's Management Board to perform other activities defined in § 20 sec. 3 of the Company's Articles of Association, including execution of sponsorship agreements with institutions conducting sports activities as well as agreements with companies providing consultancy services.

#### **6) Granting consent to Management Board Members to sit on the governing bodies of other companies, associations and foundations**

In 2022, the ENEA S.A. Supervisory Board's resolution of 28 January 2021 was in force, which regarded granting consent to the ENEA S.A. Management Board Members to sit on the Supervisory Boards of ENEA Group companies. In 2022, the Company's Supervisory Board granted consent to the ENEA S.A. Management Board Members to sit on the governing bodies of other companies, entities and foundations.

#### **Additionally, the Supervisory Board carried out the following activities:**

- adopted amended document entitled "Rules for election and dismissal of Members of the ENEA S.A. Supervisory Board elected by employees",
- approved amended "Regulations of the Management Board of ENEA Spółka Akcyjna" and adopted consolidated version of the "Regulations of the Management Board of ENEA Spółka Akcyjna",
- approved twice the amended "Internal Audit Policy of the ENEA Group" (edition 5 and 6),
- ordered to hold election of Supervisory Board Members of ENEA S.A. chosen by employees for another term, appointed the Main Election Committee and authorized it to appoint election committees; finally, it set the date of the elections,
- approved Management Objectives (KPIs) for Management Board Members of ENEA S.A. in 2022,
- issued a positive opinion on ENEA S.A.'s *Report on representation expenditures, expenses on legal services, marketing services, public relation services and social communication services and on management consultancy services for the year ended on 31 December 2021*,
- issued a positive opinion on the Report on implementation of the "Promotion Plan for the ENEA Group in 2021",
- issued a positive opinion on related party transactions for 2021,
- approved Representations required for the publication of ENEA S.A.'s annual reports prepared in accordance with requirements of the Minister of Finance's Regulation of 29 March 2018 on current and periodic information disclosed by issuers of securities and conditions for considering the information required by laws of a non-member state as equivalent,
- conducted the recruitment procedures for the positions of Management Board Members of ENEA S.A.,
- adopted the "Report on remuneration of ENEA S.A. Management Board and Supervisory Board Members in 2021 and decided to present it to the Ordinary General Meeting of ENEA S.A.,
- adopted resolutions on the execution of management contracts as well as Annexes to the management contracts with the Management Board Members of ENEA S.A.,
- adopted the "Report of the Supervisory Board of ENEA S.A. on its activity in 2021" and decided to submit it to the Ordinary General Meeting of ENEA S.A.,
- defined consolidated version of the Articles of Association of ENEA S.A.,
- elected Deputy Chairman and Secretary of the ENEA S.A. Supervisory Board of the 11th term,

- appointed Members of committees that operate within the ENEA S.A. Supervisory Board Audit Committee, the ENEA S.A. Supervisory Board Nominations and Remuneration Committee and the ENEA S.A. Supervisory Board Strategy and Investment Committee of the 11th term of office,
- adopted resolutions on setting remuneration of Management Board Members of ENEA S.A.,
- adopted a resolution on the achievement of Management Objectives in 2021 and setting the amount of the due Variable Remuneration to be paid out to ENEA S.A. Management Board Members,
- approved an Update of the ENEA Group's Promotion Plan for 2022,
- issued a positive opinion on the Report for H1 2022 on settlement of New Funds and Benefits within the meaning of the Investment Agreement of 8 April 2022 between ENEA S.A. and the State Treasury regarding the State Treasury's subscription for shares in exchange for cash from the Restitution Fund,
- approved the Annual Audit Plan for 2023 and the Budget of the Group's Audit and Control Department for 2023,
- accepted the terms of the D&O liability insurance of ENEA Group companies for 2023.

**The Supervisory Board reviewed the information from the Management Board, relating in particular to:**

- fulfillment of the information obligations to the Supervisory Board as referred to in Article 380<sup>1</sup> of the Commercial Company Code,
- economic and financial results of the Company and ENEA Group,
- composition of the governing bodies of ENEA S.A.'s subsidiaries,
- costs of the Management Board and Supervisory Board of ENEA S.A. and of consulting in the Company,
- costs of Management Boards, Supervisory Boards and consulting in the ENEA Group Companies,
- social situation in the ENEA Group companies,
- up-to-date balances of inventories of bituminous coal in the production units of the ENEA Group,
- status of the works within the program of "Spin-off of coal-fired generating assets of the ENEA Group to the National Energy Security Agency (NABE)",
- ongoing activity of the ENEA Foundation.

The activities of the ENEA S.A. Supervisory Board were documented in the minutes of the meetings of the Supervisory Board in 2022.

#### **4. Appointments, dismissals and suspensions in the performance of functions of Management Board Members by the Supervisory Board and seconding Supervisory Board Members to perform functions of Management Board Members.**

On 8 April 2022, in connection with resignation of Mr. Paweł Szczeszek from the function of the President of ENEA S.A. the Management Board, as of 10 April 2022, the Company's Supervisory Board resolved to appoint Mr. Rafał Mucha – Management Board Member for Financial Matters as acting President of the Management Board, starting as of 11 April 2022 until the appointment of the President of the Management Board, however, no longer than for the term of office commenced on the date of holding the Company's Ordinary General Meeting which approved the financial statements for 2018, with the concurrent performance of the duties of the Management Board Member for Financial Affairs, in accordance with the division of powers defined in the "Regulations of the Management Board of ENEA S.A."

On 20 April 2022, the Company's Supervisory Board adopted a resolution to appoint, as of 25 April 2022, Mr. Paweł Majewski to the position of President of the ENEA S.A. Management Board for the joint term of office commenced on the date of holding the Company's Ordinary General Meeting which approved the financial statements for 2018.

On 14 June 2022, after conducting recruitment procedure for the positions of ENEA S.A. Management Board Members, the ENEA S.A. Supervisory Board adopted resolutions to appoint the following persons for a new joint term of office, effective as of the date immediately following the date of holding the Company's Ordinary General Meeting approving the financial statements for 2021:

1. Mr. Paweł Majewski to the position of President of the ENEA S.A. Management Board,

2. Mr. Tomasz Siwak to the position of ENEA S.A. Management Board Member for Commercial Matters,
3. Mr. Rafał Mucha to the position of ENEA S.A. Management Board Member for Financial Matters,
4. Mr. Dariusz Szymczak to the position of ENEA S.A. Management Board Member for Corporate Matters,
5. Mr. Marcin Pawlicki to the position of ENEA S.A. Management Board Member for Operational Matters,
6. Mr. Lech Adam Żak to the position of ENEA S.A. Management Board Member for Strategy and Development.

On 19 December 2022, the Company's Supervisory Board adopted a resolution to dismiss Mr. Tomasz Siwak, ENEA S.A. Management Board Member for Commercial Matters, from the ENEA S.A. Management Board.

## 5. Committees of the ENEA S.A. Supervisory Board

In its activities, the Supervisory Board was assisted by Committees acting as collective advisory and opinion-giving bodies of the Supervisory Board, appointed from among the Supervisory Board Members. In 2022, there were two permanent Committees of the Supervisory Board:

- Audit Committee,
- Nominations and Remuneration Committee,
- Strategy and Investment Committee.

### a) Audit Committee of the ENEA S.A. Supervisory Board

As at 1 January 2022, the composition of the Company's Supervisory Board Audit Committee of the 10th term was as follows:

1. Tomasz Lis<sup>1) 2) 3)</sup> - Committee Chairman,
2. Maciej Mazur<sup>1)</sup> - Committee Member,
3. Piotr Mirkowski<sup>1) 3)</sup> - Committee Member,
4. Mariusz Pliszka<sup>1) 3)</sup> - Committee Member,
5. Roman Stryjski<sup>1)</sup> - Committee Member,
6. Dorota Szymanek<sup>1)</sup> - Committee Member.

<sup>1)</sup> An independent member within the meaning of Article 129(3) of the Act of 11 May 2017 on certified auditors, audit firms and public supervision and within the meaning of the corporate governance principles included in the Best Practice for WSE Listed Companies 2021.

<sup>2)</sup> A member having knowledge and skills in the area of accounting or auditing financial statements.

<sup>3)</sup> A member having knowledge and skills in the industry in which the issuer operates.

In 2022, the composition of the ENEA S.A. Supervisory Board Audit Committee changed in the following way:

- on 6 July 2022, in connection with the expiry of the 10th term of the Supervisory Board of ENEA S.A. and appointment of ENEA S.A. Supervisory Board Members by the Ordinary General Meeting of ENEA S.A. as of 25 June 2022 for the next, 11th joint term, the Supervisory Board of ENEA S.A. appointed the following Members of the ENEA S.A. Supervisory Board's Audit Committee for the 11th joint term: Ms. Dorota Szymanek, Mr. Mariusz Damasiewicz, Mr. Tomasz Lis, Mr. Mariusz Pliszka and Mr. Roman Stryjski,
- on 11 July 2022, the Company received a letter of resignation tendered by Ms. Dorota Szymanek from serving in the capacity of an ENEA S.A. Supervisory Board member as of 11 July 2022,
- on 13 September 2022, Audit Committee Members elected Mr. Tomasz Lis as Chairman of the Company's Supervisory Board Audit Committee for the period of the 11th term of office,
- on 22 November 2022, by Resolution No. 65/XI/2022 the ENEA S.A. Supervisory Board appointed Ms. Aneta Kordowska a Member of the Audit Committee for the period of the 11th joint term.

Given the above changes, as at 31 December 2022, the Company's Supervisory Board Audit Committee of the 11th term was composed of:

1. Tomasz Lis<sup>1) 2) 3)</sup> - Committee Chairman,
2. Aneta Kordowska<sup>1) 2)</sup> - Supervisory Board Member,
3. Mariusz Damasiewicz<sup>1) 3)</sup> - Committee Member,
4. Mariusz Pliszka<sup>1) 3)</sup> - Committee Member,
5. Roman Stryjski<sup>1)</sup> - Committee Member.

<sup>1)</sup> An independent member within the meaning of Article 129(3) of the Act of 11 May 2017 on certified auditors, audit firms and public supervision and within the meaning of the corporate governance principles included in the Best Practice for WSE Listed Companies 2021.

<sup>2)</sup> A member having knowledge and skills in the area of accounting or auditing financial statements.

<sup>3)</sup> A member having knowledge and skills in the industry in which the issuer operates.

As of the date of preparing this Report, the composition of the Company's Supervisory Board's Audit Committee has not changed.

In 2022, the Audit Committee held 6 meetings and adopted 15 Resolutions, regarding the following, among others:

- issuing an opinion on the amended "Internal Audit Policy of the ENEA Group" (5th and 6th edition) by the Audit Committee of the ENEA S.A. Supervisory Board and provision of this document to the ENEA S.A. Supervisory Board for approval,
- approval of the scope of the scheduled audit titled "Assessment of the function of internal audit at the ENEA Group" in connection with the necessity to outsource the service,
- approval of information for the Supervisory Board on the results of the audit of the financial statements of ENEA S.A. and the ENEA Group for the financial year ended 31 December 2021,
- approval, by the ENEA S.A. Supervisory Board Audit Committee, of Final Report no. 1/2022 on the audit, entitled "General assessment of the internal control system at ENEA S.A." and provision of management information on the assessment of the internal control system at ENEA S.A. to the ENEA S.A. Supervisory Board,
- approval of the selection of the contractor for carrying out internal audit entitled "Assessment of the function of internal audit at the ENEA Group" and consent to commissioning the audit to the selected contractor,
- adoption of the *Report of the ENEA S.A. Supervisory Board Audit Committee on its activities in 2021*,
- election of the Chairperson of the ENEA S.A. Supervisory Board Audit Committee for the 11th joint term of office,
- evaluation of the methods of auditing the Condensed Interim Standalone Financial Statements of ENEA S.A. for the period from 1 January 2022 to 30 June 2022 and the Condensed Interim Consolidated Financial Statements of the ENEA Group for the period from 1 January 2022 to 30 June 2022,
- adoption of the *Report of the ENEA S.A. Supervisory Board Audit Committee on its activities in H1 2022*,
- consent to the provision of an acceptable service other than audit by PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audytyt Sp.k. to Lubelski Węgiel "Bogdanka" S.A.,
- an opinion on the Annual Audit Plan for 2023 and submission thereof to the ENEA S.A. Supervisory Board for approval,
- an opinion on the Budget of the Group's Audit and Control Department for 2023 and submission thereof together with an opinion to the ENEA S.A. Supervisory Board for approval.

In 2022, the Audit Committee reviewed the information received from the Management Board, relating in particular to cases concerning final reports on completed audit and control.

In 2022, the Audit Committee held meetings with:

1. representatives of the external auditor PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audytyt Sp.k., which were devoted to:
  - preliminary results and methodology of the audit of the Consolidated Financial Statements of the ENEA Group and the Standalone Financial Statements for 2021,
  - discussion of the key issues and a summary of the audit of the financial statements of ENEA S.A. and the ENEA Group for 2021,
  - discussion of the methods of auditing the Condensed Interim Standalone Financial Statements of ENEA S.A. for the period from 1 January 2022 to 30 June 2022 and the Condensed Interim Consolidated Financial Statements of the ENEA Group for the period from 1 January 2022 to 30 June 2022.
2. the Director of the Group Audit and Control Department at ENEA S.A., which included discussions of the findings and recommendations resulting from the conducted inspections and audits.



Moreover, in 2023 the Audit Committee:

- held a meeting with representatives of the external auditor PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt Sp.k. to discuss the key issues and summarize the audit of the 2022 financial statements of ENEA S.A. and the ENEA Group,
- on 21 March 2023, the Audit Committee adopted a resolution to approve information for the Supervisory Board on findings of the audit of financial statements of ENEA S.A. and the ENEA Group for the financial year ended 31 December 2022, in which it reported the results of the audit, explained how the audit contributed to the reliability of financial reporting in the Company and specified the role of the Audit Committee in the audit process.

Pursuant to § 8, sec. 8 of the Rules and Regulations of the ENEA S.A. Supervisory Board, in force in 2022, after each Committee meeting, the Audit Committee submitted minutes of the meetings to the Supervisory Board for review.

#### **b) Nominations and Remuneration Committee of the ENEA S.A. Supervisory Board**

As of 1 January 2022, the composition of the Company's Supervisory Board Nominations and Remuneration Committee of the 10th term was as follows:

1. Roman Stryjski<sup>1)</sup> - Committee Chairman,
2. Michał Jaciubek<sup>1)</sup> - Committee Member,
3. Paweł Korobłowski<sup>1)</sup> - Committee Member,
4. Piotr Mirkowski<sup>1)</sup> - Committee Member,
5. Rafał Włodarski - Committee Member.

<sup>1)</sup> An independent member within the meaning of the corporate governance principles included in the Best Practice for WSE Listed Companies 2021.

In 2022, the following changes were made to the composition of the Nominations and Remuneration Committee:

- on 23 February 2022, the ENEA S.A. Supervisory Board, pursuant to Resolution no. 12/X/2022, appointed Mr. Radosław Kwaśnicki as a Member of the Nominations and Remuneration Committee for the period of the 10th joint term,
- on 6 July 2022, in connection with the expiry of the 10th term of the Supervisory Board of ENEA S.A. and appointment of ENEA S.A. Supervisory Board Members by the Ordinary General Meeting of ENEA S.A., with effect as of 25 June 2022, for the next, 11th joint term, the Supervisory Board of ENEA S.A. appointed the following Members of the ENEA S.A. Supervisory Board's Nominations and Remuneration Committee for the 11th joint term: Mr. Paweł Korobłowski, Mr. Radosław Kwaśnicki, Mr. Mariusz Romańczuk, Mr. Roman Stryjski and Mr. Rafał Włodarski,
- on 6 July 2022, the Members of the Nominations and Remuneration Committee elected Mr. Roman Stryjski the Chairman of the Company's Supervisory Board's Nominations and Remuneration Committee for the 11th term,
- on 5 August 2022, Mr. Radosław Kwaśnicki tendered his resignation from serving in the capacity of an ENEA S.A. Supervisory Board Member, effective as of 31 August 2022,
- on 19 October 2022, by Resolution No. 56/XI/2022 the ENEA S.A. Supervisory Board appointed Mr. Łukasz Ciołko a Member of the Nominations and Remuneration Committee for the period of the 11th joint term,
- on 18 November 2022, the Company's Extraordinary General Meeting adopted a resolution, by the power of which, as of that date, Mr. Paweł Korobłowski was dismissed from the ENEA S.A. Supervisory Board of the 11th term of office,
- on 22 November 2022, by Resolution No. 66/XI/2022 the ENEA S.A. Supervisory Board appointed Mr. Piotr Zborowski a Member of the Nominations and Remuneration Committee for the period of the 11th joint term.

In connection with the above changes, as at 31 December 2022, the composition of the Company's Supervisory Board Nominations and Remuneration Committee of the 11th term was as follows:

1. Roman Stryjski<sup>1)</sup> - Committee Chairman,
2. Łukasz Ciołko - Committee Member,
3. Mariusz Romańczuk<sup>1)</sup> - Committee Member,
4. Rafał Włodarski - Committee Member,

5. Piotr Zborowski<sup>1)</sup> - Committee Member.

<sup>1)</sup> An independent member within the meaning of the corporate governance principles included in the Best Practice for WSE Listed Companies 2021.

On 4 January 2023, the Company received Mr. Rafał Włodarski's resignation from the position of an ENEA S.A. Supervisory Board Member, including the function of the Company's Supervisory Board Chairperson, effective as of 4 January 2023.

As of the date of preparing this Report, the Nominations and Remuneration Committee was composed of the following members:

1. Roman Stryjski<sup>1)</sup> – Committee Chairman,
2. Łukasz Ciołko – Committee Member,
3. Paweł Łącki – Committee Member,
4. Mariusz Romańczuk<sup>1)</sup> – Committee Member,
5. Piotr Zborowski<sup>1)</sup> – Committee Member.

<sup>1)</sup> An independent member within the meaning of the corporate governance principles included in the Best Practice for WSE Listed Companies 2021.

In 2022, the Nominations and Remuneration Committee held 6 meetings and adopted 22 resolutions. The Committee's meetings focused mainly on drafting recommendations for the Supervisory Board regarding:

- proposals for Management Objectives for the ENEA S.A. Management Board Members for 2022,
- adoption of the *Report of the ENEA S.A. Supervisory Board Nominations and Remuneration Committee on its activities in 2021*,
- election of the Chairperson of the ENEA S.A. Supervisory Board Nominations and Remuneration Committee for the 11th joint term of office,
- execution of management contracts with the ENEA S.A. Management Board Members and annexes to management contracts with the ENEA S.A. Management Board Members,
- the achievement of Management Objectives in 2021 and setting the amount of the due Variable Remuneration to be paid out to ENEA S.A. Management Board Members,
- resolutions on setting remuneration of ENEA S.A. Management Board Members.

In the discussed period, the Supervisory Board's Nominations and Remuneration Committee also held meetings to open envelopes with applications submitted in the recruitment procedure:

- for the position of the President of the ENEA S.A. Management Board, initiated by the Resolution No. 27/X/2022 of the ENEA S.A. Supervisory Board of 12 April 2022,
- for the positions of the ENEA S.A. Management Board Members, initiated by the Resolution No. 49/X/2022 of the ENEA S.A. Supervisory Board of 1 June 2022,

and to assess the applications in terms of satisfaction of the formal requirements defined in the advertisement on initiating the recruitment procedure. From time to time upon opening the envelopes with applications in a given recruitment procedure, the Nominations and Remuneration Committee of the ENEA S.A. Supervisory Board prepared minutes from the opening of the envelopes with applications in recruitment procedures.

### **c) Strategy and Investment Committee of the ENEA S.A. Supervisory Board**

As at 1 January 2022, the composition of the Company's Supervisory Board Strategy and Investment Committee of the 10th term was as follows:

1. Rafał Włodarski – Committee Chairman,
2. Dorota Szymanek – Committee Member,
3. Michał Jaciubek – Committee Member,
4. Paweł Korobłowski – Committee Member,
5. Tomasz Lis – Committee Member,
6. Maciej Mazur – Committee Member,
7. Mariusz Pliszka – Committee Member.

In 2022, the following changes in the composition of the Strategy and Investment Committee took place:

- on 6 July 2022, in connection with the expiry of the 10th term of the Supervisory Board of ENEA S.A. and appointment of ENEA S.A. Supervisory Board Members by the Ordinary General Meeting of ENEA S.A. as

of 25 June 2022 for the next, 11th joint term, the Supervisory Board of ENEA S.A. appointed the following Members of the ENEA S.A. Supervisory Board's Strategy and Investment Committee for the 11th joint term: Ms. Dorota Szymanek, Mr. Mariusz Damasiewicz, Mr. Paweł Korobłowski, Mr. Tomasz Lis, Mr. Mariusz Pliszka, Mr. Mariusz Romańczuk and Mr. Rafał Włodarski,

- on 11 July 2022, the Company received a letter of resignation tendered by Ms. Dorota Szymanek from serving in the capacity of an ENEA S.A. Supervisory Board member as of 11 July 2022,
- on 13 September 2022, the Members of the Strategy and Investment Committee elected Mr. Rafał Włodarski as the Chairman of the Company's Supervisory Board's Strategy and Investment Committee for the 11th term,
- on 19 October 2022, by the Resolution No. 57/XI/2022 the ENEA S.A. Supervisory Board appointed Mr. Łukasz Ciołko a Member of the Strategy and Investment Committee for the period of the 11th joint term,
- on 18 November 2022, the Company's Extraordinary General Meeting adopted a resolution, by the power of which, as of that date, Mr. Paweł Korobłowski was dismissed from the ENEA S.A. Supervisory Board of the 11th term of office,
- on 22 November 2022, by the Resolution No. 67/XI/2022 the ENEA S.A. Supervisory Board appointed Mr. Piotr Zborowski a Member of the Strategy and Investment Committee for the period of the 11th joint term.

Given the above changes, as at 31 December 2022, the composition of the Company's Supervisory Board Strategy and Investment Committee of the 11th term was as follows:

1. Rafał Włodarski – Committee Chairman,
2. Łukasz Ciołko – Committee Member,
3. Mariusz Damasiewicz – Committee Member,
4. Tomasz Lis – Committee Member,
5. Mariusz Pliszka – Committee Member,
6. Mariusz Romańczuk – Committee Member,
7. Piotr Zborowski – Committee Member.

On 4 January 2023, the Company received Mr. Rafał Włodarski's resignation from the position of an ENEA S.A. Supervisory Board Member, including the function of the Company's Supervisory Board Chairperson, effective as of 4 January 2023.

As of the date of preparing this Report, the Strategy and Investment Committee was composed of the following members:

1. Łukasz Ciołko – Committee Member,
2. Aleksandra Agatowska – Committee Member,
3. Mariusz Damasiewicz – Committee Member,
4. Tomasz Lis – Committee Member,
5. Mariusz Pliszka – Committee Member,
6. Mariusz Romańczuk – Committee Member,
7. Piotr Zborowski – Committee Member.

In 2022, the Strategy and Investment Committee held 4 meetings and adopted 4 resolutions, regarding, without limitation, the following:

- adoption of the *Report of the ENEA S.A. Supervisory Board Strategy and Investment Committee on its activities in 2021*,
- election of the Chairperson of the ENEA S.A. Supervisory Board Strategy and Investment Committee for the 11th joint term of office.

During its meetings in 2022, the Strategy and Investment Committee also reviewed regular information from the Management Board on:

- execution of material investment projects in the ENEA Group, degree of their progress and completion in relation to the investment plan,
  - monitoring of the pursuit of ENEA Group's Growth Strategy,
- and the information from the Management Board on:

- implementation of investment plans in 2021 and planned investment activities and capital expenditures for 2022 in the RES segment, in particular regarding ENEA Nowa Energia sp. z o.o., divided into individual areas of activity,
- planned construction of a photovoltaic installation on the site of Lubelski Węgiel Bogdanka S.A., indicating, in particular, the anticipated capacity of the installation, the project schedule, and proving the profitability of the investment project, which might be located on former mining sites,
- presentation of clarifications for selected passages of the ENEA Group Strategy.

## **6. Self-assessment of Supervisory Board's activities.**

In the opinion of the Company's Supervisory Board, in 2022, the Supervisory Board fulfilled its statutory obligations concerning permanent supervision of the activity of the Company and the ENEA Group in all business areas in a reliable and efficient way. The Supervisory Board was composed of people with various competences and experience as well as Members elected by employees. Compliance with the requirement that at least one Supervisory Board Member should be an independent member was ensured within the meaning of the corporate governance principles included in the Best Practice for WSE Listed Companies 2021 and within the meaning of Article 129 sec. 3 of the Act of 11 May 2017 on certified auditors, auditing firms and public supervision.

The scope and procedure of operation as well as the composition of the Supervisory Board were compliant with the Commercial Company Code, the Company's Articles of Association and the Supervisory Board Rules and Regulations. The scope of issues handled by the Supervisory Board in 2022 was very broad, with a special emphasis placed on the financial results earned by the Company and the Group as well as the implementation of the critical investment projects.

In view of the above, the Supervisory Board hereby moves to the Company's General Meeting to grant a discharge to its Members on the performance of their duties in 2022.

## **7. Information on assessment of: the Standalone Financial Statements of ENEA S.A. for the financial year ended 31 December 2022, the Consolidated Financial Statements of ENEA Group for the financial year ended 31 December 2022, the Management Board Report on the Activity of ENEA S.A. and the ENEA Group in 2022", and the motion of the Management Board on the proposed distribution of the net profit for the period from 1 January 2022 to 31 December 2022.**

Acting pursuant to Article 382 § 3 of the Commercial Company Code, the Supervisory Board evaluated the statements referred to in Article 395 § 2 item 1 and § 5 of the Commercial Company Code, i.e.:

1. The Management Board Report on the Activity of ENEA S.A. and the ENEA Group in 2022;
2. The Standalone Financial Statements of ENEA S.A. for the financial year ended 31 December 2022, including the following statements reviewed by the certified auditor:
  - the standalone statement of financial position as at 31 December 2022 showing a balance of assets and liabilities in the amount of PLN 21,548,951 thousand (twenty-one billion five hundred forty-eight million nine hundred fifty-one thousand Polish zloty);
  - the standalone statement of comprehensive income for the period from 1 January 2022 to 31 December 2022 showing a net profit of PLN 2,448,024 thousand (two billion four hundred forty-eight million twenty-four thousand Polish zloty) and comprehensive income of PLN 2,522,840 thousand (two billion five hundred twenty-two million eight hundred forty thousand Polish zloty),
  - the standalone statement of changes in equity showing an increase in equity as at 31 December 2022 by PLN 3,267,014 thousand (three billion two hundred sixty-seven million fourteen thousand Polish zloty);
  - the standalone statement of cash flows, showing an increase in cash by PLN 488,500 thousand (four hundred eighty-eight million five hundred thousand Polish zloty),
  - notes to the standalone financial statements including a description of key accounting policies applied and other explanations;
3. The Consolidated Financial Statements of the ENEA Group for the financial year ended 31 December 2022, including the following statements reviewed by the certified auditor:

- the standalone statement of financial position as at 31 December 2022 showing a balance of assets and liabilities in the amount of PLN 37,434,972 thousand (thirty-seven billion four hundred thirty-four million nine hundred seventy-two thousand Polish zloty);
- the standalone statement of comprehensive income for the period from 1 January 2022 to 31 December 2022 showing a net profit of PLN 118,920 thousand (one hundred eighteen million nine hundred twenty thousand Polish zloty) and comprehensive income of PLN 203,353 thousand (two hundred three million three hundred fifty-three thousand Polish zloty),
- the consolidated statement of changes in equity for the financial year from 1 January 2022 to 31 December 2022 showing an increase in equity of PLN 944,211 thousand (nine hundred forty-four million two hundred eleven thousand Polish zloty),
- the consolidated statement of cash flows, showing a decrease in cash by PLN 2,589,837 thousand (two billion five hundred eighty-nine million eight hundred thirty-seven thousand Polish zloty),
- notes to the consolidated financial statements including a description of key accounting policies applied and other explanations;

After having read the certified auditor's Audit Report drawn up by PricewaterhouseCoopers spółka z ograniczoną odpowiedzialnością Audyt sp.k., and having thoroughly examined the above documents, the Supervisory Board concludes that the Standalone Financial Statements of ENEA S.A. for the financial year ended 31 December 2022, the Management Board Report on the Activity of ENEA S.A. and the ENEA Group in 2022 and the Consolidated Financial Statements of the ENEA Group the financial year ended 31 December 2022 are in conformity with the books of account and accounting records and documents of the Company and the facts and therefore it hereby issues a positive assessment of the Reports and recommends that the Ordinary General Meeting of ENEA S.A. should examine and approve them.

The Supervisory Board of ENEA S.A. has issued a positive opinion on the motion from the Company's Management Board on the proposal of distribution of the net profit for the financial year ended 31 December 2022 in the amount of PLN 2,448,024,226.61 to allocate the entire profit for an increase in the reserve capital to implement the planned investment projects.

## **8. Evaluation of the Company's standing in the consolidated approach with evaluation of the internal control system and the risk management system, compliance system and internal audit functions, with information on actions taken by the supervisory board to carry out the evaluation.**

In 2022, due to the rapid changes in the market and regulatory environment, the ENEA Group had to face the events that significantly affected the activity of companies in the energy sector and their financial performance. The full-scale war waged by Russia against Ukraine and the economic warfare caused thereby was the key event in the energy sector. It was the cause of shortages of fossil fuels, increases in their prices, and, consequently, increases in electricity prices. The unpredicted and sudden geological/mining event, which hampered the mining activity by Lubelski Węgiel Bogdanka S.A. subsidiary, translated into the performance of the Mining and Generation Areas, and the power plants were forced to cover the bituminous coal deliveries that were not completed by Lubelski Węgiel Bogdanka S.A. by means of contracts from outside the ENEA Group, which resulted in increased costs, in the cash position, and ultimately in the EBITDA result. The macroeconomic conditions, including the growing inflation rate and interest rates, also exerted influence on the costs of the current operations of the ENEA Group companies (among others, renegotiations of contracts with contractors, increases in prices of generation-related raw materials) and on the financing costs. The wholesale prices of electricity affected also the retail prices, leading to successive governmental interventions both in the wholesale and in the retail market. Numerous amendments to laws were introduced in 2022, among others, the Act of 27 October 2022 on emergency measures to reduce electricity prices and support certain consumers in 2023 and the Act of 7 October 2022 on special solutions for protecting electricity buyers in 2023 in connection with the situation on the electricity market. The effects of these Acts will be visible in 2023 and the solutions adopted by the legislature will reduce the originally planned margins of the producers and trading companies. In December 2022, the President of the Energy Regulatory Office approved the electricity tariff for Tariff Group G. As a result of the assessment of the impact of the adopted tariff on the results in the Trading segment, a provision was established in the amount of PLN 368,295 thousand and recognized in the 2022 costs due to the fact that the Tariff did not fully cover the estimated costs of electricity purchase.

Despite the demanding and volatile market and regulatory environment, the ENEA Group generated financial performance, taking into account contingencies, at an expected level. If it had not been for one-off events, the 2022 EBITDA would have been at least comparable to 2021.

In 2022, EBITDA of the ENEA Group decreased by PLN 1,322,878 thousand compared to the corresponding period of the comparative year, from PLN 3,542,872 thousand to PLN 2,219,994 thousand. In each segment of the ENEA Group's activity, the change in EBITDA was as follows:

- Generation Area, a decrease in EBITDA by PLN 210,758 thousand (to PLN 610,600 thousand), caused by the drop in coal mining volume compensated by a higher selling price with simultaneously higher costs of operating activities.
- Distribution Area, a decrease in EBITDA by PLN 64,232 thousand (to PLN 1,328,696 thousand), caused by an increase in operating expenses, despite the realized higher margin on licensed activities and a stronger result on other operating activities,
- Generation Area, a decrease in EBITDA by PLN 1,292,259 thousand (to PLN 310,209 thousand), results predominantly from the EBITDA decrease in the System Power Plants Segment by PLN 1,030,347 thousand (decrease in the margin on generation related to the higher cost of coal and CO<sub>2</sub> and the increase in fixed costs) and in the RES Segment by PLN 243,436 thousand (for the most part as a result of the increase in biomass consumption costs and a lower volume of net electricity generation from renewable sources). At the same time, higher revenues from the Capacity Market and from the Regulatory System Services were recorded,
- Trading Area, EBITDA loss lower by PLN 165,526 thousand (to PLN -76,000 thousand), caused by a higher realized margin on the retail market. In parallel, provisions related to onerous contracts grew and the result on revaluation of CO<sub>2</sub> contracts deteriorated.

In 2022, positive Return on Assets and Return on Equity ratios were achieved. In 2022, the Return on Assets (ROA) was 0.3% (5.2% in 2021) and the Return on Equity (ROE) was 0.7% (11.9% in 2021).

Lubelski Węgiel Bogdanka S.A., an ENEA Group subsidiary, generated and sold 8.4 million tons of bituminous coal in the previous year (in comparison to 2021: 9.9 million tons of net production, 10.0 million tons of sales of coal). This decrease resulted from contingencies, i.e. mining difficulties. Until mid-2022 the net mining still achieved record-breaking semi-annual levels (5.6 million tons of net production, 5.2 million tons of sales of coal).

Nearly 42 thousand renewable sources, including microinstallations, were connected to the distribution grid of ENEA Operator Sp. z o.o. in 2022. At the end of 2022, the total number of RES sources connected to the distribution grid of ENEA Operator sp. z o.o. was over 151 thousand. Sales of distribution services to end users amounted to 20.3 TWh (at a similar level to 2021).

In 2022, the ENEA Group's total net production of electricity was 26.2 TWh, which was similar to the figure achieved in 2021 (26.4 TWh). The total volume of energy generated from renewable sources reached nearly 2 TWh, dropping by 0.5 TWh relative to the previous year.

In 2022, the sales volume of electricity and gaseous fuel to retail customers was 23.7 TWh, and was approx. 0.8 TWh lower. Sales of electricity were 22.8 TWh, a similar level to the previous year (22.9 TWh). Sales of gaseous fuel to retail customers went down by 0.7 TWh, to 0.9 TWh.

In a press release of 28 November 2022, Fitch Ratings, an independent financial institution, affirmed the Company's long-term foreign- and local-currency issuer default ratings at "BBB" with a negative outlook (change from a stable outlook as a result of the anticipated increase in the financial leverage in Q4 2022 and 2023). "BBB" national rating means that an issuer or an issue represents a moderate level of default risk relative to other issuers in Poland.

The Net Debt/EBITDA ratio reached a safe level of 1.73 (0.77 in 2021). An increase in net debt (lower cash flows from current activities) with a simultaneous decrease in EBITDA was recorded.

In 2022, the ENEA Group made capital expenditures of nearly PLN 2,590 million, of which PLN 80 million was spent on projects related directly to environmental protection (including in particular adaptation of ENEA Elektrownia Połaniec S.A. to the BAT conclusions).

Taking into account the contingencies that occurred in 2022 (war in Ukraine, growing inflation rate, instability of the macroenvironment, dynamic situation in the energy market, etc.), it must be stated that the ENEA Group lived up to the events that afflicted all energy market participants. The Group displayed effectiveness during

that demanding time, which translated into achievement of financial and operating performance at a stable level, which made it possible to maintain the hitherto financial rating and to maintain the loan covenants.

In 2022, ENEA S.A. generated a loss of PLN -67,458 thousand on operating activities. The loss lower by PLN 229,598 thousand relative to 2021 was caused mainly by a higher realized margin on the retail market. In parallel, provisions related to onerous contracts grew mainly in respect of loss on Tariff G. This is due to the fact that the Tariff fails to cover the full costs of electricity purchases estimated by the Company.

The 2022 net result amounted to PLN 2,448,024 thousand, which was higher by PLN 1,987,615 thousand compared to 2021. The net result was affected, apart from the result on operating activities, mainly by the dividend income and the reversal of the impairment losses of the shares of ENEA Wytwarzanie sp. z o.o.

The total sales of electricity to retail end users were 22.8 TWh in 2022 and were 0.7% lower relative to 2021. As at 31 December 2022, the number of end users was approx. 2.7 million and was comparable to the corresponding period in the previous year.

In 2022, the Return on Sales was positive, reaching 19.7% (6.2% in 2021), and the Return on Equity was 17.4% (4.3% in 2021).

In accordance with the “Corporate Governance Principles for Supervised Institutions”<sup>1</sup> and the “Best Practice for WSE Listed Companies 2021”<sup>2</sup>, ENEA S.A. carried out the annual review of internal control, risk management and compliance systems and the internal audit function. The goal was to verify adequacy and effectiveness of the aforementioned systems and internal audit functions implemented at the Company level. The review was carried out based on the key elements of the internal control system defined according to the COSO I model.

The following in particular were on agenda of the Audit Committee’s sessions in 2022: Reports on Audit Tasks and Control Tasks performed at ENEA S.A. and ENEA Group Companies (including the Final Report titled “Audit of the overall assessment of the internal control system at ENEA S.A.”), Report on the Group’s Audit and Control Department’s activity for 2021 and the Report on the risk management area in the ENEA Group in 2021.

In the opinion of the Supervisory Board Audit Committee, the aforementioned actions undertaken in 2022 in ENEA S.A. contributed to the strengthening of the internal control, risk management and compliance systems and the internal audit function.

In the area of **internal control environment**, it is worthwhile to mention the measures oriented towards the improvement of the compliance system, including towards the implementation of solutions that enable practical achievement of one of the objectives of the compliance system, i.e. informing the employees about the requirements arising from the laws which apply to the tasks they perform.

The responsibility for the process of monitoring of the changes in the Company’s regulatory environment and of informing the employees about the occurring changes was defined in the normative act titled “Rules and Regulations of ENEA S.A. Organizational Units”.

At the same time, such operational solutions were introduced that make it possible to inform the employees on an ongoing basis about the changes occurring in the Company’s regulatory environment. The following are published on the corporate Intranet:

- Summary of legal acts announced in the week preceding the publication,
- “Legal and Regulatory Alerts”, containing information about new legal acts and amended acts of mandatory law (along with brief information about the effects of their introduction for the ENEA Group, including ENEA S.A.),
- “Analyses of draft amendments”, which discuss the future amendments to selected legal acts (with an indication of their effect for the ENEA Group).

The publication of information in the field of legislation monitoring in a single place enables the employees to obtain information necessary for their tasks efficiently.

In the area of **enterprise risk management**, the preparation of organizational assumptions regarding the management of risks shared between the ENEA Group companies (including ENEA S.A.) in 2022 was evaluated positively.

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<sup>1</sup> Published by the Polish Financial Supervision Authority – Chapter 8 Key internal systems and functions.

<sup>2</sup> Published by the Warsaw Stock Exchange – Chapter III Internal systems and functions.

The materialization of the risk which is a risk shared between the ENEA Group companies (including ENEA S.A.) might exert an adverse impact on the continuity of the critical process in a different ENEA Group company than the company managing said risk.

Bearing the above in mind, pursuant to the updated ENEA Group's Derivative Document titled "Enterprise Risk Management Methodology at the ENEA Group", solutions oriented towards prevention or mitigation of effects of materialization of the risks threatening the continuity of the major processes in the ENEA Group companies, including processes related to the provision of the key services, were introduced.

The following in particular must be mentioned among the organizational assumptions that are significant for the effective process of shared risk management:

- active participation of the risk Recipient (i.e. employee of the company suffering from the effects of risk materialization) in the process, e.g. through ongoing risk consultations conducted with collaboration of the risk Recipient, risk Owner (i.e. employee of the company managing the risk) and risk Managers of both companies,
- provision of ongoing flow of information about the risks shared between the company managing the risk and the company suffering from the effects of risk materialization (taking into account flow of information to the Management Board of the shared risk Recipient).

In 2022, a review of registers of enterprise risks was carried out in ENEA Group companies and was finished with identification of risks shared between the companies, appointment of their Recipients together with Deputies.

The following in particular are planned for 2023:

- operational implementation of organizational solutions prepared in 2022 in the area of shared risks,
- deployment of a new IT tool supporting the enterprise risk management process (including shared risk management).

As regards **control mechanisms**, it is worthwhile to note the solutions developed and deployed in previous years, which ensured the fulfilment of the role of agreement Coordinator at ENEA S.A. in 2022, i.e. a person responsible for supervision over the performance of the agreement concluded with the Contractor, in accordance with its provisions.

The aforementioned solutions consist in:

- introducing an obligation to appoint an agreement Coordinator by the subject-matter unit and describing the key tasks of the agreement Coordinator in the normative act titled "Rules and regulations for execution and performance of agreements in ENEA S.A.",
- making the subject-matter scope of the agreement Coordinator's tasks more specific in the internal regulations related to the aforementioned Rules and regulations,
- introducing operational solutions that enable practical performance of tasks by the agreement Coordinator (e.g. solutions in purchasing process support systems, ongoing communications with Company employees regarding the agreement Coordinator's tasks and manner of their performance).

The following in particular are planned for 2023:

- submission by ENEA S.A. of formal recommendations to the ENEA Group companies regarding the obligation to appoint an agreement Coordinator and that person's tasks.

The aforementioned measure might exert a positive impact on the optimization of the solutions as part of the internal control system in the purchasing process (in the area related to agreement coordination).

In the area of **information and communication**, the communication process regarding data protection incidents of the Customers of ENEA S.A., conducted between ENEA S.A. – acting as the Data Controller, and ENEA Centrum sp. z o.o. – acting as the Processor, was evaluated positively.

The execution of the following solutions in the communication process was confirmed:

- the Data Controller's mandating the Processor to process personal data on a contract specifying, among others, the rules of flow of information about personal data protection incidents,
- the employees of the Processor reporting identified personal data protection incidents to the Processor's Data Protection Officer (through a dedicated application),



- carrying out pre-qualification of the reported incidents to assess whether they resulted in a risk to the rights and freedoms of natural persons (thereby, in an obligation to report the breach to the President of the Personal Data Protection Office),
- the pre-qualification carried out by the Processor's Data Protection Officer was subject to verification by the Data Protection Officer of ENEA S.A. No personal data protection incidents assessed as resulting in a breach of the rights and freedoms of natural persons (i.e. incidents covered by the obligation to inform the President of the Personal Data Protection Office) occurred at ENEA S.A. in 2022.
- information about potential personal data protection incidents, reported by the employees as security incidents (i.e. with the use of a different communication channel than that dedicated to reports addressed directly to the Data Protection Officer), were forwarded on the same date to the Data Protection Officer at ENEA S.A.

For 2023, the following activities have been scheduled:

- review of internal regulations in the area of personal data protection and of the personal data processing agreement in terms of their alignment with solutions currently applied in practice,
- improvement of mechanisms for the flow of information on personal data protection incidents between the Data Administrator and the Processor.

Once completed, these activities may exert a favorable impact on the continuous improvement of the personal data protection process based on identified incidents and minimization (at the operational level) of the probability and consequences of materialization of the risks related to breaches of the GDPR.<sup>3</sup>

In the **monitoring and supervision** area, the solutions deployed in previous years and applied in 2022 for monitoring the execution and reporting to corporate bodies on material projects carried out by the ENEA Group (included in the ENEA Group's Master Growth Plan and/or constituting Strategic Investments) were assessed favorably.

Selected ENEA S.A. Organizational Units participate in the process of monitoring the execution of projects (in material and financial terms) and reporting to corporate authorities, in accordance with the allocation of responsibilities specified in the normative document entitled "Rules and Regulations of ENEA S.A. Organizational Units" and in dedicated Derivative Acts of the ENEA Group (specifically, "Methodology of project, program and portfolio management in the ENEA Group" and "Investment controlling procedure in the ENEA Group").

Key organizational assumptions in the process of reporting information to corporate authorities about projects executed in the ENEA Group are derived from the said internal regulations.

The Organizational Units carrying out the reporting process have developed operational solutions that enable the collection of information on projects within the ENEA Group and the presentation of monitoring results to corporate authorities (in accordance with the objective and scope of reporting, as agreed upon with Report Recipients).

Plans for 2023 include the deployment of solutions aimed at ensuring the ongoing exchange of information between the Organizational Units participating in the process of reporting the progress of projects to corporate authorities, which may exert a favorable impact on process optimization, including by maintaining the consistency of data in pertinent reports.

The Supervisory Board believes that the function performed by the following units is an important element of the Company's internal control system in the area of **monitoring and supervision**:

- Audit Committee of the Supervisory Board,
- Internal audit and internal control.

**In 2022, the Audit Committee** implemented in particular the following tasks:

1. Monitored the financial reporting process.
2. Monitored effectiveness of the internal control, risk management and compliance systems and the internal audit function.

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<sup>3</sup> Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC – General Data Protection Regulation

3. Held meetings with the certified auditor and monitored the certified auditor's independence.
4. Monitored the reliability of the financial information presented by the Company, in particular by way of reviewing the appropriateness and consequences of applying the accounting methods adopted by ENEA S.A. and the ENEA Group (including the criteria for consolidation of financial statements of Group companies).
5. Notified the Supervisory Board of the results of the audit of financial statements of ENEA S.A. and the ENEA Group for the financial year ended 31 December 2021, explaining how the audit contributed to the reliability of financial reporting in the Company and the role of the Audit Committee in the auditing process.
6. Participated in the process of developing the Annual Audit Plan for 2023 by issuing opinions on it and submitting it to the Supervisory Board for approval.
7. Issued opinions on and submitted the annual budget of the Group's Audit and Control Department for 2023 to the Supervisory Board for approval.
8. Issued opinions on and submitted the amended "Internal Audit Policy of the ENEA Group" to the Supervisory Board for approval.
9. Held regular meetings with the Director of the Group's Audit and Control Department during which it discussed the findings from the Audit Tasks and advisory activities, including any recommendations issued thereunder, and monitored the reaction of the Company's Management Board to the foregoing.

In 2022, the **internal audit function operating within ENEA S.A.**, carried out by the Group's Audit and Control Department, was functionally subordinate to the Audit Committee, formally to the President of the Company's Management Board, reporting on the outcomes of Audit Tasks and Control Tasks in parallel to both the ENEA S.A. Management Board and the Audit Committee – which ensured the independence of the internal audit function.

In 2022, the internal audit function in the ENEA Group was assessed by an external auditor in order to fulfill the objectives laid down in the "Best Practice of WSE Listed Companies 2021" and the "International Standards for the Professional Practice of Internal Auditing",<sup>4</sup> according to which external assessments should be conducted by an independent person or team from outside the organization at least once every five years. According to the assessment issued by the external auditor, the ENEA Group's internal audit function operates "generally in accordance" with "International Standards for the Professional Practice of Internal Auditing" (meaning that the pertinent structures, policies and procedures of the internal audit function, along with implemented processes, fulfill the requirements of the relevant standards in all material respects).

The internal audit activities carried out in 2022 contributed to the improvement of operational activities of ENEA Group companies, including ENEA S.A., by:

- performance of Audit Tasks, Control Tasks and advisory activities,
- monitoring the status and effectiveness of implementation of recommendations.

In 2022, the Group's Audit and Control Department coordinated the conduct of two external audits by the Supreme Audit Office in ENEA S.A.

Measures were also taken to raise the effectiveness and improve the internal audit and internal control functions, including through a review and update of:

- Derivative Acts of the ENEA Group (concerning the operation of the internal audit and internal control functions), specifically: "Internal Audit Policy of the ENEA Group", "Rules and Regulations of Internal Audit in the ENEA Group", "Rules and Regulations of Internal Control in the ENEA Group", "Rules of conduct during external inspections, activities of law enforcement agencies and the judiciary in the ENEA Group",
- Internal documents (laying down the guidelines on how to perform Audit Tasks, Control Tasks and monitoring the execution of recommendations, and concerning the assessment of internal audit activities), namely: "Internal Auditor's Manual", "Internal Controller's Manual" and "Program for Ensuring and Improving Internal Audit Quality for the ENEA Group".

Activities planned for 2023 include:

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<sup>4</sup> Rule 3.10 of the "Best Practice for WSE Listed Companies 2021" and Standards 1310 and 1312 of "International Standards for the Professional Practice of Internal Auditing".

- audit of the business continuity management system in ENEA Group companies, with the support of external auditors,
- improvement of cooperation with Audited and Controlled Units regarding the streamlining of processes in ENEA Group companies.

The **Compliance System**, implemented and consistently developed in the ENEA Group, aims to achieve and maintain an organizational level ensuring that employees and managerial staff of the ENEA Group conduct business activities in a fair, ethical manner, coherent and compliant with legal and regulatory duties as well as adopted internal regulations.

Considering that awareness of the Compliance system in the ENEA Group among employees of the ENEA Group makes it easier for them to make the right decisions in situations where they have doubts if they act in compliance with generally applicable laws, internal regulations and ethical principles, the Compliance Office at ENEA S.A. carried out numerous activities to increase efficiency of the Compliance system, while placing emphasis on developing corporate culture promoting ethical and lawful conduct among employees and business partners of the ENEA Group.

In 2022, the ENEA S.A. Compliance Office and the ENEA Group Compliance Officer, in their effort to continuously raise employee awareness of zero tolerance of any signs of corruption, created an information campaign in cooperation with the Group Corporate Communication and External Relations Department and an external advertising agency. As part of the campaign, the “Team of high principles #EneaJestFair” was established, composed of ENEA Group employees, as a component of an educational campaign run under the slogan “It is worth being fair, we all benefit from that!”

The goal of the campaign is to promote good business practices, raise awareness of corruption prevention and build an organizational culture based on fairness. It was launched on International Anti-Corruption Day, 9 December 2022. As part of the #EneaJestFair initiative, a dedicated website has been prepared, available at [www.enea.pl/jestem-fair](http://www.enea.pl/jestem-fair), containing information on how to counteract corruption, presenting the ENEA Group’s internal anti-corruption regulations and providing instructions on reporting breaches of anti-corruption principles. An animated movie with guidance on how to behave in corruptive situations was also created. The campaign is complemented by seven “Rules of the #EneaJestFair Team”:

- We do not give or accept bribes.
- As a rule, we do not give or accept gifts.
- We react to corrupt behavior.
- We screen our business partners.
- We report violations.
- We set an example for others.

In 2022, a new series of e-learning courses was also launched in the ENEA Group, with topics including corruption and its prevention, which was targeted at all employees of ENEA Group companies. In 2022, all ENEA S.A. Management Board Members completed anti-corruption training.

In 2022, the Compliance Office at ENEA S.A. continued the ENEA News cycle of articles on Compliance. The knowledge of ENEA Group employees about the rules in place within the ENEA Group governing issues such as corruption and conflicts of interest was refreshed.

In 2022, apart from activities related to the development of the Compliance System in the ENEA Group, ongoing activities were performed as part of the operation of the ENEA Group’s Compliance System, including, above all, active participation in drafting internal regulations and issuing opinions on internal regulations with regard to Compliance, in cooperation with persons dedicated to the Compliance area in each entity of the ENEA Group within the Compliance Management and Legal Services Division, focused on identification and assessment of potential compliance risks, detection of potential violations and ongoing monitoring of amendments to law in the Compliance area.

The ENEA S.A. Supervisory Board assessed that the system for disseminating knowledge among employees adopted in the Company and the ENEA Group operates correctly with respect to the area connected with ensuring compliance of activities carried out by the ENEA Group with the applicable standards set forth in the provisions of generally applicable law and internal regulations as well as ethical norms through e-learning courses, articles published in the press and on websites and the Intranet.

According to the ENEA S.A. Supervisory Board, the system for reporting violations adopted in the Company and the ENEA Group has been adjusted to the currently binding laws.

The ENEA S.A. Supervisory Board believes that Compliance System in force in the Company and the ENEA Group addresses both internal and external expectations, while constituting an important element of responsible governance.

In connection with the performed supervisory activities, the ENEA S.A. Supervisory Board assessed favorably the measures and mechanisms adopted in the Company and the ENEA Group ensuring transparency and clarity of its activities, functioning in compliance with the law and promoting positive ethical models.

## **9. Assessment of the Company's application of corporate governance principles and the manner of fulfillment of the disclosure requirements concerning the application of corporate governance principles specified in the Stock Exchange Rules and Regulations pertaining to current and periodic information provided by securities issuers.**

Considering the requirement set forth in Rule 2.11.4 of the "Best Practice for WSE Listed Companies 2021" (DPSN 2021), under which, in addition to activities resulting from the provisions of law, once a year the supervisory board should prepare and submit to the general meeting of shareholders an assessment of the company's application of corporate governance principles and its manner of fulfillment of the disclosure obligations concerning compliance with these principles defined in the Stock Exchange Rules and Regulations and regulations on current and periodic reports published by issuers of securities, in 2022 and in 2023 (by the date of approving this report) the Supervisory Board analyzed the application of the corporate governance principles defined in DPSN 2021 and the manner of performance of the following obligations by ENEA S.A.:

- disclosure requirements to publish, in the Electronic Information Database, current reports concerning incidental violations of or resignation from application of individual corporate governance principles,
- disclosure requirements to publish, in the annual Management Board Activity reports, a representation on the application of corporate governance principles,
- disclosure requirements to publish specific information on ENEA S.A.'s website.

The above analysis covered, among others, the following documents, information and circumstances:

- Current Report No. 1/2021 of 29 July 2021 regarding the status of application of the principles included in the collection of the "Best Practice for WSE Listed Companies 2021",
- annual reports for 2021 published in 2022, which included, in the Management Board Report, a representation of the ENEA S.A. Management Board on the application of corporate governance principles as laid down in the "Best Practice for WSE Listed Companies 2016" and the "Best Practice for WSE Listed Companies 2021",
- published annual reports for 2022, which included, in the Management Board Report, a representation of the ENEA S.A. Management Board on the application of corporate governance principles as laid down in the "Best Practice for WSE Listed Companies 2021",
- corporate governance information published on ENEA S.A.'s website,
- the actual status of application of the "Best Practice for WSE Listed Companies" in ENEA S.A.

On 29 July 2021, ENEA S.A. published current report no. 1/2021 on information on the status of application of the principles included in the collection of the "Best Practice for WSE Listed Companies 2021". In 2022, ENEA S.A. applied the principles laid down in the "Best Practice for WSE Listed Companies 2021".

Having read the above documents and information, the Supervisory Board concluded that no events occurred in 2022 would significantly affect the scope of application of the corporate governance rules established by the Stock Exchange and previously communicated by the Company.

In 2022, the Company complied with all principles included in the "Best Practice for WSE Listed Companies 2021", except for principles 1.4.2., 2.1., 2.2., 4.1., 4.3., 4.8. and 4.9.1.

Following an analysis, the Supervisory Board concluded that information provided in fulfillment of the disclosure requirements related to the application of corporate governance principles corresponds to the actual status of application in ENEA S.A. of the rules contained in the "Best Practice for WSE Listed Companies 2021" and that it is exhaustive and includes, to a sufficient extent, substantive details on the application of corporate governance principles by ENEA S.A.

In view of the foregoing, the ENEA S.A. Supervisory Board has issued a positive opinion on the Company's observance of corporate governance principles and fulfillment of the disclosure requirements concerning the application of corporate governance principles specified in the Stock Exchange Rules and Regulations pertaining to current and periodic information provided by securities issuers. The Supervisory Board shares the opinion of the Management Board that in line with the adequacy principle, at present it is no longer justified to follow some of the DPSN 2021 rules included in the Best Practice which the Company renounced.

## **10. Assessment of reasonability of the Company's sponsorship and charitable activities.**

The Supervisory Board has been monitoring the sponsorship activities pursuant to the "Rules for conducting sponsorship activities in the ENEA Group" in effect in the Company (4th edition, in effect since 7 May 2021), and pursuant to the "Best Practices for conducting sponsorship activities in State Treasury-owned companies" published on 15 June 2016. The Supervisory Board approves the Promotion Plan for the ENEA Group and issues an opinion on Annual Information on the performance of the Promotion Plan for the ENEA Group.

The Promotion Plan includes a sponsorship plan, plan of marketing activities and plan of CSR activities for the ENEA Group. Sponsorship projects performed in the ENEA Group are evaluated in terms of effectiveness of funds involved in accordance with the rules defined in the "Research methodology of selecting, planning, analyzing and reporting effectiveness of sponsorship activities" (4th edition), in effect since 7 May 2021. The ENEA Group follows a policy of sponsorship activities which involves achievement of assumed objectives in accordance with the best market practice and in compliance with principles of business ethics. The portfolio of sponsorship projects includes projects in the field of sports, culture and community engagement

The procedure for approval, by the relevant authorities of ENEA S.A., of the annual sponsorship report, which is a part of the report on the Promotion Plan, is defined by the "Procedure for preparing, performing and reporting the Promotion Plan for the ENEA Group" (2nd edition), in effect since 7 May 2021.

In 2020, a secondary regulation entitled the "ENEA Group Communication Policy" (first edition), effective as of 10 March 2020, was adopted, which supplements the internal regulations in line with the "Recommended standards for the compliance management system on counteracting corruption and the whistleblower protection system in companies listed on markets organized by the Warsaw Stock Exchange" in the sponsorship area.

With respect to the charitable activity, the Supervisory Board receives regular reports on the operation of the ENEA Foundation and also approves the donations made to the ENEA Foundation by ENEA S.A.

The Supervisory Board believes that the sponsorship and charitable activity serves the interests of the Company and its shareholders.

## **11. Evaluation of related party transactions**

In performance of the provisions of Chapter 4b of the Act of 29 July 2005 on Public Offerings and the Terms and Conditions for Introducing Financial Instruments to an Organized Trading System and on Public Companies, the Supervisory Board of ENEA S.A. conducted a periodic assessment of significant transactions concluded with related entities. Based on an analysis of transactions with related parties in 2022 presented by the Company's Management Board in the summary report on material transactions, on 22 March 2023 the Supervisory Board issued a favorable assessment of transactions with related parties in 2022, stating that:

- material transactions had been concluded with related parties on an arm's length basis, as part of the ordinary core activity of ENEA Group companies, in the Mining, Generation, Distribution and Other Activities segments,
- the parties to the transactions shaped the terms and conditions of cooperation on typical market terms,
- the transactions were concluded on exchanges or followed tender proceedings/price negotiations; for some transactions a comparative analysis was carried out in order to confirm their market character.

## **12. Assessment of the fulfillment by the Management Board of disclosure duties towards the Supervisory Board, as referred to in Article 380<sup>1</sup> of the Commercial Company Code.**

As part of the amendments to the Commercial Company Code of 13 October 2022, provisions were introduced that require management boards of joint-stock companies to provide certain information to the supervisory board without being requested to do so. Pursuant to Article 380<sup>1</sup> § 1-5 of the Commercial

Company Code, management boards of joint-stock companies are required to provide the supervisory board, without any additional request, with information regarding the company and, to the extent held by the management board, regarding subsidiaries and related parties, about:

- 1) resolutions of the management board and their subject matter – at each meeting of the supervisory board unless instructed otherwise by the supervisory board,
- 2) situation of the company, including its assets, and material circumstances related to the company's business, in particular in the operational, investment and human resources areas – at each meeting of the supervisory board unless instructed otherwise by the supervisory board,
- 3) progress made in the pursuit of designated directions of growth in the company's business, with an indication of deviations, if any, from previously set directions and justification for such deviations – at each meeting of the supervisory board unless instructed otherwise by the supervisory board,
- 4) transactions and other events or circumstances significantly or potentially affecting the company's financial standing, including its profitability or liquidity – promptly following the occurrence of such events or circumstances,
- 5) changes in any information previously provided to the supervisory board if such changes significantly or potentially affect the company's standing – promptly following the occurrence of such events or circumstances.

The fulfillment of the obligations referred to in items 2-5 includes information held by the management board regarding subsidiaries and related parties.

Such information should be presented in writing, except when it is impossible to ensure this form of communication due to the need to share the requisite information instantaneously. The supervisory board may also consent to the admissibility of providing such information in any other form. The company's articles of association may exclude or restrict the said disclosure duties.

With reference to the said legal regulation, on 14 December 2022 the Company's Supervisory Board adopted a document entitled "Principles governing the provision of information specified in Article 380<sup>1</sup> of the Commercial Company Code to the Supervisory Board", in which it specified the dates and form of provision of the said information and clarified, among other issues, that the information indicated in Article 380<sup>1</sup> §1(1)-(3) of the Commercial Company Code regarding the Company and in Article 380<sup>1</sup> §1(2)-(3) of the Commercial Company Code regarding ENEA S.A. subsidiaries operating in the fields of electricity generation, heat generation, electricity distribution or electricity trading will be submitted to each meeting, but not more frequently than once per month. This provision is a safeguard against redundant efforts in periods when it is necessary to convene supervisory board meetings more frequently than once per month. In turn, as regards the information specified in Article 380<sup>1</sup> §1(4)-(5) of the Commercial Company Code concerning the Company and the said subsidiaries, the new rules introduced the obligation to present such information immediately after the occurrence of certain events or circumstances, but not later than within 7 days of their occurrence.

Moreover, in the same document, the Supervisory Board specified the time limits for the Management Board to provide information on subsidiaries other than those mentioned above, according to which the information indicated in Article 380<sup>1</sup> §1(2)-(3) of the Commercial Company Code should be provided to the Supervisory Board once per quarter, while the information indicated in Article 380<sup>1</sup> §1(4)-(5) of the Commercial Company Code should be provided immediately after the occurrence of certain events or circumstances, but not later than within 7 days of their occurrence.

The principles adopted by the Supervisory Board also stipulate that the Supervisory Board Chairperson may provide the Company's Management Board with the Supervisory Board's guidelines and recommendations regarding the detailed scope of information arising from Article 380<sup>1</sup> of the Commercial Company Code.

The Supervisory Board is of a favorable opinion on the performance by the Management Board of the disclosure duties towards the Supervisory Board, as referred to in Article 380<sup>1</sup> of the Commercial Company Code.

### **13. Evaluation of the method of preparation or submission, to the Supervisory Board by the Management Board, of information, documents, reports or clarifications requested in the manner provided for in Article 382 § 4 of the Commercial Company Code.**

In accordance with the amendments to the Commercial Company Code enacted on 13 October 2022, in order to perform its duties, the supervisory board may examine all company documents, review the company's assets and request the management board, commercial proxies or persons employed in the company under an employment contract or performing specific activities for the company on a regular basis under a work product agreement, a mandate contract or any other contract of a similar nature, to prepare or provide any

information, documents, reports or clarifications regarding the company, in particular pertaining to its business or assets. Such requests may also concern information, reports or clarifications held or to be provided by a corporate authority or an obligated person regarding subsidiaries or related parties. Such information, documents, reports or clarifications must be provided to the supervisory board promptly, but not later than within two weeks from the date of the request to the obligated authority or person unless a longer period is specified in the request. The management board may not restrict access by supervisory board members to information, documents, reports or clarifications requested by them.

The Supervisory Board is of a favorable opinion on the method of preparation and submission by the Company's Management Board of information, documents, reports or clarifications requested in the manner provided for in Article 382 § 4 of the Commercial Company Code.

#### **14. Information on the total fees due from the Company for all audits commissioned by the Supervisory Board during the financial year in the manner specified in Article 382<sup>1</sup> of the Commercial Company Code.**

The amendments to the Commercial Company Code enacted on 13 October 2022 introduced the right under which the supervisory board may adopt a resolution on examining, at the company's expense, a specific matter concerning the company's operations or assets by a selected advisor (advisor to the supervisory board). An advisor to the supervisory board may also be selected to prepare specific analyses or opinions. In 2022, the ENEA S.A. Supervisory Board did not exercise these powers and did not appoint an advisor to the supervisory board. Because the ENEA S.A. Supervisory Board did not use the services of an advisor to the supervisory board in 2022, the Company did not incur any expenses in this respect.

#### **15. Comments of the Supervisory Board concerning cooperation with the Management Board.**

After having evaluated the work of each of the Management Board Members serving on the Company's Management Board in 2022, the Supervisory Board of ENEA S.A. hereby recommends that the Ordinary General Meeting grant a discharge on the performance of duties in the 2022 financial year to the following persons:

- Mr. Paweł Majewski, President of the Management Board, in the period from 25 April 2022 to 31 December 2022,
- Mr. Paweł Szczeszek, President of the Management Board, in the period from 1 January 2022 to 10 April 2022,
- Mr. Tomasz Szczegielniak, Management Board Member for Corporate Matters, in the period from 1 January 2022 to 24 June 2022,
- Mr. Dariusz Szymczak, Management Board Member for Corporate Matters, in the period from 25 June 2022 to 31 December 2022,
- Mr. Tomasz Siwak, Management Board Member for Commercial Matters, in the period from 1 January 2022 to 19 December 2022,
- Mr. Marcin Pawlicki, Management Board Member for Operational Matters, in the period from 1 January 2022 to 31 December 2022,
- Mr. Rafał Marek Mucha, Management Board Member for Financial Matters, in the period from 1 January 2022 to 31 December 2022, including on the performance of his duties as President of the Company's Management Board in the period from 11 April 2022 to 24 April 2022,
- Mr. Lech Adam Żak, Management Board Member for Strategy and Development, in the period from 1 January 2022 to 31 December 2022.

#### **16. Information on the implementation of the diversity policy with regard to the Management Board and the Supervisory Board**

According to "Information on the status of the company's application of the recommendations and rules laid down in the Best Practice for WSE Listed Companies 2021", no formalized diversity policy has been put in place to date by ENEA S.A. with regard to the Company's corporate authorities or key managers. However, diversity principles are applied within the Company. Currently, there are no women in the Company's Management Board. However, the Supervisory Board is composed of both women and men. The current gender mix in the Company's corporate bodies does not ensure differentiation at a level of at least 30%. It

should be emphasized that the Company endeavors to ensure that the appointment of its governing bodies and key managers is each time conducted pursuant to the commonly binding legal regulations and preceded by a thorough analysis of the experience, competence, skills and substantive preparation of each candidates, regardless of other non-substantive criteria, including, without limitation, sex or age.

**ENEA S.A. Supervisory Board Members:**

Łukasz Ciołko – Supervisory Board Chairman \_\_\_\_\_

Roman Stryjski – Supervisory Board Deputy Chairman \_\_\_\_\_

Mariusz Pliszka – Supervisory Board Secretary \_\_\_\_\_

Aleksandra Agatowska – Supervisory Board Member \_\_\_\_\_

Mariusz Damasiewicz – Supervisory Board Member \_\_\_\_\_

Aneta Kordowska – Supervisory Board Member \_\_\_\_\_

Tomasz Lis – Supervisory Board Member \_\_\_\_\_

Paweł Łącki – Supervisory Board Member \_\_\_\_\_

Mariusz Romańczuk – Supervisory Board Member \_\_\_\_\_

Piotr Zborowski – Supervisory Board Member \_\_\_\_\_

Warsaw, 26 April 2023