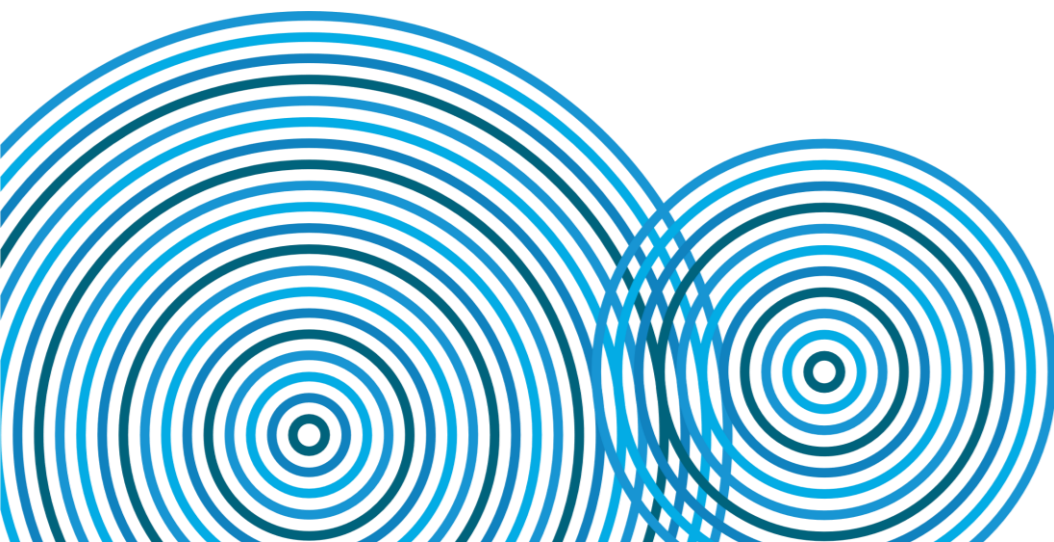




**Report of the Supervisory Board
of Cyfrowy Polsat S.A. for the period
from January 1, 2022
to December 31, 2022**

Warsaw, May 31, 2023



The Supervisory Board (the "**Supervisory Board**") of Cyfrowy Polsat S.A. (the "**Company**" or "**Cyfrowy Polsat**"), acting pursuant to Article 382 §1, §3 and §3¹ of the Commercial Companies Code (the "**CCC**"), the provisions of the Company's Articles of Association, the By-Laws of the Supervisory Board and the principles and recommendations of the Best Practices for WSE Listed Companies 2021 (the "**Best Practices 2021**"), hereby presents to the Annual General Meeting of the Company's Shareholders a report for the period from January 1, 2022 to December 31, 2022, which includes:

- I. information about the composition of the Supervisory Board and its Committees with an indication of which members of the Supervisory Board meet the independence criteria set out in the Act of May 11, 2017 on Auditors, Audit Firms and Public Oversight, as well as which of them do not have actual and material relations with a shareholder holding at least 5% of the total number of votes in the Company, as well as information on the composition of the Supervisory Board in the context of its diversity (2.11.1 Best Practices 2021);
- II. summary of activities of the Supervisory Board and its Committees (2.11.2. Best Practices 2021);
- III. assessment of the Company's standing on a consolidated basis, including evaluation of internal control systems, risk management, compliance and the internal audit function, along with information on actions taken by the Supervisory Board in order to perform this assessment; this assessment shall include all important control mechanisms, in particular concerning reporting and operations (2.11.3. Best Practices 2021);
- IV. assessment of the application by the Company of corporate governance principles and the manner of fulfilling information disclosure obligations related to their application, as specified in the Warsaw Stock Exchange Rules („**WSE Rules**”) and regulations concerning current and periodical information provided by issuers of securities, together with information on actions taken by the Supervisory Board in order to perform this assessment (2.11.4. Best Practices 2021);
- V. assessment of the rationality of expenditures incurred by the Company and Cyfrowy Polsat S.A. Capital Group („**Group**" or "**Polsat Plus Group**") to support culture, sport, charity institutions, media, social organizations, trade unions, etc. (2.11.5. Best Practices 2021);
- VI. information on the rate of implementation of the diversity policy with regard to the Management Board and Supervisory Board (2.11.6. Best Practices 2021);
- VII. the report on the results of the assessment of the Company's financial statements and consolidated financial statements of Polsat Plus Group for the financial year 2022, the Management Board's report on the Company's activities in the financial year 2022 and the consolidated report on Polsat Plus Group's activities in the financial year 2022, as well as the motion of the Company's Management Board regarding the distribution of the Company's net profit for the financial year 2022 (Article 382 § 3 of the CCC) together with an assessment of the Board's performance of its duties and the manner in which information, documents, reports or explanations were prepared or submitted to the Supervisory Board, as well as information on the total remuneration payable by the Company for all studies commissioned by the Supervisory Board during the financial year (Article 382 § 3¹ of the CCC).

I. Information about the composition of the Supervisory Board and its Committees with an indication of which members of the Supervisory Board meet the independence criteria set out in the Act of May 11, 2017 on Auditors, Audit Firms and Public Oversight, as well as which of them do not have actual and material relations with a shareholder holding at least 5% of the total number of votes in the Company, as well as information on the composition of the Supervisory Board in the context of its diversity

The Supervisory Board

In the period from January 1, 2022 to December 31, 2022 the Supervisory Board comprised the following members:

- Mr. Zygmunt Solorz – Chairman of the Supervisory Board;
- Mr. Marek Kapuściński – Vice-Chairman of the Supervisory Board;;
- Mr. Józef Birka – Member of the Supervisory Board;
- Mr. Jarosław Grzesiak – Member of the Supervisory Board;
- Mr. Marek Grzybowski – Member of the Supervisory Board;
- Mr. Alojzy Nowak – Member of the Supervisory Board;
- Mr. Tobiasz Solorz – Member of the Supervisory Board;
- Mr. Tomasz Szelaąg – Member of the Supervisory Board;
- Mr. Piotr Żak – Member of the Supervisory Board.

Within the Supervisory Board, a high degree of diversity is ensured in such areas as age, education, competence and professional experience, however, there is no gender diversity.

The Audit Committee of the Supervisory Board

In 2022, the Audit Committee and the Remuneration Committee functioned as part of the Supervisory Board.

As of January 1, 2022, the composition of the Audit Committee was as follows:

- Mr. Marek Grzybowski – Chairman of the Audit Committee,
- Mr. Tomasz Szelaąg – Audit Committee Member,
- Mr. Alojzy Nowak – Audit Committee Member.

The composition of the Audit Committee meets the requirements referred to in Articles 128(1) and 129(3) of the Act on Statutory Auditors, Audit Firms and Public Oversight dated May 11, 2017. During 2022, the composition of the Audit Committee remained unchanged.

Based on the analysis of declarations submitted by the Audit Committee Members, information from publicly-accessible registers and information obtained from the Company itself, including the explanatory meetings held by Supervisory Board Members with representatives of the Company, especially with regard to the capital structure and the composition of the authorities of Polsat Plus Group companies as well as legal relationships between the Audit Committee Members and the Company and companies from Polsat Plus Group, the Supervisory Board confirmed that the following persons met the criteria of independence set out in art. 129(3) of the Act on Statutory Auditors, Audit Firms and Public Oversight - in the period from January 1, 2022 to the date of adoption of this Report - by Mr. Marek Grzybowski and Mr. Alojzy Nowak.

In the Supervisory Board's opinion, there exist no circumstances which could lead to lack of independence or loss of independence by the above mentioned present Audit Committee Members in the period since the appointment date until the present day. In particular, in the Supervisory Board's

opinion, these persons have no actual and material relations with any shareholder holding at least 5% of the total number of votes in the Company.

All Members of the Audit Committee possess knowledge and skills in accounting and/or auditing financial statements which were obtained during studies, scientific career and/or extensive professional practice. Furthermore, Mr. Tomasz Szelağ possesses knowledge and skills with regard to the sector in which the Company operates, gained during many years of professional career on key managerial positions within Polsat Plus Group, among others, as Member of the Management Board responsible for finance in Cyfrowy Polsat.

Associate Professor Marek Grzybowski, Ph.D. was appointed as Member of the Company's Supervisory Board in July 2020, where he is also Chairman of the Audit Committee. University Professor Marek Grzybowski PhD has been an employee of the Faculty of Law and Administration of Warsaw University since 1977. He has authored and co-authored numerous academic publications: monograph studies, commentaries to the Act on the Bank Guarantee Fund of June 10, 2016, professional journal articles, and judicial interpretations. His academic research interests relate in the main to public policy issues of banking law, including regulation and supervision of financial markets and bank deposit guarantee schemes. He is an attorney-at-law and, since 1983, a member of the Warsaw Bar Association of Attorneys-at-Law. Between 1987 and 2000, he was a partner in the law firms: Consulor LC and T. Komosa, C. Wiśniewski, M. Grzybowski and Wspólnicy LP. In the years 2001 – 2003, he was partner at the international law firm Linklaters LP, and, until 2020, attorney-at-law and proxy representing the firm. In the period 1995 – 1999, he sat on the Board of Directors of the Bank Guarantee Fund and was elected President of the Board of Directors of the Bank Guarantee Fund for the term of 1999 – 2003. In 2005, he was awarded the Golden Cross of Merit for service to the Polish banking system. Since 1997, he has been editor-in-chief of "GLOSA" – a monthly law journal until 2005, subsequently a quarterly, published by Wolters Kluwer. In the years 1999 – 2007, he was an editorial board member of the "Bezpieczny Bank" (Safe Bank) quarterly, and its editor-in-chief between 1999 and 2003. He currently sits on the editorial board of The European Journal of Legal Education. Since 2012, he has been deputy dean in charge of financial affairs of the Faculty of Law and Administration of Warsaw University. In 2014, he was elected member of the Board of the European Law Faculties Association (ELFA), of which he is now president since April 2019.

Mr. Tomasz Szelağ has been a Member of the Company's Supervisory Board since October 2016, where he is also Chairman of the Remuneration Committee and Member of the Audit Committee. He graduated from the National Economy Faculty of the Economic Academy of Wrocław, with a major in International Economics and Political Relations specializing in Foreign Trade. He has been involved with Cyfrowy Polsat since 2009. Apart from the Company, he was appointed a member of the supervisory boards of, among others, Polkomtel Sp. z o.o., Telewizja Polska Sp. z o.o., Netia S.A., Polsat Media Sp. z o.o., Grupa Interia.pl Sp. z o.o., ZE PAK S.A., PAK-Polska Czysta Energia Sp. z o.o., PAK-PCE Biopaliwa i Wodór, PAK-Atom S.A., Exion Hydrogen Polskie Elektrolizery and Port Praski Sp. z o.o. He has extensive knowledge and competences in the field of media and telecommunication, finance and banking as well as preparing and auditing financial statements. In 2000-2003, he was an assistant at the Foreign Trade Faculty of the Economic Academy of Wrocław. In May 2003 he received his PhD title for a thesis on hedging transactions used by world copper producers and went on to become a lecturer in the Faculty of International Economic Relations of the Economic Academy of Wrocław. Between 2003 and 2004 he also held a position of lecturer at the Wrocław School of Banking - at the Faculty of International Economic Relations. Parallel to his academic career Tomasz Szelağ also developed his professional career gaining experience in managerial positions in the area of finance and investment. From 2003, he was Chief Specialist in the Currency Risk Department of KGHM Polska Miedź S.A., and then of the Market Risk and Analysis Department. In September 2004, he became Director of the Department. In December 2004, he became Director of Hedging Department of KGHM and held the function until March 2007. From April 2007 to June 2008 he worked as Director of Branch of Sociétés

Générale Bank in Wrocław. In July 2008, he took the position of Vice-president for Finance in Telefonía Dialog S.A., which he held until March 2009. In Telefonía Dialog S.A. he was responsible for finance, accounting, controlling, and budgeting management, and also owner supervision and capital investment, logistics and purchases, project management and IT. From May 2009 until September 2016 he held the position of Member of the Management Board and Chief Financial Officer at Cyfrowy Polsat and was responsible for broadly understood finances in Polsat Plus Group. In the years 2010-2016 Tomasz Szelaǵ was a member of the management boards of numerous companies from Polsat Plus Group, including Telewizja Polsat (October 2011-October 2014), INFO-TV-FM (July 2012 – November 2016), CPSPV1 and CPSPV2 (April 2013 – November 2016), Plus TM Management (April 2014-December 2016) and Polkomtel (September 2014-December 2016). He was also President of the management board of Cyfrowy Polsat Trade Marks Sp. z o.o. (2010-2016) and Telewizja Polsat Holdings Sp. z o.o. (2012-2016).

Mr. Alojzy Nowak was appointed as Member of the Company's Supervisory Board in June 2021. He graduated from the Academy of Planning and Statistics in Warsaw in 1984 (currently: the Warsaw School of Economics). In 1991 he obtained a doctoral, and in 1995 - a PhD degree. In 1992 he studied economics at the University of Illinois in Urbana-Champaign, USA. In 1993 he completed studies in banking, finance and insurance at the University of Exeter in Great Britain; in 1996 he studied international economics at the Free University of Berlin, and in 1997 he studied international economics at RUCA (Antwerp). In 2002, he obtained the academic title of professor of economics. He is a laureate of many awards and distinctions, including Rector's Awards for scientific achievements (annually since 1997), Award of the Minister of Education for the book: "European integration. An opportunity for Poland?" and a book entitled "Banks and households – development dynamics." He is a member of numerous scientific organizations and program councils of journals, including, as a member of the editorial boards of "Foundations of Management", "Journal of Interdisciplinary Economics", "Yearbook on Polish European Studies" and "Mazovia Regional Studies"; member of the "Gazeta Bankowa" Program Council; reviewer of PWE SA Warsaw. A long-standing member of the "Teraz Polska" Emblem Chapter and a member of the "European Studies" Scientific Council. He gained knowledge and experience working, among others, as: the head of the Department of International Economic Relations at the Faculty of Management of the University of Warsaw, the head of the Department of National Economy at the Faculty of Management of the University of Warsaw, the director of the European Centre of the University of Warsaw, the deputy dean of the Faculty of Management at the University of Warsaw for International Cooperation, the dean of the Faculty of Management at the University of Warsaw and Vice-Rector for Scientific Research and Cooperation at the University of Warsaw. For 15 years he was also the head of the Department of Finance at the Kozminski University. Apart from the University of Warsaw, he also delivers lectures in France, Great Britain, USA, Russia, China, Korea, Germany. In addition, he held or still holds the functions of: an advisor to the prime minister, advisor to the Minister of Agriculture, Minister of Finance, president of the Academic Sports Association in Poland, as well as at the University of Warsaw, a member of the NewConnect advisory committee at the Management Board of the Warsaw Stock Exchange, a member of the Council of the National Bank of Poland Foundation, Chairman of the Scientific Council of the National Bank of Poland. Over the years, he was or has been a member of supervisory boards, including PTE WARTA S.A., PKO BP S.A., JSW S.A., ZE PAK S.A., PZU S.A., Bank Millennium S.A. He was the Chairman and Vice-Chairman of the Supervisory Board of EUROLOT S.A. He is a member of the National Development Council, appointed by President Andrzej Duda. In December 2018, together with 22 prominent economists from around the world – among whom there are 4 Nobel Prize laureates – he became a member of the Scientific Council of the Institute of New Structural Economics at the University of Beijing.

The Remuneration Committee of the Supervisory Board

In the period from January 1, 2022 to December 31, 2022, the composition of the Remuneration Committee was as follows:

- Mr. Tomasz Szelaĝ – Chairman of the Remuneration Committee,
- Mr. Marek Kapuściński – Member of the Remuneration Committee.

II. Summary of activities of the Supervisory Board and its Committees

In 2022, the Supervisory Board acted on the basis of the CCC as well as the Company's Articles of Association of May 25, 2020 and the Supervisory Board By-Laws of March 16, 2018.

In 2022, resolutions were adopted in the mode stipulated by Article 21, section 4 of the Company's Articles of Association and §5 section 4 of the Supervisory Board By-Laws, i.e. in writing or by means of direct remote communication. The table below presents the turnout of voting participation of Supervisory Board members in 2022:

Name of Supervisory Board Member	Attendance
Zygmunt Solorz	100%
Marek Kapuściński	100%
Józef Birka	100%
Jarosław Grzesiak	100%
Marek Grzybowski	100%
Alojzy Nowak	100%
Tobias Solorz	100%
Tomasz Szelaĝ	100%
Piotr Źak	100%

In 2022, the Supervisory Board exercised permanent supervision over the Company's operations in all areas of its activities.

In several cases the Supervisory Board granted its consent, as required by the Articles of Association, to:

- signing agreements to provide consulting services to the Company,
- purchase of services necessary for the implementation of the Company's operations, such as telecommunications, IT, maintenance, development services, purchase of electricity, etc,
- acquisition of advertising and sponsorship broadcasting services,
- signing license agreements,
- approval of program, terms and conditions and issuance of bonds,
- purchase of end-user equipment,
- sale of debt package,
- granting guarantees, as well as corporate sureties,
- granting loans to selected companies in Polsat Plus Group.

Furthermore, the Supervisory Board granted its consent to:

- acquisition of land property,
- making a donation to Polsat Foundation.

The Supervisory Board also authorized the acquisition of shares in Vindix S.A. and the conclusion of an annex to the preliminary agreement for the sale of shares in PAK - Polska Czysta Energia sp. z o.o.. The Supervisory Board also authorized the sale of 1,000 bearer shares in Netia S.A. to TiVi Foundation, and authorized the sale of 1,000,000 shares in MODIVO S.A.. The Supervisory Board also performed ongoing and periodic evaluation of transactions with related parties, together with an assessment of the marketability of such transactions.

At the same time, the Supervisory Board, in accordance with the provisions of the CCC and the Articles of Association, appointed to the Company's Management Board for another term:

- Mr. Jacek Felczykowski, entrusting him with the function of Member of the Management Board,
- Ms. Aneta Jaskólska, entrusting her with the function of Member of the Management Board,
- Ms. Agnieszka Odorowicz, entrusting her with the function of Member of the Management Board,
- Ms. Katarzyna Ostap-Tomann, entrusting him with the function of Member of the Management Board,
- Mr. Maciej Stec, entrusting him with the function of Vice President of the Management Board.

Several times the Supervisory Board expressed its consent to changes in the composition of the supervisory boards of the Company's subsidiaries. Moreover, the Supervisory Board awarded bonuses to the Company's Management Board Members.

Pursuant to art. 90g of the Act of July 25, 2005 on public offering and the conditions for introducing financial instruments to the organized trading system and on public companies („**Public offering Act**”), the Supervisory Board adopted the report on the remuneration of the Members of the Company's Management Board and Supervisory Board for 2021.

Acting pursuant to art. 382 § 3 of the CCC, the Supervisory Board approved the report on its activities in the financial year 2021, which included in particular the results of the assessment of the Management Board's report on the Company's operations and the consolidated report on Polsat Plus Group's operations in the financial year 2021, the Company's financial statements and Polsat Plus Group's consolidated financial statements for the financial year 2021, and the Management Board's motion concerning the distribution of the profit generated by the Company in the financial year 2021.

In 2022, the Supervisory Board recommended that the Annual General Meeting approve the financial statements for the financial year 2021 and grant a vote of approval for the performance of their duties in 2021 to the Members of the Management Board

Following an analysis, the Supervisory Board issued a positive opinion on the Management Board's motion regarding the distribution of net profit earned by the Company in the financial year 2021 in the amount of PLN 3.605.855.418,23 in such a way that the amount of PLN 550,703,531.00 be allocated to the payment of dividends to shareholders, and the amount of PLN 3,055,151,877.23 be allocated to supplementary capital.

Upon having acquainted itself with the draft resolutions of the General Meetings of the Company's Shareholders held in 2022, the Company's Supervisory Board expressed its positive opinion on the drafts and recommended them for adoption by the General Meetings.

In 2022, the Supervisory Board conducted no controls or investigations and did not suspend any Members of the Management Board of the Company.

Activities of the Audit Committee

The basic tasks of the Audit Committee include supporting the Supervisory Board in the fulfillment of its duties, in particular in the field of correctness and efficiency of functioning of internal controls in the Company as well as supervising the integrity of financial information presented by the Company.

In 2022, the Audit Committee held four meetings with the participation of the Management Board Member responsible for finance (CFO) and the Director of the Audit and Internal Control Division in remote mode, at which resolutions were adopted using means of direct remote communication.

The table below presents the attendance of Audit Committee Members in the Committee's meetings held in 2022:

Name of Audit Committee Member	Attendance
Marek Grzybowski	100%
Alojzy Nowak	100%
Tomasz Szelaĝ	100%

In particular, as part of its activities in 2022, the Audit Committee:

- reviewed the Group's periodic reports, among others, with respect to material transactions,
- examined and evaluated issues of audit strategy and scope in connection with the planned review of the Company's and Group's financial statements,
- summarized the work of the Audit and Internal Control Division and approved the audit work plan until the end of Q2 2023,
- monitored the process of conducting the audit by Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k. with regard to, among other things, audit strategy, status of work or key matters,
- gave approval for certain consulting activities permitted by law to be carried out by companies belonging to the same group as Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.

Activities of the Remuneration Committee

The Remuneration Committee advises the Supervisory Board on the overall remuneration policy in Cyfrowy Polsat S.A. Capital Group and provides recommendations regarding the appointment of Management Board Members, the terms and conditions of remuneration and the amounts of bonuses for Management Board Members.

Bearing in mind the above, in the opinion of the Supervisory Board, during the reporting period the Supervisory Board fulfilled properly and efficiently its statutory obligations related to constant supervision of overall operations of the Company. The Supervisory Board also confirms that its Members fulfilled their roles in a professional and reliable manner, while acting with due diligence, including by being actively involved in the works of the Supervisory Board and of its standing Committees.

III. Assessment of the Company's standing on a consolidated basis, including evaluation of internal control systems, risk management, compliance and the internal audit function, along with information on actions taken by the Supervisory Board in order to perform this assessment; this assessment shall include all important control mechanisms, in particular concerning reporting and operations

Assessment of the Company's standing on a consolidated basis

The Supervisory Board became acquainted with and analyzed in detail all the major operating indicators, as well as the financial results achieved by the Company and by Polsat Plus Group in 2022. The Supervisory Board concluded that in 2022 the Company and its subsidiaries consistently pursued the adopted 2023+ Strategy, based on the three pillars of Telecommunications, Content and Clean Energy, the overriding goal of which is to permanently increase the value of Cyfrowy Polsat for its Shareholders. The Group's main strategic idea is to provide the people in Poland high-quality, first-rate services at a reasonable price in accordance with the principle "For Everyone. Everywhere."

In the first quarter of 2022, Polsat Plus Group operated through two business segments: the B2C and B2B services segment and the media segment: television and online, while starting from the second quarter of 2022, the Group additionally operates through a third business segment: real estate. The Group conducts its operations mainly in Poland.

In the B2C and B2B service segments combined, Polsat Plus Group has consistently pursued a strategy of building the value of existing customers and maintaining a high level of customer satisfaction and loyalty. At the end of 2022, the Group provided nearly 13.3 million contract services and nearly 2.7 million prepaid services to individual customers. The Group also maintains a high and stable base of about 2.5 million customers of multiplay offerings, through which they achieve tangible financial benefits from the bundling of services and products provided by Group companies. In 2022, average revenue per contract customer increased year-on-year by 3.8% to PLN 70.8, and the B2C customer churn rate consistently remained at a very low 7% year-on-year. In 2022, the Group served 69.1 thousand B2B customers. Thanks to the successively expanding range of communications and ICT services, the average revenue from these customers amounted to PLN 1,406 per month in 2022.

The media segment: television and online mainly includes the production, purchase and broadcast of news and entertainment programs, as well as series and feature films broadcast on television, radio and online channels in Poland. Revenues of the media segment come mainly from the broadcasting of commercials, sponsorships and revenues from cable operators and digital platforms. Total viewership of Polsat Television channels in 2022 was 22.5% - 7.9% of the Polsat main channel and 14.7% of the thematic channels. Polsat Television Group's TV advertising and sponsorship revenues increased by 1.3% to PLN 1.3 billion for the full year, and its share of the TV advertising market increased to 28.7%. The Polsat-Interia Group's websites were visited by an average of 21.2 million users each month, who generated more than 2 billion page views.

The real estate segment mainly includes the development of construction projects as well as the sale, rental and management of owned or leased real estate. The Group's flagship project in this business segment is the Port Praski investment located in the very center of Warsaw.

The solid operating performance, despite the unfavorable macroeconomic environment, was reflected in strong financial results for the financial year 2022, based on stable, diversified revenues from recurring contract services. In 2022, Polsat Plus Group recorded a 3.8% increase in revenues to PLN 12,915 million. At the same time, the Group's EBITDA, adjusted for non-recurring events, recorded a year-on-year decline of 8.2% to PLN 3,352 million in 2022, as a result of continued general inflationary cost pressures through 2022, significantly higher electricity purchase costs and higher content costs. In 2022, the Group reported a net profit of PLN 901.1 million and paid dividends to shareholders totaling PLN 660.8 million, or PLN 1.2 per share (excluding the Company's treasury shares).

On April 1, 2022, the Company acquired 1,070,000 shares representing approximately 66.94% of the share capital in Port Praski sp. z o.o. for PLN 553.7 million. Port Praski sp. z o.o. is an entity which, through its subsidiaries, conducts real estate development activities and owns assets related to, among others, a unique development project located in the very center of Warsaw called Port Praski. In addition, on July 21, 2022, Group companies involved in the Port Praski project entered into an agreement with HB Reavis Holding Cz a.s., based in Prague, Czech Republic, to conduct a joint venture involving the construction and development of a property located in Warsaw, including the joint construction of high-end office buildings, with additional retail space, and an agreement to sell shares in Port Praski City II Sp. z o.o., Port Praski Medical Center sp. z o.o.

In May 2022, Polsat Television and Volleyball World, a commercial entity co-founded by the International Volleyball Federation (FIVB) and the CVC Capital Partners fund, extended their existing cooperation for another 10 years, until 2032. The agreement relates to television rights to international women's and men's competitions, including primarily the World Championships. For matches played in Poland, Polsat Television will be the producer of the TV signal and its worldwide distributor. And in June 2022, the Group's offer - as the only operator of pay-TV and telecommunications services in Poland - was expanded to include the possibility of access to the Disney+ platform.

In 2022, the Company consistently pursued the goals of 2023+ Strategy in the area of clean energy. The plan for 2022-2026 calls for an investment of about PLN 5 billion in achieving about 1,000 MW of installed clean energy production capacity and about PLN 0.5 billion in building a full value chain of the green hydrogen economy. According to the Company's estimates, the above investment plan will contribute to the reduction of greenhouse gas emissions by more than 2 million tons of CO₂ equivalent per year, while creating an additional recurring EBITDA stream of about PLN 500-600 million per year already in 2026. As a result of the annexes concluded in 2022 to the preliminary agreement of December 20, 2021, regarding the acquisition by the Company of shares in PAK-Polska Czysta Energia Sp. z o.o. ("PAK-PCE"), representing 67% of the share capital of PAK-PCE, the Company acquired 40.41% of the shares in PAK-PCE on July 27, 2022. In parallel, the Company decided to provide sureties or guarantees and a series of loans in order for PAK-PCE to implement investment projects aimed at launching clean energy and green hydrogen production. As a result, investments are currently being made in onshore wind farms with a total connecting capacity of about 300 MW and photovoltaic farms with a total connecting capacity of about 280 MW. The individual projects will be launched successively between the third quarter of 2023 and the fourth quarter of 2025.

In the area of green hydrogen production, the installation of the first 2.5 MW electrolyzer is underway, which will be able to produce 1,000 kg of green hydrogen per day. Logistics related to hydrogen storage and transportation are also being consistently developed. The Group is implementing a project to build a nationwide network of hydrogen refueling stations. The first publicly available station will be launched in Warsaw in the second quarter of 2023, and another in Rybnik in the third quarter of 2023. In addition, PAK-PCE has received a grant from the National Fund for Environmental Protection and Water Management in the amount of PLN 20 million for the construction of hydrogen refueling stations in 5 cities. The flagship joint project of Polsat Plus Group and PAK-PCE is a zero-emission hydrogen bus - the NesoBus ("I Emit No Exhaust and Clean"). The NesoBus received European approval and premiered in May 2022. In March 2023, a contract was signed with the city of Rybnik for the supply of 20 hydrogen buses. In 2022, construction began on a bus factory in Świdnik, which is expected to be put into operation in the third quarter of 2023 and will eventually produce more than 100 hydrogen buses per year. In December 2022, an agreement was signed with the National Fund for Environmental Protection and Water Management (NFOŚiGW) to subsidize the above project with a preferential loan of up to PLN 50 million.

On September 28, 2022, as a result of negotiations and after obtaining the approvals required under the Modivo S.A. shareholders' agreement, the Company entered into an agreement with Embud 2 sp. z o.o. S.K.A. an agreement for the Company to sell 1,000,000 shares of Modivo S.A. for a total amount of PLN

600.0 million. Despite earlier consideration of various scenarios and in view of unfavorable market conditions, the Company decided on the above method of exiting its investment in Modivo shares.

On November 29, 2022, the Company's Board of Directors decided to establish a new non-renewable Bond Issuance Program of the Company with an aggregate maximum face value of bonds of PLN 4 billion, under which the Company will be able to incur financial obligations by issuing unsecured bearer bonds of the Company denominated in PLN. At the same time, the Management Board decided to take measures to refinance the Company's debt under the Series B and Series C Bonds using funds from the issuance of Bonds under the Bond Issuance Program, including, in particular, the Company's early redemption of the Series B and C Bonds or the purchase of the Series B and C Bonds by the Company for redemption; and the Company's closing of the Series B and C Bond Issuance Program. Under the Bond Issuance Program, on January 11, 2023, the Company issued 2,670,000 unsecured, PLN-denominated Series D bearer bonds with a par value of PLN 1,000 each and an aggregate par value of PLN 2,670 million with a maturity date of January 11, 2030. In accordance with the ESG Framework, the Series D Bonds have been linked to sustainability goals (Sustainability-Linked Bonds). This is the first Polish issue of Sustainability-Linked Bonds fully compliant with the International Capital Market Association (ICMA) standard. At the same time, the issuance of Series D Bonds is the largest issue of corporate bonds by a private company in the history of the Polish capital market. The funds from the issuance of the Series D Bonds will be used to support the implementation of 2023+ Strategy, in particular the planned construction of 1,000 MW of installed low- and zero-carbon clean electricity generation capacity and the full value chain of the green hydrogen economy, resulting in a reduction of CO₂ in the Polish economy of 2 million tons per year. Polsat Plus Group has also made a commitment to bondholders to gradually migrate to zero-emission sources of electricity used for its own purposes. Part of the funds raised through the issuance of the Series D Bonds were used to repurchase for redemption 691,952 Series B Bonds and 835,991 Series C Bonds.

Polsat Plus Group has been taking action in the area of corporate social responsibility for many years. It carries out its social mission in the areas of environmental protection, safety, promotion of sports and physical activity, public education and assistance to children. Particularly noteworthy in 2022 is the Group's active involvement from the first days of the Russian invasion of Ukraine in supporting refugees and Ukrainian society in the face of war. The Group's activities included providing refugees with free telecommunications services, broadcasting Ukrainian TV channels, providing reliable information on Group-owned TV stations and news portals, and supporting the activities of Polsat Foundation as part of the "Polsat Foundation to the Children of Ukraine" campaign. In total, Polsat Plus Group has allocated for initiatives providing support to our neighbors PLN 34.1 million in 2022.

In view of the above, the Supervisory Board positively assesses the situation of the Company and Polsat Plus Group from both the operational and financial sides, as well as its development prospects in the coming quarters.

The above assessment has been made on the basis of the Supervisory Board's knowledge acquired in the course of the Supervisory Board's performance of its duties set forth in the CCC, By-Laws of the Supervisory Board and the Company's Articles of Association. In accordance with Article 382 of the CCC, Article 18 (1) of the Company's Articles of Association and Article 2 of the By-Laws of the Supervisory Board, the Board exercises constant supervision over the Company's operations. In particular, the Supervisory Board receives regular and comprehensive information from the Management Board on all significant matters relating to the Company's and its group's operations, as well as on the risks associated with its operations and ways to manage those risks. The Supervisory Board is familiarized on an ongoing basis with the Company's information and documents presented by the Management Board, reviews them in detail, and approves significant legal actions by the Company's Management Board. In addition, pursuant to Article 13(5) of the Company's Articles of Association, Supervisory Board members exercise their right to attend meetings of the Management Board at which, among other things, current operating results and key tactical decisions are discussed.

Assessment of the Company's internal control, risk management and compliance systems as well as its internal audit function

An internal control system operates in the Company, the effectiveness of which is the responsibility of the Management Board. The internal control system covers the Company's major operational processes which require control mechanisms for monitoring and mitigating risks which are material for the Company, including the process of preparing the financial statements and interim and current reports prepared and published based on the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies as well as the Ordinance of the Minister of Finance of March 29, 2018, regarding current and periodic information published by issuers of securities and the conditions for recognizing equivalence of information required under non-member states regulations („**Regulation on current information**”).

The basic task of the internal control system is to assure the accomplishment of business goals by the Company. The Company has an organizational structure, which is updated on an on-going basis. The reporting paths, the responsibilities and the levels of authorization (the rights) are clearly defined in that structure, which constitutes an additional tool for the neutralization of material risks associated with the conducted business activities. In the Supervisory Board's opinion, the internal control system and critical risk management, as well as the internal audit function are of satisfactory quality.

Just like in past years, the Company's Audit and Internal Control Division, in cooperation with the audit firm performing statutory audits, carried out an overall audit of the functioning of the key components of the internal control system present in the Company. The results of this audit were presented to the Management Board and to the Audit Committee. Upon becoming acquainted with the report prepared by the Director of Audit and Internal Control Division and by the Management Board, as well as upon having read the Audit Committee's opinion, which assessed the functioning of internal control and risk management systems and the internal audit function, the Supervisory Board issued a positive opinion on the effectiveness of functioning of the above systems and functions.

No formalized compliance system functions in the Company. Nonetheless, the Supervisory Board is of the opinion that there exists satisfactory control of compliance of the Company's operations in various fields with the valid law, including the Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 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), which is in force since May 25, 2018. The above mentioned compliance control is regulated by the Company's internal regulations and is effectuated at the level of individual organizational units responsible for respective areas of operations.

The assessment of internal control systems, compliance and the internal audit function is based in particular on actions taken by the Audit Committee of the Supervisory Board in performing its responsibilities in the area of monitoring the financial reporting process, the effectiveness of internal control systems, risk management systems and the internal audit function as well as auditing activities, in particular the audit performed by an audit firm. The Audit Committee also meets directly with the Director of Internal Audit, who attends meetings and provides additional/supplementary information at the request of the Audit Committee. In addition, due to the fact that the Supervisory Board operates on an Anglo-Saxon model (i.e. over and above the fulfillment of duties under Polish law) and has a wide range of competencies and a high degree of authority enshrined in the Company's corporate documents. In practice, this means that it is very close to the decision-making process and is well positioned to effectively monitor and evaluate the internal control, risk management and compliance systems, as well as the internal audit function.

IV. Assessment of the application by the Company of corporate governance principles and the manner of fulfilling information disclosure obligations related to their application, as specified in the Warsaw Stock Exchange Rules and regulations concerning current and periodical information provided by issuers of securities, together with information on actions taken by the Supervisory Board in order to perform this assessment

In the Supervisory Board's opinion, in 2022 the Company applied in full the corporate governance principles adopted by the Company as set out in the Best Practices 2021 and demonstrated reliable and due compliance with information disclosure obligations related to the implementation of the principles of corporate governance as defined in the WSE Rules, as well as in other regulations concerning current and periodic information disclosure by issuers of securities in accordance with the Regulation on current information.

In particular, pursuant to § 70, item 6. 5) of Regulation on current information, the report on the activities of the Company in the financial year ended December 31, 2022 contains a statement confirming the observance of corporate governance rules, which forms a separate section of the report. In the Supervisory Board's opinion, the disclosures found in the statement are complete and exhaustive and they reflect the actual state of affairs. The Company updates its corporate governance principles on an ongoing basis in terms of their application or rationale, and the most up-to-date information in this regard is posted on its website (<https://grupapolsatplus.pl/en/archive/information-compliance-corporate-governance-principles-contained-best-practices-wse-listed-0>).

The above assessment was based on the knowledge of the Supervisory Board obtained in the course of performing its duties specified in the By-Laws of the Supervisory Board and the Company's Articles of Association. In particular, in the course of dedicated meetings, selected Members of the Supervisory Board obtained comprehensive information on actions taken by the Company to adopt and report new corporate governance rules defined in the Best Practices 2021 and got acquainted with the Company's report presenting the status of application of new best practices and explaining the reasons for non-compliance with selected rules. Moreover, the Supervisory Board got acquainted with the corporate governance documents and non-financial information constituting the elements of the annual report of the Company and its capital group for the financial year 2022.

V. Assessment of the rationality of the expenditures incurred by the Company and Polsat Plus Group to support culture, sport, charity institutions, media, social organizations, trade unions, etc.

Polsat Plus Group's social mission is carried out by the Company and its subsidiaries mainly in five areas: security, helping children, promoting sports and physical activity, the environment and education. Both the Company and its subsidiaries also strive in their activities to ensure that the implementation of individual projects is not only consistent with the list of key topics for Polsat Plus Group, but also responds to selected Sustainable Development Goals (SDGs).

In 2022, the scale of Polsat Plus Group's financial involvement in charity and sponsorship activities amounted to PLN 65 million, of which:

- 52% was allocated to broadly supporting refugees and citizens of Ukraine,
- 22% was allocated to charity and sponsorship activities,
- 22% was allocated for security issues,
- 3% was earmarked for environmental and education-related activities.
- 1% was allocated for sports sponsorship.

Of the key activities and projects in the field of charity, sponsorship or other activities of a similar nature - both of the Company and its subsidiaries - include:

- involvement in supporting refugees from Ukraine, which included, among other things, providing refugees with connectivity and contact with their families by providing a number of free telecommunications services (including free international calls to Ukrainian networks, delivery and assistance in registering free starters, waiving roaming fees), broadcasting Ukrainian TV channels and providing reliable information on our Group's television stations and news portals, as well as active operational and financial support, including, among others, a number of activities of Polsat Foundation as part of the "Polsat Foundation to the Children of Ukraine" campaign;
- helping children, which is one of the pillars of Polsat Plus Group's social mission and is carried out in various ways, including through cooperation with Polsat Foundation. For more than 25 years, Polsat Foundation has been making uninterrupted efforts to improve the health situation of Poland's youngest patients, and for this purpose it has donated a total of more than PLN 283 million, providing help to 42,000 small wards and financial support to nearly 2,700 hospitals and medical centers, as well as schools, kindergartens and foster care centers. As part of its activities in this area, it also organizes numerous charitable events to support the development of children with disabilities as part of its employee volunteerism;
- In terms of safety, for the past 19 years the Plus network has been working closely with rescue organizations operating in Polish mountains and on the water, providing rescue numbers, the Integrated Rescue System and the Rescue mobile application. In addition, Polsat Plus Group actively fights TV piracy, taking a number of educational measures, among others;
- on environmental issues, Polsat Plus Group's areas of interest include clean energy, green hydrogen, energy efficiency, green products, renewable energy or waste reduction, and within these areas Polsat Plus Group has expanded its strategy to include the production and sale of clean energy. The creation of a new business segment related to clean energy is part of Polsat Plus Group's ESG strategy and will support the building of the Group's value in a sustainable manner, with numerous environmental activities undertaken with sustainable development and a better and healthier future for Poles in mind. Education - especially environmental education - of society is one of the pillars of the Group's mission, carried out, among other things, through participation in the Association of the Clean Poland Program or by conducting ambitious television and Internet projects with a wide reach;
- in the area of education, actions and initiatives of Polsat Foundation related to current health challenges are carried out, among others, to familiarize society with important and difficult topics of specialized medicine, including through the broadcast of dedicated television programs. At the same time, activities against digital exclusion are carried out, including through the development and popularization of modern Internet access technologies or the Plus network's ongoing cooperation with the Copernicus Science Center in Warsaw;
- as part of the promotion of sports and physical activity, thousands of hours of sports broadcasts are carried out annually on Polsat Television, amateur and professional sports events are supported, education in healthy lifestyles is carried out, and the Plus network is a long-term sponsor of Polish volleyball, while the Polsat and Plus brands have also become title sponsors of sports and entertainment halls in Gdansk and Gdynia, and Netia is one of the sponsors of the Suzuki Arka Gdynia basketball team.

The sponsorship and charitable activities implemented by Polsat Plus Group are aimed at providing real help to society - especially in crisis situations and where it is necessary. The purpose of the activities, consistent with the Group's social mission, is also to support the development of Polish sports, provide modern tools to rescue services, educate, among others, in ecology and environmental protection, and indirectly to shape the positive image of the organization: trustworthy brands, socially engaged companies, partners open to the needs of clients. The activities carried out are in line with the Group's social mission, which is to have a positive impact on the immediate environment - society, customers and viewers, employees, the environment - and to consistently build credibility in the eyes of stakeholders. In view of the above, the Supervisory Board assesses the charitable and sponsorship

activities undertaken in 2022 by the Company and its subsidiaries as rational and socially useful, and the expenditures made as reasonable. The Supervisory Board believes that this attitude of the Group strengthens positive relations between the organization and its stakeholders - customers, business partners, suppliers, investors and the social environment.

VI. Information on the degree of implementation of the diversity policy with respect to the Management Board and Supervisory Board

The Company has a diversity policy in place which also operates in companies belonging to Polsat Plus Group. The provisions of the diversity policy apply to all employees, including Management Board and Supervisory Board Members. A high degree of diversity is assured in the Management Board and the Supervisory Board in areas such as age, education, competence and professional experience. Moreover, in spite of the lack of a defined goal, the Management Board fulfills the diversity principle related to gender as women make up 50% of the Management Board. The diversity policy adopted by the Company and by member companies of Polsat Plus Group prohibits discrimination of any kind related to employment, direct or indirect, especially in respect of gender, age, sexual-orientation, competences, experience, potential disability, nationality, ethnic and social origin, skin color, language, parental status, religion, denomination or lack of denomination, political views as well as in respect of the location of the place of work, form of employment, trade union membership, or any other dimension of diversity as defined by valid law. However, the diversity policy of the Group does not define the minimum goal for diversity in terms of gender.

VII. Assessment of the Company's financial statements and consolidated financial statements of Polsat Plus Group for the financial year 2022, the Management Board's report on the Company's activities in the financial year 2022 and the consolidated report on Polsat Plus Group's activities in the financial year 2022, as well as the motion of the Company's Management Board regarding the distribution of the Company's net profit for the financial year 2022 together with an assessment of the Board's performance of its duties and the manner in which information, documents, reports or explanations were prepared or submitted to the Supervisory Board, as well as information on the total remuneration payable by the Company for all studies commissioned by the Supervisory Board during the financial year

Acting pursuant to Article 382 §3 of the CCC and Article 18 section 2 letters a) and b) of the Company's Articles of Association, in connection with Article 395 §2 of the CCC, the Company's Supervisory Board has assessed:

- the stand-alone financial statements of Cyfrowy Polsat S.A. and the consolidated financial statements of Cyfrowy Polsat S.A. Capital Group for the financial year ended December 31, 2022,
- the Management Board's report on the activities of Cyfrowy Polsat S.A. and the consolidated report on the activities of Cyfrowy Polsat S.A. Capital Group in the financial year ended December 31, 2022,
- the motion of the Company's Management Board regarding the distribution of profit generated by the Company in the financial year ended December 31, 2022.

Upon having analyzed the auditor's report on the audit of the Company's financial statements and of Cyfrowy Polsat S.A. Capital Group's consolidated financial statements for the financial year 2022, the opinion of the Audit Committee, as well as upon having assessed these reports, the Supervisory Board has concluded that the Company's financial statements and the consolidated financial statements of Cyfrowy Polsat S.A. Capital Group for the financial year 2022 have been prepared on the basis of properly kept accounts and they comply, in terms of form and content, with the valid regulations, thus presenting a true and fair view of all information essential from the point of view of assessment of the profitability and the financial results for the period subject to audit, as well as of the Company's property

and financial standing as at December 31, 2022. Moreover, the Supervisory Board has stated that the Company's financial statements and the consolidated financial statements of Cyfrowy Polsat S.A. Capital Group for the financial year 2022 comply with the accounts and the Company's documents as well as the factual circumstances. In the face of the above, the Supervisory Board has positively assessed the Company's financial statements and Cyfrowy Polsat S.A. Capital Group's consolidated financial statements for the financial year 2022.

Based on the presented financial statements, the Company's financial results were as follows:

- net profit in the income statement for the period from January 1, 2022 to December 31, 2022: PLN 1,248.6 million,
- total comprehensive income in the total comprehensive income statement for the period from January 1, 2022 to December 31, 2022: PLN 1,258.5 million,
- total assets and total equity and liabilities in the balance sheet as at December 31, 2022: PLN 15,658.3 million,
- net cash balance shown in the cash flow statement for the period from January 1, 2022 to December 31, 2022 showed a decrease by the amount of: PLN 1,814.1 million,
- increase in equity in the statement of changes in equity for the period from January 1, 2022 to December 31, 2022: PLN 203.8 million.

Based on the presented consolidated financial statements, the financial results of Cyfrowy Polsat S.A. Capital Group were as follows:

- net profit in the consolidated income statement for the period from January 1, 2022 to December 31, 2022: PLN 901.1 million;
- total comprehensive income in the consolidated comprehensive income statement for the period from January 1, 2022 to December 31, 2022: PLN 936.9 million;
- total assets and total equity and liabilities in the consolidated balance sheet as at December 31, 2022: PLN 32,306.6 million;
- net cash balance shown in the consolidated cash flow statement for the period from January 1, 2022 to December 31, 2022 showed a decrease by the amount of: PLN 2,820.6 million;
- increase in equity in the consolidated statement of changes in equity for the period from January 1, 2022 to December 31, 2022: PLN 426.2 million.

Upon having analyzed and assessed the Management Board's report on the Company's activities and the consolidated report on the activities of Cyfrowy Polsat S.A. Capital Group in 2022, the Supervisory Board has concluded that the above mentioned reports are consistent with the Company's accounts and documents and with the factual circumstances. In the Supervisory Board's opinion, information presented in the above mentioned documents present a true and fair view of the Company's and the Group's operating results and their property and financial standing. In the face of the above, the Supervisory Board has positively assessed and accepted the Management Board's report on the Company's activities and the consolidated report on the activities of Cyfrowy Polsat S.A. Capital Group in the year 2022.

The Supervisory Board has reviewed the Management Board's motion regarding the Company's net profit for the 2022 financial year and approves its contents.

The Supervisory Board assessed the above proposal of the Management Board as consistent with the Company's policies and development direction, and therefore gave a positive opinion.

The Supervisory Board recommends that the General Meeting:

- approves the stand-alone financial statements of Cyfrowy Polsat S.A. for the financial year ended December 31, 2022, the consolidated financial statements of Cyfrowy Polsat S.A. Capital Group for the financial year ended December 31, 2022 and the Management Board's reports

on the activities of Cyfrowy Polsat S.A. and the activities of Cyfrowy Polsat S.A. Capital Group for the financial year ended December 31, 2022,

- issues a positive opinion on the report on the remuneration of the Management Board Members and the Supervisory Board Members of Cyfrowy Polsat S.A. for the year 2022,
- adopts a resolution regarding the distribution of the Company's net profit for the financial year ended December 31, 2022 in line with the motion of the Company's Management Board,
- grants votes of approval to the following Management Board Members on account of performance of their duties in the year ended December 31, 2022:
 - Mr. Mirosław Błaszczuk, President of the Management Board in the year 2022;
 - Mr. Maciej Stec, Vice-President of the Management Board in the year 2022;
 - Mr. Jacek Felczykowski, Management Board Member in the year 2022;
 - Ms. Aneta Jaskólska, Management Board Member in the year 2022;
 - Ms. Agnieszka Odorowicz, Management Board Member in the year 2022;
 - Ms. Katarzyna Ostap-Tomann, Management Board Member in the year 2022.

In addition, the Supervisory Board positively evaluates the implementation by the Management Board of its duties and the manner in which it prepares or submits information, documents, reports or explanations to the Supervisory Board. It should be stated that the cooperation of the Company's bodies is effective and remains at a level that ensures that the Company acts in its interest, by which is meant the achievement of the established strategic goals and the attainment of the assumed results.

At the same time, doing justice to the requirements of Article 382 § 3¹ (5) of the CCC, the Supervisory Board submits information that it has not commissioned, during the 2022 financial year, an examination at the Company's expense of any matter relating to the Company's business or its assets by a selected advisor (advisor to the Supervisory Board), hence the Company has not incurred any costs in connection with the fees for such examinations.

Concurrently, the Supervisory Board of Cyfrowy Polsat S.A. would like to ask the Company's General Meeting to approve the Supervisory Board's report on its activities in the period from January 1, 2022 to December 31, 2022 and to grant all Supervisory Board Members a vote of approval on account of performance of their duties in the year 2022.

Zygmunt Solorz
Chairman of the Supervisory Board

Marek Kapuściński
Vice-Chairman of the Supervisory Board

Marek Grzybowski
Member of the Supervisory Board

Alojzy Nowak
Member of the Supervisory Board

Tomasz Szelaż
Member of the Supervisory Board

Józef Birka
Member of the Supervisory Board

Jarosław Grzesiak
Member of the Supervisory Board

Tobias Solorz
Member of the Supervisory Board

Piotr Żak
Member of the Supervisory Board