

**Report of the Supervisory Board of Jastrzębska Spółka Węglowa S.A.  
for the financial year 2025**

**Introduction**

The Supervisory Board acting pursuant to Article 382 § 1, § 3 Item 3) and § 3<sup>1</sup> of the Commercial Company Code, § 20 Section 1 and Section 2 Item 9 of the Articles of Association of the Company as well as the provisions of the Code of Best Practice for WSE Listed Companies 2021 hereby submits to the JSW S.A. Ordinary Shareholder Meeting *the Report of the Supervisory Board of Jastrzębska Spółka Węglowa S.A. for the financial year 2025*.

Implementing the provisions of the Commercial Company Code, the Company's Articles of Association and applying the standards of the Code of Best Practice for WSE Listed Companies 2021, this *Report* includes among others:

- ✓ results of the assessments referred to in Article 382 § 3 items 1 and 2 of the Commercial Company Code,
- ✓ an assessment of the Company's standing, taking into account the adequacy and effectiveness of the Company's systems of internal control, risk management, ensuring compliance of operations with standards or applicable practices, and internal audit,
- ✓ an assessment of the Management Board' execution of the duties referred to in Article 380<sup>1</sup> of the Commercial Company Code,
- ✓ an assessment of the manner in which the Management Board prepares or submits to the Supervisory Board information, documents, reports or explanations requested in accordance with the procedure set forth in Article 382 § 4 of the Commercial Company Code,
- ✓ information on the total compensation payable by the Company for all studies commissioned by the Supervisory Board during the financial year in accordance with Article 382<sup>1</sup> of the Commercial Company Code,
- ✓ information on the composition of the Supervisory Board and its Committees, indicating which Supervisory Board Members satisfy the requirements of independence specified in the Act of 11 May 2017 on Statutory Auditors, Auditing Firms and Public Supervision, as well as which among them have no actual and significant affiliations with the shareholder holding at least 5% of the overall number of votes in the Company, as well as information on the composition of the Supervisory Board in the context of its diversity,
- ✓ a summary of the activities of the Supervisory Board and its Committees,
- ✓ an assessment of the Company's consolidated standing, including an assessment of the internal control system and the risk management system, compliance and the internal audit function with the information on the activities taken by the Supervisory Board to make this assessment,
- ✓ an assessment of application of the corporate governance rules and the manner of complying with the reporting duties in this regard, specified in the Bylaws of the Warsaw Stock Exchange and the provisions on current and periodic information provided by the securities issuers with information on the activities of the Supervisory Board taken to make this assessment,
- ✓ an assessment of the reasonableness of the expenses incurred by the Company and its Group to support culture, sports, charitable institutions, the media, social welfare organizations, trade unions, etc.,
- ✓ information regarding the degree of implementation of the diversity policy applicable to the Management Board and the Supervisory Board.

**1. Information on the term of office of the Supervisory Board**

During the financial year 2025 the Supervisory Board of 11th term of office operated.

**2. Composition of the Supervisory Board, functions discharged in the Supervisory Board and changes in the composition of the Supervisory Board during the financial year and after 31 December 2025**

*Table 1: Composition of the Supervisory Board and functions discharged in the Supervisory Board in 2025*

<b>First and Last Name</b>	<b>Position</b>	<b>Term in position</b>
Katarzyna Bilińska	Chairperson	01.01.2025 – 22.12.2025
Michał Rospędek	Deputy Chairperson	01.01.2025 – 31.12.2025
Robert Kudelski	Secretary	01.01.2025 – 31.12.2025
Paweł Bieszczad	Member	01.01.2025 – 31.12.2025
Artur Kisielewski	Member	01.01.2025 – 31.12.2025
Paweł Nieradzik	Member	01.01.2025 – 31.12.2025
Krzysztof Wrona	Member	01.01.2025 – 31.12.2025
Arkadiusz Wypych	Member	01.01.2025 – 31.12.2025
Marek Szczęch	Member	31.03.2025 – 31.12.2025
Andrzej Karbownik	Member	16.12.2025 – 31.12.2025
Łukasz Brzózka	Member	23.12.2025 – 31.12.2025
Łukasz Czopik	Member	23.12.2025 – 31.12.2025
Arkadiusz Mężyk	Member	01.01.2025 – 28.10.2025
Bogusław Oleksy	Member	28.08.2025 – 30.09.2025 <sup>1)</sup>
Paweł Rostkowski	Member	01.01.2025 – 16.01.2025
Krzysztof Szlaga	Member	01.01.2025 – 14.06.2025

<sup>1)</sup> In the period from 1 September 2025 Supervisory Board Member Bogusław Oleksy was delegated by the Supervisory Board to temporarily perform the duties of Vice-President of the Management Board for Financial Matters.

*Table 2: Composition of the Supervisory Board and functions discharged in the Supervisory Board after 31 December 2025*

<b>First and Last Name</b>	<b>Position</b>	<b>Term in position</b>
Andrzej Karbownik	Chairperson	20.01.2026 – 13.05.2026
	Member	01.01.2026 – 20.01.2026
Michał Rospędek	Deputy Chairperson	01.01.2026 – to date
Robert Kudelski	Secretary	01.01.2026 – to date
Paweł Bieszczad	Member	01.01.2026 – to date
Łukasz Brzózka	Member	01.01.2026 – to date
Łukasz Czopik	Member	01.01.2026 – to date
Artur Kisielewski	Member	01.01.2026 – to date
Paweł Nieradzik	Member	01.01.2026 – to date
Marek Szczęch	Member	01.01.2026 – to date
Krzysztof Wrona	Member	01.01.2026 – to date
Arkadiusz Wypych	Member	01.01.2026 – to date

Table 3: Changes in the composition of the Supervisory Board in 2025 and after 31 December 2025

Date	Description of the change
16.01.2025	By means of a statement of the Ministry of State Assets, submitted to the Company on 16 January 2025, Paweł Rostkowski was dismissed from the Supervisory Board as of 16 January 2025 pursuant to § 15 sec. 13 of the Articles of Association of JSW S.A.
31.03.2025	By means of a statement of the Ministry of State Assets, submitted to the Company on 31 March 2025, Marek Szczęch was appointed to the Supervisory Board as of 31 March 2025 pursuant to § 15 sec. 12 and 13 of the Articles of Association of JSW S.A.
14.06.2025	Krzysztof Szlaga tendered his resignation from the function of a Supervisory Board Member.
28.08.2025	By means of a statement of the Ministry of State Assets, submitted to the Company on 28 August 2025, Bogusław Oleksy was appointed to the Supervisory Board as of 28 August 2025 pursuant to § 15 sec. 13 of the Articles of Association of JSW S.A.
01.09.2025	The Supervisory Board adopted a resolution to delegate a Supervisory Board Member Bogusław Oleksy to perform temporarily the duties of the Vice-President of the Management Board for Financial Matters.
30.09.2025	Bogusław Oleksy tendered his resignation from the function of a Supervisory Board Member.
28.10.2025	Arkadiusz Mężyk tendered his resignation from the function of a Supervisory Board Member.
16.12.2025	By means of a statement of the Ministry of State Assets, submitted to the Company on 17 December 2025, Andrzej Karbownik was appointed to the Supervisory Board as of 16 December 2025 pursuant to § 15 sec. 13 of the Articles of Association of JSW S.A.
22.12.2025	By means of a statement of the Ministry of State Assets, submitted to the Company on 22 December 2025, Katarzyna Bilińska was dismissed from the Supervisory Board as of 22 December 2025 pursuant to § 15 sec. 13 of the Articles of Association of JSW S.A.
23.12.2025	By means of a statement of the Ministry of State Assets, submitted to the Company on 22 December 2025, Łukasz Brzózka and Łukasz Czopik were appointed to the Supervisory Board as of 23 December 2025 pursuant to § 15 sec. 13 of the Articles of Association of JSW S.A.
20.01.2026	The Supervisory Board elected Andrzej Karbownik as Supervisory Board Chairperson.
13.05.2026	Andrzej Karbownik tendered his resignation from the function of a Supervisory Board Member as of 14.05.2026.

Under Standard 2.3. of the Code of Best Practice for WSE Listed Companies 2021 each Supervisory Board Member made a statement to the Company that they satisfy/do not satisfy the requirements of independence specified in this principle (an independent Supervisory Board Member is deemed to be a Member satisfying the requirements set out in *the Act of 11 May 2017 on Statutory Auditors, Auditing Firms and Public Supervision*, as well as having no actual and significant affiliations with the shareholder holding at least 5% of the overall number of votes in the company).

In 2025, the independence criteria set forth in Standard 2.3. of the Code of Best Practice for WSE Listed Companies 2021 were met by the following Members of the Supervisory Board: Katarzyna Bilińska, Łukasz Czopik, Artur Kisielewski, Arkadiusz Mężyk, Paweł Nieradzik, Paweł Rostkowski, Marek Szczęch, Krzysztof Szlaga, Krzysztof Wrona, Arkadiusz Wypych, and the following Supervisory Board Members did not meet these

criteria: Paweł Bieszczad, Łukasz Brzózka, Andrzej Karbownik, Robert Kudelski, Bogusław Oleksy and Michał Rospędek.

As at the date of the Report six Supervisory Board Members satisfy the requirements of independence set out in Standard 2.3. of the Code of Best Practice for WSE Listed Companies 2021, i.e.: Łukasz Czopik, Artur Kisielewski, Paweł Nieradzik, Marek Szczech, Krzysztof Wrona and Arkadiusz Wypych, and four Supervisory Board Members do not meet the criteria, i.e.: Paweł Bieszczad, Łukasz Brzózka, Robert Kudelski and Michał Rospędek.

The composition of the Supervisory Board and its Committees reflects a cross-section of competencies necessary for the exercise of the relevant functions by Supervisory Board members. Supervisory Board Members act in the interest of the Company and are guided in their conduct by the independence of their own opinions and judgments. They clearly raise their objections in cases where the decision is considered to be against the interest of the Company. They act with ethics and integrity. They do not conduct professional or nonprofessional activities that could lead to conflicts of interest. They do not engage in activities that contradict their duties or that might give rise to a suspicion of bias or self-interest.

In performing their duties and exercising their functions, Supervisory Board Members act with due diligence resulting from the professional nature of their activities, and in performing their supervisory activities they comply with the applicable laws. They understand the Company's operations, including its business model and the strategy it pursues, including the activities of the entities in its Group that have a significant impact on its operations. Supervisory Board Members are in constant contact with Management Board Members, providing consultation and constant supervision of the Company's activities, as well as reviewing issues and motions submitted by the Management Board for Supervisory Board meetings. In performing its duties, the Supervisory Board relies on its own determinations and on information provided by the Company's employees responsible for the execution of individual tasks.

### **3. Information on the composition of the Supervisory Board in the context of its diversity**

Supervisory Board Members are appointed according to the rules defined in the Company's Articles of Association. The corporate bodies and persons entitled to appoint the Management Board and Supervisory Board have the opportunity to ensure diversity while selecting the composition of the bodies and candidates are not discriminated against by the criteria included in the advertisements on contests / elections. The selection process for the Members of the JSW corporate bodies does not in any way disqualify candidates on account of any of the diversity policy elements.

*Table 4: Percentage of women and men in the Supervisory Board in 2025 and after 31 December 2025.*

<b>Period</b>	<b>Female</b>		<b>Male</b>	
	<b>Number</b>	<b>Percentage</b>	<b>Number</b>	<b>Percentage</b>
01.01.2025 – 15.01.2025	1	9.1%	10	90.9%
16.01.2025 – 30.03.2025	1	10%	9	90%
31.03.2025 – 13.06.2025	1	9.1%	10	90.9%
14.06.2025 – 27.08.2025	1	10%	9	90%
28.08.2025 – 31.08.2025	1	9.1%	10	90.9%

01.09.2025 – 28.10.2025	1	10%	9	90%
29.10.2025 – 15.12.2025	1	11.1%	8	88.9%
16.12.2025 – 21.12.2025	1	10%	9	90%
22.12.2025 – 22.12.2025	0	0%	9	100%
23.12.2025 – to date	0	0%	11	100%

#### **4. Information on the number of Supervisory Board meetings held and the number of resolutions adopted**

The Supervisory Board held 18 meetings and adopted 169 resolutions (including 16 resolutions via means of direct remote communication).

Supervisory Board Members devote the necessary amount of time to performing their duties. The organization of the work of the Supervisory Board is correct. The number of meetings of the Supervisory Board is the result of the Supervisory Board's own assessment, and is also dictated by the demands made by the Management Board, Supervisory Board Members and the current market situation.

#### **5. Information on the presence of Supervisory Board Members at the meetings and on adopted resolutions on excused or unexcused absence**

If unable to attend a Supervisory Board meeting, Supervisory Board Members excused their absence and the Supervisory Board passed resolutions to excuse Members unable to attend. The Supervisory Board passed no resolution regarding unexcused absences.

*Table 5: Information on the absence of Supervisory Board Members at the meetings and on adopted resolutions on their excused absence*

<b>Meeting date</b>	<b>Names of absent Supervisory Board Members</b>	<b>Number of resolution on their excused absence</b>
07.04.2025	Marek Szczęch Arkadiusz Wypych	467/XI/25 468/XI/25
28.05.2025	Marek Szczęch Krzysztof Szlaga	492/XI/25 493/XI/25
17.06.2025	Arkadiusz Mężyk	498/XI/25
27.08.2025	Robert Kudelski Paweł Bieszczad Paweł Nieradzik	532/XI/25
01.09.2025	Arkadiusz Mężyk	543/XI/25
09.09.2025	Marek Szczęch Arkadiusz Wypych	547/XI/25
23.09.2025	Krzysztof Wrona Arkadiusz Wypych	550/XI/25
30.09.2025	Artur Kisielewski Marek Szczęch	564/XI/25
10.10.2025	Paweł Bieszczad Arkadiusz Mężyk	573/XI/25

The remaining meetings were attended by all the Supervisory Board Members.

## **6. Information on significant issues dealt with by the Supervisory Board and checks and explanatory proceedings conducted**

The Supervisory Board conducted constant oversight over the Company's activities in all areas of its activity. The Supervisory Board demonstrated efficiency, reliability, competence and expertise.

As part of its competences, performing its basic duties, the Supervisory Board dismissed the Management Board Members, delegated the Supervisory Board Member to temporarily perform the duties of the Vice-President of the Management Board for Financial Matters, appointed the Vice-President of the Management Board for Financial Matters (having conducted the recruitment procedures to check and assess the qualifications of the candidate and to select the best candidate for the Management Board Member) as well as entrusted Management Board Members the performance of the duties of other Management Board Members.

Under the provisions of § 11 sec. 15 of the Articles of Association, the Chairperson of the Shareholder Meeting provided to the Shareholders the Supervisory Board's notification of the results of the recruitment procedures for the position of the Vice-President of the Management Board for Financial Matters of JSW S.A. and provided minutes of those recruitment procedures.

The Supervisory Board conducted activities related to setting the compensation of Management Board Members in accordance with the Act of 09.06.2016 *on the Rules for Shaping the Compensation of Persons Managing Certain Companies* and the Resolution of the Ordinary Shareholder Meeting of 03.07.2019 on the rules for defining the compensation of Management Board Members; in particular it:

- a) made decisions on the Management Objectives and the Variable (supplementary) Compensation for the Management Board Members for 2024,
- b) established the rules for the Variable (Supplementary) Compensation of Management Board Members for 2025,
- c) set the Management Objectives for 2025 with the weights for these Objectives where the final amount of the Variable (supplementary) Compensation for Management Board Members depends on the level of achievement of these Objectives; it also determined the rules for the achievement and accounting for these Objectives.

Supervisory Board Members, in their functions and duties in the Supervisory Board, were guided in their conduct, including decision-making, by the independence of their opinions and judgments, acting in the interests of the Company. The Supervisory Board worked in a culture of debate, analyzing the situation of the Company against the industry and the market on the basis of materials provided to it by the Company's Management Board and the Company's internal systems and functions, as well as those obtained from outside the Company, using the results of the work of its Committees. In particular, the Supervisory Board verified the work of the Management Board with regard to the achievement of set strategic objectives as well as monitored results achieved by the Company.

In fulfillment of its reporting obligations, the Supervisory Board on 7 April 2025 assessed the Company's standalone financial statements, the Group's consolidated financial statements, the Management Board's report on the Company's and the Group's activities in terms of their conformity with the books and documents, as well as with the facts, and on the same day assessed the proposals regarding the coverage of the net loss and accounting for Other comprehensive income, and adopted the assessment of the aforementioned reports regarding their compliance with the books, documents and the actual state of affairs – for the financial year ended 31 December 2024. In addition, the Board regularly provided the Ministry of State Assets with quarterly reports on its activities, along with *Quarterly reports on the Company*.

The Supervisory Board cooperated with the statutory auditor on an ongoing basis and monitored the audit of the Company's financial statements through the Audit Committee. In accordance with Article 382 § 7 of the Commercial Company Code, the Company ensured the participation of the key auditor who audited the Company's financial statements (at Supervisory Board meetings discussing the matters indicated in Article 382 § 3 of the Commercial Company Code).

On 29 January 2025, the Supervisory Board selected the audit firm to audit the financial statements for 2025-2027, in accordance with the adopted selection procedure specified in the *Policy and procedure for selection of the audit firm and policy governing the provision of permitted non-audit services by the audit firm, by its related parties and by a member of the audit firm's chain*.

On 17 February 2025, the Supervisory Board adopted a resolution by which it approved amendments to the existing *Organizational Bylaws of Jastrzębska Spółka Węglowa S.A.* regarding the integration of the "Bzie" Section into the "Zofiówka" Section and the establishment of the integrated KWK "Borynia-Zofiówka" mine.

On 7 April 2025 the Supervisory Board analyzed the *Technical and Economic Plan of Jastrzębska Spółka Węglowa S.A. for 2025*, and the *Technical and Economic Plan of the JSW Group for 2025*, and expressed its position regarding the TEP submitted by the Management Board i.e. the Supervisory Board Members, exercising due diligence, raised a number of comments regarding TEP.

The Supervisory Board did not adopt resolutions on TEP of JSW and JSW Group.

On 6 May 2025, the Supervisory Board, pursuant to Article 90g of *the Act of 29 July 2005 on Public Offerings and the Conditions for Floating Financial Instruments in an Organized Trading System and on Public Companies* adopted the *Report on compensations of Jastrzębska Spółka Węglowa S.A. Management Board and Supervisory Board Members for the financial year ended 31 December 2024* and submitted it to the Ordinary Shareholder Meeting for opinion.

On 28 May 2025, the Supervisory Board approved the Management Board's motion to the Shareholder Meeting regarding amendments to JSW S.A.'s Articles of Association and on 25 July 2025, the Supervisory Board adopted the consolidated text of the Articles of Association.

On 28 May 2025, the Supervisory Board selected an external auditor to conduct a comprehensive assessment of internal audit function of Jastrzębska Spółka Węglowa S.A., and on 23 September 2025, the Supervisory Board reviewed the findings of the Report on that assessment.

On 17 June 2025 the Supervisory Board decided to appoint Supervisory Board Member Marek Szczęch to serve as a neutral observer in the negotiations between the Management Board and the Trade Unions.

On 24 June 2025, the Supervisory Board held a meeting with the Representative Trade Union Organizations of JSW S.A. to discuss the Company's economic and social situation.

On 25 July 2025, the Supervisory Board authorized the Management Board to enter into an agreement on behalf of JSW S.A. for the provision of an independent business review of the JSW Group, including the financial model provided to JSW S.A.'s lenders. (Independent Business Review, "IBR").

On 23 September 2025, the Supervisory Board approved the following documents:

- *Policy and procedure for selecting an audit firm to conduct audits of financial statements,*

- *Policy on the provision of permitted services other than the audit or sustainability reporting assurance,*
- *Policy and procedure for selecting an independent auditor or audit firm to perform an assurance engagement on sustainability reporting.*

On 3 October 2025 the Supervisory Board has approved the *Gender Balance Policy for the Management Board and Supervisory Board of Jastrzębska Spółka Węglowa* and submitted it to the Shareholder Meeting for approval.

On 3 October 2025 the Supervisory Board issued an opinion regarding the audit firm's refusal, as stated in its review reports, to express an opinion on the interim financial statements of the Company and the Group for the six-month period ended 30 June 2025. In the opinion, referring to the reason indicated by the independent statutory auditor, namely that the auditor was unable to assess the validity of certain assumptions adopted in the financial projections on which the Management Board based its assessment of the Company's ability to continue as a going concern, nor to evaluate the evidence presented in this respect, the Supervisory Board noted that these assumptions and the related uncertainties have been and continue to be monitored as part of the Supervisory Board's ongoing oversight over the Company. The Supervisory Board has familiarized itself with the Management Board's position on the auditor's disclaimer of opinion. Taking into account the measures undertaken by the Management Board to improve liquidity and efficiency, which are aimed at the long-term stabilization of the Company's liquidity and financial position, while also recognizing the uncertainties linked to the involvement of third parties in implementing these measures, in particular the refund of the windfall tax, the conclusion of memorandums of agreement with the social partners, the consent to the deferral of ZUS contributions, and changes to loan repayment schedules, the Supervisory Board issued a positive opinion on the measures undertaken by the Management Board, and stated that this supports the assumption that both the Company and the Group will continue as a going concern.

On 3 October 2025, the Supervisory Board adopted the Audit Committee's recommendations to:

1. recommend that the Management Board submit monthly reports to the Supervisory Board and the Audit Committee on the implementation of the remedy plan and on communications with the trade unions,
2. recommend that the Management Board take all necessary steps to improve liquidity,
3. recommend that the Management Board present alternative financial scenarios in the event of new circumstances arising, should actions dependent on third parties not be carried out,
4. monitor the Management Board's cooperation with the Auditor – through regular reports on the status of communication and the evidence provided,
5. be informed of the market communication plan, which ensures that shareholders receive full disclosure in accordance with MAR,
6. consider supporting the Management Board in its dealings with government agencies and financial institutions, including interventions by the Supervisory Board at the ownership level.

On 10 October 2025 the Supervisory Board authorized the Management Board to enter into an agreement for the provision of business consulting services in connection with the JSW Group's restructuring process.

On 28 October 2025, it issued a positive opinion on the motion of the Management Board to the JSW S.A. Shareholder Meeting regarding consent to: (1) the merger of Jastrzębska Spółka Węglowa S.A. with JSW Nowe Projekty S.A. under a simplified procedure pursuant to Article 516 § 6 of the Commercial Company Code by transferring all the assets of JSW Nowe Projekty S.A. to Jastrzębska Spółka Węglowa S.A., (2) the Merger Plan, and (3) amendments to the Articles of Association of Jastrzębska Spółka

Węglowa S.A. with regard to its lines of business On 9 December 2025, the Supervisory Board adopted the consolidated text of JSW S.A.'s Articles of Association.

On 28 October 2025 the Supervisory Board decided to initiate and conduct the procedure for selection of audit firm to provide assurance on the sustainability report for 2025 , in accordance with the *Policy and procedure for selecting an independent auditor or audit firm to perform an assurance engagement on sustainability reporting*. On 9 December 2025 selected an audit firm to provide assurance on the 2025 sustainability report.

On 5 December 2025 the Supervisory Board granted the Management Board authorization to enter into an agreement for advisory services related to the preparation of documentation for the purpose of obtaining a loan from the Reprivatization Fund for the JSW Group.

On 9 December 2025 the Supervisory Board granted the Management Board authorization to enter into an agreement for advisory services related to management support for JSW in the process of preparing for restructuring.

On 9 December 2025 the Supervisory Board reviewed the Management Board's letter regarding the *Restructuring Plan of Jastrzębska Spółka Węglowa S.A. for the years 2026-2035, including its subsidiaries (Remedy Plan)*.

During the financial year, the Supervisory Board granted consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates.

The Supervisory Board continuously tracked the Company's activities and monitored and controlled the decisions and actions of the Management Board relevant to the Company and the JSW Group, as well as assessed the economic and financial situation of the Company and the results of the Management Board's work. The Company's activity and results were evaluated on the basis of periodical reports submitted to the Supervisory Board by the Management Board on the operating, investment, production, economic and financial, HR and social situation of the Company, including, among others, information on the degree of achievement of the economic parameters presented by the Company in the Technical and Economic Plan, target economic and financial results, financial indicators and the liquidity situation of the Company.

In accordance with the Work Plan adopted by the Supervisory Board, it monitored, on the basis of information regularly provided by the Management Board, the Company's activity in all the important areas of its operation, including: the inventories and sales of coal, execution of investments, preparatory works, costs of consulting and legal services, occupational health and safety conditions in the mines, audits conducted at the Company, relations with investors and stock exchange quotations, performance of tasks resulting from the risk management policy of the Company and the JSW Group, progress in the achievement of the development directions set for the Company and the operation of the subsidiaries within the JSW Group, with an assessment of reasonability of capital exposure in the companies, including assessment of key investments, as well as progress of implementation works of the *Strategic Transformation Plan of Jastrzębska Spółka Węglowa including subsidiaries*, and legal and formal actions to obtain concession for deposits "Borynia", "Dębieńsko 1" and other concessions. Moreover, the Supervisory Board received information included in the management dashboards.

The Supervisory Board considered the Management Board's motions requiring the approval of the Supervisory Board and gave opinions on the Management Board's motions to be decided by the Shareholder Meeting.

The Supervisory Board took note of other current issues presented by the Management Board, as well as of the correspondence sent to the Supervisory Board and as required,

ordered to conduct audit or investigative activities in the relevant issues covered by the correspondence.

Table 6: Description of the most important activities and issues with which the Supervisory Board dealt throughout 2025

Date	Description of activity
07.01.2025	✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates
29.01.2025	<ul style="list-style-type: none"> <li>✓ Acceptance of the JSW S.A. Supervisory Board Master Work Plan for 2025</li> <li>✓ Selection of an audit firm to audit the standalone financial statements of Jastrzębska Spółka Węglowa S.A. and the consolidated financial statements of the Jastrzębska Spółka Węglowa S.A. Group, as well as to audit the standalone financial statements of key JSW Group companies for 2025-2027</li> </ul>
29.01.2025	<ul style="list-style-type: none"> <li>✓ Approval of the minutes of the JSW S.A. Supervisory Board on the completed procedure to select the audit firm to audit the financial statements</li> <li>✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates</li> <li>✓ Granting consent for issuance of promissory notes with the value exceeding PLN 20 million</li> <li>✓ Approving the <i>Audit Plan of Jastrzębska Spółka Węglowa S.A. for 2025</i></li> <li>✓ Granting consent for the manner of exercise by JSW S.A. of voting rights at the Shareholder Meeting of Przedsiębiorstwo Gospodarki Wodnej i Rekultywacji S.A. as regards amending the Articles of Association of the Company</li> <li>✓ Granting consent for the dismissal and appointment of the Head of the Audit and Control Department</li> </ul>
07.02.2025	✓ Issuing a positive opinion on the document entitled the <i>Plan and Rules Governing Sport Sponsorship and Cultural Activities through cooperation with NOSPR at Jastrzębska Spółka Węglowa S.A. for 2025</i> , and granting consent to conclude annexes to sponsorship agreements and granting consent to conclude a promotion agreement
12.02.2025	✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates
17.02.2025	✓ Issuing a positive opinion on the document entitled <i>Organizational Bylaws of Jastrzębska Spółka Węglowa S.A.</i>
27.02.2025	✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates
13.03.2025	<ul style="list-style-type: none"> <li>✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates</li> <li>✓ Approving activity reports of the JSW S.A. Supervisory Board Committees for the financial year 2024</li> <li>✓ Acceptance of a statement of the JSW S.A. Supervisory Board in connection with the published (standalone and consolidated) Annual Reports for 2024</li> <li>✓ Approval of the <i>“Report on the performance of the Audit Plan, assessment of internal control system, risk management system,</i></li> </ul>

Date	Description of activity
26.03.2025	<p data-bbox="486 219 1396 280"><i>compliance and internal audit function at Jastrzębska Spółka Węglowa S.A. for 2024”</i></p> <ul style="list-style-type: none"> <li>✓ Estimating the amount of the Variable Compensation for the JSW S.A. Management Board Members for 2024</li> <li>✓ Change of the deadline to submit the Technical and Economic Plan of Jastrzębska Spółka Węglowa S.A. for 2025, and the Technical and Economic Plan of the JSW Group for 2025</li> <li>✓ Setting the deadline for the Supervisory Board to adopt a Resolution defining the maximum amount of the Variable Compensation for 2025, the Management Objectives, the weights of these Objectives and the objective and measurable criteria of their accomplishment</li> <li>✓ Approving the updated document entitled <i>Compensation policy for the management of JSW S.A.</i></li> <li>✓ Entrusting Adam Rozmus with the role of Vice-President of the Management Board for Development</li> <li>✓ Granting consent for establishment of collateral in the form of issuance of blank promissory note with a promissory note declaration up to the amount of PLN 100 million</li> </ul>
26.03.2025	<ul style="list-style-type: none"> <li>✓ Granting consent for incurring contingent liabilities arising out of the master agreement with Powszechna Kasa Oszczędności Bank Polski S.A. for providing bank guarantees and opening documentary letters of credit</li> <li>✓ Granting consent for the manner of exercise by JSW S.A. of voting rights at the Shareholder Meeting of Przedsiębiorstwo Gospodarki Wodnej i Rekultywacji S.A. S.A. as regards entering into a loan agreement with the National Fund for Environmental Protection and Water Management</li> </ul>
04.04.2025	<ul style="list-style-type: none"> <li>✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates</li> </ul>
07.04.2025	<ul style="list-style-type: none"> <li>✓ Performance of reporting activities which are special obligations of the Supervisory Board under Commercial Company Code, including the assessment of JSW’s standalone financial statements, Management Board Report on the Activity of JSW and JSW Group, as well as the assessment of the consolidated financial statements of the JSW Group</li> <li>✓ Acceptance of a statement and assessment of the JSW S.A. Supervisory Board in connection with the published (standalone and consolidated) Annual Reports for 2024</li> <li>✓ Positive evaluation of the motion submitted by the Management Board to the JSW Shareholder Meeting to cover the net loss of JSW for the financial year ended 31 December 2024</li> <li>✓ Positive evaluation of the motion submitted by the Management Board to the JSW Shareholder Meeting to account for “Other comprehensive income” of JSW for the financial year ended 31 December 2024</li> <li>✓ Adopting the <i>Report on entertainment expenditures, expenditures for legal services, marketing services, public relations and social communication services and management consulting services of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2024</i></li> <li>✓ Granting consent for covering by JSW the costs of participation of Vice-President of the Management Board for Technical and Operational Matters in the post-graduate MBA studies Energy and Digital Transformation</li> </ul>

Date	Description of activity
18.04.2025	✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates
06.05.2025	<ul style="list-style-type: none"> <li>✓ Appointing a Supervisory Board Member to the Strategy and Development Committee and the Nomination and Compensation Committee</li> <li>✓ Accepting the <i>Report of the Supervisory Board of Jastrzębska Spółka Węglowa S.A. for the 2024 financial year</i></li> <li>✓ Adopting the <i>Report on compensations of Jastrzębska Spółka Węglowa S.A. Management Board and Supervisory Board Members for the financial year ended 31 December 2024</i></li> <li>✓ Acceptance of a statement of the Supervisory Board for the audit firm in connection with the verification of the <i>Report on compensations of Jastrzębska Spółka Węglowa S.A. Management Board and Supervisory Board Members for the financial year ended 31 December 2024</i></li> </ul>
06.05.2025	<ul style="list-style-type: none"> <li>✓ Submitting motions to the JSW Shareholder Meeting to discharge Management Board Members (Ryszard Janta, Jolanta Gruszka, Jarosław Kluczniok, Remigiusz Krzyżanowski, Adam Rozmus, Artur Wojtków) on the performance of their duties in the financial year 2024</li> <li>✓ Granting consent for the manner of exercise by JSW S.A. of voting rights at the Extraordinary Shareholder Meeting of JSW KOKS S.A. as regards the resolutions related to the execution of Investment Project entitled <i>Modernization of Coke Oven Battery no. 4 at the JSW KOKS S.A. Przyjaźń Coking Plant in Dąbrowa Górnicza</i></li> <li>✓ Granting consent for the manner of exercise by JSW S.A. of voting rights at the Extraordinary Shareholder Meeting of JSW KOKS S.A. as regards granting consent for JSW KOKS S.A. to increase the acquisition amount for non-current assets in connection with the implementation of the Investment Task entitled <i>Improvement of energy efficiency at JSW KOKS S.A. – "Construction of a coke gas-fired power unit" at JSW KOKS S.A. KKZ Branch - Radlin Coking Plant</i></li> </ul>
12.05.2025	✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates
28.05.2025	<ul style="list-style-type: none"> <li>✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates</li> <li>✓ Issuing a positive opinion on the JSW Management Board's motion to the JSW Shareholder Meeting to amend the Articles of Association of Jastrzębska Spółka Węglowa S.A.</li> <li>✓ Selection of an external auditor to conduct a comprehensive assessment of internal audit function of Jastrzębska Spółka Węglowa S.A.</li> </ul>
11.06.2025	✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates
17.06.2025	<ul style="list-style-type: none"> <li>✓ Approval of the <i>Report on oversight of the execution of JSW's investment projects in 2024</i></li> <li>✓ Granting consent for the manner of exercise of voting rights by JSW S.A. at the Extraordinary Shareholder Meeting of Jastrzębskie Zakłady Remontowe Sp. z o.o. Sp. z o.o. as regards granting consent to perform a legal transaction consisting in execution of annexes to agreements of lease of Coal Preparation Plants with</li> </ul>

Date	Description of activity
	<p>KWK Budryk and KWK Knurów-Szczygłowice.</p> <ul style="list-style-type: none"> <li>✓ Granting consent to the manner of exercising voting rights by JSW S.A. at the Shareholder Meetings of JSW KOKS S.A., Przedsiębiorstwo Budowy Szybów S.A., JSW Nowe Projekty S.A., Przedsiębiorstwo Gospodarki Wodnej i Rekultywacji S.A. and at the Shareholder Meetings of the following companies: Jastrzębskie Zakłady Remontowe Sp. z o.o., Centralne Laboratorium Pomiarowo-Badawcze Sp. z o.o., JSW IT Systems Sp. z o.o., JSU Sp. z o.o., Jastrzębska Spółka Kolejowa Sp. z o.o., JSW Logistics Sp. z o.o. oraz JSW Szkolenie i Górnictwo Sp. z o.o. as regards amending the Articles of Association/Formation Deeds.</li> <li>✓ Granting consent for the manner of exercise of voting rights by JSW S.A. at the Ordinary Shareholder Meeting of Przedsiębiorstwo Budowy Szybów S.A. as regards giving consent to acquisition of mining machines to perform the agreement with KGHM Polska Miedź S.A.</li> <li>✓ Granting consent for making changes in the compositions of the Supervisory Boards of the following companies: JSW Nowe Projekty S.A., Przedsiębiorstwo Gospodarki Wodnej i Rekultywacji S.A., JSW Logistics Sp. z o.o. and JSU Sp. z o.o.</li> </ul>
24.06.2025	<ul style="list-style-type: none"> <li>✓ Appointing a Supervisory Board Member to the Audit Committee</li> </ul>
07.07.2025	<ul style="list-style-type: none"> <li>✓ Determination of Variable Compensation and Management Objectives of the JSW S.A. Management Board Members for 2025</li> <li>✓ Granting consent making changes in the composition of the Supervisory Board of JSW Nowe Projekty S.A.</li> <li>✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates</li> </ul>
10.07.2025	<ul style="list-style-type: none"> <li>✓ Granting consent for making changes in the composition of the Supervisory Board Member of Przedsiębiorstwo Budowy Szybów S.A.</li> </ul>
25.07.2025	<ul style="list-style-type: none"> <li>✓ Adoption of the consolidated text of the Company Articles of Association</li> <li>✓ Granting consent for execution by JSW S.A. of an agreement on the provision of an independent business review of the JSW Group, including the financial model provided to JSW S.A.'s lenders (Independent Business Review, "IBR").</li> </ul>
05.08.2025	<ul style="list-style-type: none"> <li>✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates</li> </ul>
27.08.2025	<ul style="list-style-type: none"> <li>✓ Appointing a Supervisory Board Member to the Audit Committee</li> <li>✓ Approving the updated <i>Audit Plan of Jastrzębska Spółka Węglowa S.A. for 2025</i></li> <li>✓ Approving the decision to withdraw from the performance of two audit assignments included in <i>Audit Plan of Jastrzębska Spółka Węglowa S.A. for 2024</i></li> <li>✓ Granting consent for releasing companies from the debt of more than PLN 50,000</li> <li>✓ Expressing consent to extend JSW S.A.'s responsibility for sureties granted by JSW S.A. to secure the repayment of loans taken by JSW KOKS S.A. and granted by the National Fund for Environmental Protection and Water Management</li> <li>✓ Granting consent for the manner of exercise of voting rights by JSW S.A. at the Extraordinary Shareholder Meeting of JSW KOKS S.A. as regards the consenting to execution of annexes to two preferential</li> </ul>

Date	Description of activity
	<p>loans from the National Fund for Environmental Protection and Water Management granted to carry out the investment project entitled "Modernization of Coke Oven Battery no. 4" at the JSW KOKS S.A. Przyjaźń Coking Plant in Dąbrowa Górnicza"</p> <ul style="list-style-type: none"> <li>✓ Granting consent for the manner of exercise of voting rights by JSW S.A. at the Extraordinary Shareholder Meeting of Jastrzębskie Zakłady Remontowe Sp. z o.o. Sp. z o.o. as regards granting consent to a legal transaction consisting in execution of Annex 39 to the lease agreement entered into by the Coal Preparation Plants with KWK Knurów-Szczygłowice</li> <li>✓ Issuing a positive opinion on the updated <i>Regulations for the Tender Procedures Concerning the Sale of Non-Current Assets of Jastrzębska Spółka Węglowa S.A.</i></li> <li>✓ Issuing a positive opinion on the <i>Regulations Governing the Sponsorship of Professional Sport at Jastrzębska Spółka Węglowa S.A.</i></li> </ul>
01.09.2025	<ul style="list-style-type: none"> <li>✓ Dismissing Remigiusz Krzyżanowski from the JSW S.A. Management Board of the 11th term of office as Vice-President of the Management Board for Financial Matters as of 1 September 2025.</li> <li>✓ Delegating Supervisory Board Member Bogusław Oleksy to perform temporarily the duties of the Vice-President of the Management Board for Financial Matters of JSW S.A. of the 11th term of office</li> </ul>
01.09.2025	<ul style="list-style-type: none"> <li>✓ Commencement of the recruitment procedure for the position of Vice-President of the Management Board for Financial Matters of JSW S.A. of the 11th term of office</li> </ul>
09.09.2025	<ul style="list-style-type: none"> <li>✓ Commencement of recruitment procedure for the position of Vice-President of the Management Board for Financial Matters in the JSW S.A. Management Board of the 11th term of office</li> <li>✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates</li> </ul>
23.09.2025	<ul style="list-style-type: none"> <li>✓ Amendment to <i>the Bylaws of the Jastrzębska Spółka Węglowa S.A. Supervisory Board</i></li> <li>✓ Admission of a candidate to interview for the position of Vice-President of the Management Board for Financial Matters in the JSW S.A. Management Board of the 11th term of office</li> <li>✓ Making a decision on the achievement of the Management Objectives and the Variable Compensation for the Management Board Members for 2024</li> <li>✓ Approving the document entitled <i>Policy and procedure for selecting an audit firm to conduct audits of financial statements</i></li> <li>✓ Approving the document entitled <i>Policy on the provision of permitted services other than the audit or sustainability reporting assurance</i></li> <li>✓ Approving the document entitled <i>Policy and procedure for selecting an independent auditor or audit firm to perform an assurance engagement on sustainability reporting</i></li> <li>✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates</li> </ul>
30.09.2025	<ul style="list-style-type: none"> <li>✓ Selection of Bogusław Oleksy as a candidate for the position of Vice-President of the Management Board for Financial Matters of JSW S.A. of the 11th term of office</li> <li>✓ Appointing Bogusław Oleksy to the position of the Vice-President of the Management Board for Financial Matters at JSW S.A. in its 11th term of office as of 1 October 2025</li> <li>✓ Granting consent for purchase of a non-current asset (within the</li> </ul>

Date	Description of activity
	meaning of the Accounting Act of 29 September 1994) with the value exceeding PLN 30,000,000 for KWK Borynia-Zofiówka, Zofiówka Section
03.10.2025	<ul style="list-style-type: none"> <li>✓ Dismissing Ryszard Janta from the JSW S.A. Management Board of the 11th term of office as President of the Management Board</li> <li>✓ Appointment of Bogusław Oleksy to serve as President of the Management Board of JSW S.A. of the 11th term of office, effective 3 October 2025</li> <li>✓ Issuing opinion regarding the audit firm's refusal, as stated in its review reports, to express an opinion on the interim financial statements of the Company and the Group for the six-month period ended 30 June 2025</li> <li>✓ Granting consent for establishment of collateral required by the Financial Institution Consortium</li> <li>✓ Issuing a positive opinion on the <i>Policy for Gender Balance in the Management Board and Supervisory Board of Jastrzębska Spółka Węglowa S.A.</i></li> </ul>
10.10.2025	✓ Granting consent for entering into an agreement for the provision of business consulting services in connection with the JSW Group's restructuring process
17.10.2025	✓ Expressing consent to acquisition of shares in JSW Nowe Projekty S.A.
28.10.2025	<ul style="list-style-type: none"> <li>✓ Granting consent for the manner of exercise of voting rights by JSW S.A. at the Extraordinary Shareholder Meeting of JSW Nowe Projekty S.A. as regards granting the consent to the merger of JSW S.A. with JSW Nowe Projekty S.A. under a simplified procedure pursuant to Article 516 § 6 of the Commercial Company Code by transferring all the assets of JSW Nowe Projekty S.A. to JSW S.A.</li> <li>✓ Issuing a positive opinion on the motion of the JSW S.A. Management Board to the JSW S.A. Shareholder Meeting regarding consent to: (1) the merger of JSW S.A. with JSW Nowe Projekty S.A. under a simplified procedure pursuant to Article 516 § 6 of the Commercial Company Code by transferring all the assets of JSW Nowe Projekty S.A. to JSW S.A., (2) the Merger Plan, and (3) amendments to the Articles of Association of JSW S.A. with regard to its lines of business</li> </ul>
28.10.2025	<ul style="list-style-type: none"> <li>✓ Granting consent for releasing a company from debt of more than PLN 50,000</li> <li>✓ Commencement and performance of a procedure to select an audit firm to provide assurance on the 2025 sustainability report.</li> <li>✓ Granting consent for establishment of financial pledges, liens, and registered pledges on the investment certificates of JSW Stabilization Closed-end Investment Fund</li> </ul>
05.11.2025	✓ Granting consent for redemption of JSW Stabilization Closed-end Investment Fund Investment Certificates
05.12.2025	✓ Granting consent for execution of an agreement for advisory services related to the preparation of documentation for the purpose of obtaining a loan from the Reprivatization Fund for the JSW Group
09.12.2025	<ul style="list-style-type: none"> <li>✓ Granting consent for the manner of exercise by JSW S.A. of voting rights at the Extraordinary Shareholder Meeting of JSW KOKS S.A. as regards the changes to the rules governing the remuneration of Members of the Supervisory Board of JSW KOKS S.A.</li> <li>✓ Granting consent for the manner of exercise by JSW S.A. of voting rights at the shareholder meetings of companies being direct</li> </ul>

Date	Description of activity
	<p>subsidiaries of JSW S.A. as regards the changes to the rules governing the compensation of Supervisory Board Members</p> <ul style="list-style-type: none"> <li>✓ Granting consent to the manner of exercise of voting rights by JSW S.A. at the Extraordinary Shareholder Meeting of Przedsiębiorstwo Budowy Szybów S.A. on granting consent to the conclusion of an annex to the existing facility agreement and execution of a new facility agreement with Bank Gospodarstwa Krajowego and establishing collateral for them</li> <li>✓ Granting consent for the manner of exercise of voting rights by JSW S.A. at the Extraordinary Shareholder Meeting of Przedsiębiorstwo Budowy Szybów S.A. as regards giving consent to acquisition of mining machines to perform the agreement with KGHM Polska Miedź S.A.</li> <li>✓ Selecting an audit firm to provide assurance on the 2025 sustainability report.</li> <li>✓ Approval of the Supervisory Board's minutes regarding the procedure for selecting an audit firm provide assurance on the sustainability report for 2025</li> <li>✓ Adoption of the consolidated text of the JSW S.A. Articles of Association</li> <li>✓ Granting consent for the sale of the property situated in Gdynia at Korzeniowskiego 19D where the "Różany Gaj" Hotel is located, together with its equipment</li> <li>✓ Granting consent for the sale of a property with an office building together with technical infrastructure and equipment, located at ul. I. Paderewskiego 41 in Katowice</li> <li>✓ Granting consent for execution of an agreement for advisory services related to management support for JSW S.A. in the process of preparing for restructuring.</li> </ul>

**7. Information on the implementation of resolutions of the Shareholder Meeting related to Supervisory Board activities and on the execution of instructions and tasks entrusted to the Supervisory Board by the Ministry of State Assets as well as fulfillment of reporting duties**

- ✓ The Supervisory Board implemented on an on-going basis the provisions of the Shareholder Meeting relating to the Supervisory Board's activities.
- ✓ The Supervisory Board executed any instructions and tasks entrusted to it by the Ministry of State Assets.
- ✓ The Supervisory Board also performed its reporting duties, including in respect of the filing of quarterly information about the Company.

**8. Information on the suspension of Management Board Members in the performance of their duties and delegation of Supervisory Board members to act as Management Board members**

In the financial year 2025, the Supervisory Board did not suspend any Management Board members in the performance of their duties.

On 1 September 2025, the Supervisory Board adopted a resolution to second Supervisory Board Member Bogusław Oleksy to act temporarily in the capacity of Vice-President of the Management Board for Financial Matters, in the period from 1 September 2025 to 30 November 2025 inclusively, though no longer than until the date of appointing the Vice-President of the Management Board for Financial Matters, subject to Article 383 § 1 of the Commercial Company Code (*on 30 September 2025, the*

*Supervisory Board appointed Bogusław Oleksy to the position of Vice-President of the Management Board for Financial Matters, effective 1 October 2025)*

**9. Assessment of the Company's standing, including the adequacy and effectiveness of the Company's systems for internal control, risk management, ensuring compliance of operations with standards or applicable practices, and internal audit, covering all significant control mechanisms, in particular relating to reporting and operations with the information on the activities taken by the Supervisory Board to make this assessment**

**The economic situation in the JSW Group in the 12 months of 2025**

**Sales revenues**

In 2025, sales revenues were PLN 9,408.1 million and were lower than PLN 1,917.7 million, or 16.9% compared to 2024. The decline was affected by:

- coke sales revenues lower by PLN 1,133.1 million, i.e. 27.0% (without taking into account sales revenues adjustment on account of execution of hedging transactions), which resulted from achieving the average coke sales price lower by PLN 333.28 per ton, i.e. 25.6%, and coke sales volume lower by 60.1 thousand tons, i.e. 1.9%,
- revenue from coal sales (excluding adjustments to sales revenue resulting from hedging transactions) lower by PLN 771.3 million, or 13.0%, due to a lower average selling price for total coal of PLN 222.28 per ton, or 28.1%, despite a 1.5 million-ton increase in the volume of coal produced by the Group and sold to external customers, i.e., by 20.0%,
- revenue from other operations lower by PLN 20.9 million, or 2.9%, mainly due to lower revenue from sales to external customers generated by PBSz,
- revenue from the sale of hydrocarbons lower by PLN 19.2 million, or 4.1%, primarily due to a PLN 38.2 million (34.2%) decrease in revenue from BTX sales, caused by a lower average selling price of PLN 995.66 per ton compared to 2024, while revenues from the sale of coke oven gas increased by PLN 12.6 million, or 13.5%.

**Cost of products, materials and goods sold**

In 2025, cost of products, materials and goods sold dropped by PLN 461.6 million, or 3.8%, against 2024. The change is mainly due to a decrease of PLN 371.4 million in the cost of consumption of materials and energy, a decrease of PLN 274.8 million in employee benefits, a decrease of PLN 197.0 million in depreciation, and a decrease of PLN 162.2 million in the value of services and property, plant and equipment produced for internal use (including expensable mining pits and longwall outfitting).

**Selling and distribution expenses**

Selling and distribution expenses that consist mostly of the costs of shipping of the Group's main products in 2025 totaled PLN 315.2 million (down by PLN 56.5 million, or 15.2%), which is primarily due to lower freight rates for coal and coke compared to 2024.

**Administrative expenses**

Administrative expenses for 2025 amounted to PLN 981.6 million, a decrease of PLN 88.8 million, or 8.3%, compared to 2024, including a decrease of PLN 49.4 million at the Parent Company, mainly due to lower costs of employee benefits, overhaul services and energy consumption.

**Other revenues**

Other revenues in 2025 amounted to PLN 252.7 million, compared to PLN 170.7 million in 2024 (an increase of PLN 82.0 million, or 48.0%). The increase in other revenue during the period under review was primarily driven by the recognition of compensation in the amount of PLN 107.8 million received by the Parent Company in connection with an endogenous fire which occurred in 2024 at KWK Budryk, as well as revenue from time-barred and written-off liabilities, including interest, which was PLN 22.6 million higher. In 2024, other revenues, in turn, included financial aid received for energy-intensive sectors in connection with increases in natural gas and electricity prices, amounting to PLN 27.5

million, as well as the release of a provision for land remediation costs in the amount of PLN 21.6 million.

#### **Impairment of non-financial non-current assets**

Impairment of non-financial non-current assets (net) in 2025 amounted to PLN (3,176.0) million compared to PLN (6,449.3) million in 2024. In 2025, the Group recognized the impairment loss on non-financial non-current assets in the total amount of PLN (3,936.8) million (including: an impairment loss on the assets of JSW mines in the amount of PLN 2,724.8 million and an impairment loss on the assets of JSW KOKS in the amount of PLN 1,196.0 million) and the reversal of an impairment loss on non-financial non-current assets in the total amount of PLN 760.8 million. In 2024, in turn, the Group recognized the impairment loss on non-financial non-current assets in the total amount of PLN (6,971.6) million (including: an impairment loss on the assets of JSW mines in the amount of PLN 5,499.2 million and an impairment loss on the assets of JSW KOKS in the amount of PLN 1,471.8 million) and the reversal of an impairment loss on non-financial non-current assets in the total amount of PLN 522.3 million.

#### **Other costs**

Other costs in 2025 amounted to PLN 133.1 million, compared to PLN 81.4 million in 2024 (an increase of PLN 51.7 million, or 63.5%). The higher level of other costs in 2025 is primarily due to the recognition of costs related to a deferral fee of PLN 28.9 million, costs related to enforcement fees and penalties that were PLN 10.7 million higher, costs related to the creation of a provision for litigation that were PLN 6.2 million higher, the recognition of costs related to the creation of a provision for land remediation in the amount of PLN 6.0 million, and costs related to the creation of a provision for the demolition of Coal Preparation Plant infrastructure at KWK Budryk in the amount of PLN 4.0 million. At the same time, during the period under review, the cost of recognizing impairment losses on receivables and other financial assets decreased by PLN 7.0 million.

#### **Other net gains**

Other net gains in 2025 amounted to PLN 76.5 million, compared to PLN 360.3 million in 2024 (a decrease by PLN 283.8 million). This change is primarily due to a PLN 253.0 million decrease in the gain on the fair value measurement of the FIZ asset portfolio, resulting from a lower exposure to the FIZ asset portfolio following redemptions. In addition, the Group recorded a loss on disposal/liquidation of property, plant and equipment that was PLN 76.5 million higher compared to 2024. At the same time, in 2025, there was a PLN 43.3 million higher gain on financial derivatives.

#### **Financial income and costs**

Financial income in 2025 totaled PLN 26.5 million and was lower by PLN 43.5 million, which results primarily from interest income on cash and cash equivalents lower by PLN 38.8 million.

Financial costs for 2025 amounted to PLN 248.9 million and were PLN 20.7 million higher than in 2024, which is primarily due to higher interest and commission expenses on loans and borrowings by PLN 15.8 million and higher foreign exchange differences on cash and cash equivalents and FX forward transactions by PLN 8.7 million, while interest expenses related to the settlement of the discount on long-term provisions decreased by PLN 3.4 million.

#### **Net result**

The Group's net loss for 2025 amounted to PLN (6,254.9) million. This net loss was PLN 1,029.8 million lower than the net loss incurred in 2024. Basic and diluted loss per share attributable to shareholders of the Parent Company was PLN (52.93) (in 2024, the basic and diluted loss per share was (61.68) PLN).

#### **Non-recurring events**

In the period under analysis, certain one-off events occurred whose nature and scope had a significant impact on its financial results, including in particular:

PLN million

• <i>recognition of impairment loss allowance for non-financial non-current assets</i>	3,936.8
• <i>reversal of impairment loss allowance for non-financial non-current assets</i>	(760.8)
• <i>compensation received in connection with the fire in KWK Budryk in 2024</i>	(107.8)
• <i>costs of incidents in JSW's mines</i>	93.8
• <i>provision for reimbursement of CO<sub>2</sub> emission allowances</i>	51.1
• <i>recognition of impairment loss for inventories of materials</i>	46.9
• <i>capitalized costs of non-operational longwall areas in JSW Units</i>	27.9
• <i>one-time award in JSW subsidiaries</i>	4.5
• <i>costs related to the incident at the Przyjaźń Coking Plant in 2022</i>	1.2
• <i>reimbursement of the costs of compensation paid to the families of those who died in accidents at JSW facilities in 2022</i>	(0.8)
• <i>update on the cost of the one-time award for 2024 at JSW</i>	(0.2)

## The economic situation at Jastrzębska Spółka Węglowa in the 12 months of 2025

### Sales revenues

In 2025, sales revenues were PLN 11,511.7 million and were lower by 20.0% compared to 2024, which follows from:

- sales revenues on coal produced by JSW lower by PLN 1,608.5 million, i.e. 17.0% (without taking into account the adjustment of sales revenues on account of executing hedging transactions), mainly as a result of average sales price of coal obtained by JSW in total lower by 224.93 PLN/t (decrease by 27.6%), despite a higher coal sales volume by 1,706.8 thousand tons, i.e. 14.7%;
- sales revenues on coke lower by PLN 1,133.0 million, i.e. 27.0% (without taking into account the adjustment of sales revenues on account of executing hedging transactions), mainly due to the average sales price of coke commanded by JSW being lower by PLN 333.34 per ton, or 25.6%;
- sales revenues from the sale of hydrocarbons lower by PLN 31.8 million, i.e. by 8.4%, mainly due to a decrease in the average price of BTX by 37.0%;
- revenues from other operations higher by PLN 19.8 million, or 11.6%.

### Cost of products, materials and goods sold

In 2025, the cost of products, materials and goods sold decreased by PLN 1,493.3 million compared to 2024, or 10.0%, driven by a PLN 1,052.2 million decrease in the cost of coke sold, a PLN 291.6 million decrease in the cost of coal sold by JSW, a PLN 118.2 million decrease in the cost of other products, materials and goods sold, and a PLN 31.3 million decrease in the cost of hydrocarbons sold.

### Selling and distribution expenses

Selling and distribution expenses in 2025 amounted to PLN 374.3 million (a decrease of PLN 75.4 million), mainly due to lower costs of rail and maritime transport services for coal and coke.

### Administrative expenses

Administrative expenses for 2025 amounted to PLN 826.3 million, compared with PLN 875.7 million in the previous year (a decrease of PLN 49.4 million, or 5.6%, mainly in employee benefits, overhaul services and energy consumption).

### Impairment of non-financial non-current assets

Impairment of non-financial non-current assets (net) in 2025 amounted to PLN (1,964.0) million compared to PLN (4,978.7) million in 2024. In 2025, JSW recognized an impairment loss on non-financial non-current assets in the total amount of PLN 2,724.8 million and the reversal of an impairment loss on non-financial non-current assets in the total amount of PLN 760.8 million. In the corresponding period of 2024, in turn, an impairment loss on non-financial non-current assets was recognized in the amount of

PLN 5,499.2 million and an impairment loss on non-financial non-current assets was reversed in the total amount of PLN 520.5 million.

#### **Impairment of shares in subsidiaries**

In 2025, following an impairment test, JSW recognized an impairment loss on financial assets (JSW KOKS shares) of PLN 148.8 million (in 2024: PLN (1,204.2) million) and a reversal of an impairment loss on financial assets (PBSz shares) in the amount of PLN 27.7 million.

#### **Impairment of receivables arising from cash transferred under PCP**

In 2025, JSW recognized a provision for receivables related to cash transferred to JSW KOKS under physical cash pooling in the amount of PLN 301.5 million.

#### **Other revenues**

In 2025, other revenues amounted to PLN 301.5 million, compared to PLN 136.5 million in the preceding year (an increase by PLN 165.0 million, or 120.9%). The increase in other revenue in 2025 was primarily driven by the recognition of compensation in the amount of PLN 107.8 million received in connection with an endogenous fire which occurred in 2024 at KWK Budryk, as well as dividend revenue, which was PLN 53.1 million higher.

#### **Other costs**

Other costs in 2025 amounted to PLN 99.4 million, compared to PLN 49.5 million in 2024 (an increase of PLN 49.9 million). The higher figure is primarily due to the recognition of costs related to a deferral fee of PLN 28.4 million, costs related to enforcement fees and penalties that were PLN 10.3 million higher, and costs related to the recognition of a provision for legal disputes that were PLN 6.8 million higher.

#### **Other net gains**

Other net gains in 2025 amounted to PLN 75.0 million, compared to PLN 342.1 million in 2024 (a decrease by PLN 267.1 million, i.e. by 78.1%). The change primarily resulted from a PLN 253.0 million lower gain on the measurement of investment certificates. In addition, in 2025, the loss on the disposal/liquidation of property, plant and equipment was PLN 59.4 million higher than in 2024. At the same time, there was a PLN 43.4 million higher gain on financial derivatives in 2025.

#### **Financial income and costs**

Financial income for 2025 totaled PLN 25.7 million and was lower by PLN 37.4 million, which results primarily from interest income on cash and cash equivalents lower by PLN 32.9 million. Financial costs for 2025 amounted to PLN 278.4 million (an increase of PLN 3.2 million, or 1.2%).

#### **Net result**

The Company's net loss for 2025 amounted to PLN (5,058.9) million. This net loss was PLN 1,272.5 million lower than the net loss incurred in 2024. Basic and diluted loss per share was PLN (43.09) (in 2024, the loss per share was PLN (53.93)).

#### **Non-recurring events**

In the period under analysis, certain one-off events occurred whose nature and scope had a significant impact on its financial results, including in particular:

	PLN million
• <i>recognition of impairment loss allowance for non-financial non-current assets of JSW</i>	2,724.8
• <i>recognition of impairment loss for shares held in JSW KOKS</i>	148.8
• <i>reversal of impairment loss allowance for non-financial non-current assets of JSW Units</i>	(760.8)
• <i>recognition of impairment loss for receivables under the physical cash pooling arrangement</i>	301.5
• <i>compensation received in connection with the fire in KWK Budryk in 2024</i>	(107.8)
• <i>costs of incidents in JSW's mines</i>	93.8
• <i>capitalized costs of non-operational longwall areas in JSW Units</i>	27.9
• <i>reversal of impairment loss for shares held in PBSz</i>	(27.7)
• <i>reimbursement of the costs of compensation paid to the families of those who died in accident at JSW facilities in 2022</i>	(0.8)

- update on the cost of the one-time award for 2024 at JSW

(0.2)

### **Assessment of the Company's systems of internal control, risk management, ensuring compliance of operations with standards or applicable practices, and internal audit**

The Supervisory Board oversees the Company's internal control system, whose purpose is to ensure that the Company's operations are efficient and effective, that financial reporting is accurate and that the Company complies with laws and internal regulations in all aspects of its operations.

Within the framework of the internal control system, the Company has established control mechanisms, organizational and hierarchical structures, operating procedures and internal instructions, as well as such division of responsibilities and working methods so that they serve as key elements supporting the achievement of strategic goals and business objectives of JSW.

In order to organize the above area, the *Internal Control System Operation Bylaws of Jastrzębska Spółka Węglowa S.A.* were implemented pursuant to § 31 sec. 3 of the JSW Articles of Association, which defined the principles and scope of the Company's internal control system. The principles of the internal control system operation specified therein were based on the assumptions of the internal control model found in the report *Internal Control - Integrated Framework* of the Committee of Sponsoring Organizations of the Treadway Commission - COSO, defining principles and factors necessary for effective risk management through the implementation of an internal control system, including the components of this system, i.e.:

- 1. Internal control environment** - integrity and ethical values, competence of employees, supervisory activities exercised by the Supervisory Board, philosophy and operational style of management, organizational structure, method of delegation of authority and responsibility, human resources policies and practices.
- 2. Risk assessment** (risk management and risk response) - established and clearly communicated objectives and mechanisms to support the identification, analysis and management of the risk of events that may either positively or negatively affect the Company's operations; including the process carried out to consciously manage threats and opportunities, enabling the protection of earned value and enhancing the Company's ability to build value, as well as management's response to identified risks - avoiding, accepting, mitigating or sharing risks and, consequently, developing a set of actions to link individual risks to an acceptable level.
- 3. Control activities** - all activities to ensure compliance with the law and the guidelines of the Company's Management Board, allowing to take the actions necessary to minimize risks at all organizational levels of the Company and in all its units.
- 4. Information and communication** - the process of exchanging information to perform, manage and control the Company's activities.
- 5. Monitoring** - activities involving continuous assessment of the quality and effectiveness of the internal control system, identification of critical points of key importance for assessing the effectiveness of the Company's internal control and, further, for implementing mechanisms to supervise the implementation of individual elements and activities of internal control.

The internal control system model implemented and used in JSW S.A. includes a three-level system designed to prevent materialization of the risk identified in the Company. The COSO model assumes that in order to effectively implement the system, the responsibilities imposed on the various participants in the system must be defined so that everyone understands their role in addressing risk and control, the issues for which they are responsible, and the principles and means of cooperation and accountability within the adopted organizational structure. The COSO model using the so-called three

lines of defense allows for better risk management and internal control by clearly defining the roles and responsibilities.

The system in operation in the Company include numerous implemented control mechanisms and internal regulations, including, among others, in the area of:

- 1. Internal control system** - the Internal Control System Operation Bylaws is a set of regulations and principles underlying the construction, operation and usage of the internal control system at JSW S.A. The Bylaws set forth the detailed principles and scope of the internal control system. The Bylaws establish appropriate control mechanisms, organizational and hierarchical structures, operating procedures and internal instructions, as well as division of responsibilities and working methods. All of these elements have been defined in such a way as to facilitate the achievement of the Company's goals and minimize the possibility, circumstances and conditions for generation of losses. The activities of the Internal Control System serve the purpose of ensuring the organization's effective and efficient operations, credibility and reliability of financial reporting and compliance of the Company's processes with laws and internal regulations. The Audit Department, in the areas of its audit tasks, evaluates the operations of the internal control system at JSW S.A. If irregularities are found, recommendations are issued.
- 2. Risk management** - the Corporate Risk Management Policy at the JSW Group and the Corporate Risk Management Procedure at the JSW Group, comprehensively regulate the functioning of the Corporate Risk Management System. Both documents define the assumptions and principles of the corporate risk management process in the JSW Group, identify the participants in the system and assign tasks and roles for them, the proper implementation of which ensures the functioning of the risk management system. They ensure identification of risks and controls and their assessment both at the level of individual processes and the entire organization. This JSW S.A. function includes, therefore, the process of making decisions and carrying out tasks that lead to the Company achieving an acceptable level of risk. The risk management system includes risk identification, risk assessment, risk estimation, risk control, and monitoring and reporting. The Audit Department, in the areas of its audit tasks, evaluates the corporate risk management at JSW S.A. If irregularities are found, recommendations are issued.
- 3. Compliance** - is a set of measures aimed at ensuring that the actions taken by the organization comply with the norms of law, internal regulations and accepted standards of conduct. The activities of the compliance system include preventive measures and management of irregularities that occur. The actions taken by the JSW Group in its compliance function serve to reduce the possibility of financial and reputational losses and refer to the best practices in this area. The Audit Department, in the areas of its audit tasks, evaluates the compliance of its activities with external and internal regulations, including corporate governance. If irregularities are found, recommendations are issued.
- 4. Internal audit** - the Jastrzębska Spółka Węglowa S.A. Internal Audit Bylaws define the objectives, powers, responsibilities and location of the unit responsible for internal audit within the Company. The bylaws also define precisely the Audit Department's key tasks, how they are accomplished, and the reporting rules. An integral part of the bylaws is the Code of Ethics for Internal Auditors at Jastrzębska Spółka Węglowa S.A., which auditors are guided by when performing their tasks. Internal audit functions, which are objective and independent in nature, aim to add value to the Company and improve the operating activities of the entire enterprise. These functions, which consist of a systematic and structured assessment of processes, help to achieve objectives by providing assurances that the processes are working properly. As a result of audit tasks, recommendations are issued, indicating the directions for improving the efficiency of processes, improving control mechanisms and minimizing risks.  
The Head of Internal Audit (hereinafter: "Head of Internal Audit") – in 2025 the Director of the Audit Department – concurrently held management positions in the internal control function (the unit responsible for internal control). The organizational

position of the Head of Internal Audit at JSW S.A. complies with the standards of the Institute of Internal Auditors (IIA):

- the appointment and dismissal of the Head of Internal Audit requires the approval of the Supervisory Board Audit Committee,
- the location of the audit function within the organizational structure enables it to provide services and fulfill its responsibilities without interference from third parties,
- the Head of Internal Audit reports directly to the Audit Committee and the Supervisory Board.

The fact that the Head of Internal Audit simultaneously held a management position in the internal control function could have created a potential conflict of interest and affected the perceived independence of the internal audit. However, the above situation changed at the end of 2025 due to organizational changes that resulted in the transfer of the Control Team to the Compliance Office. The result of these measures is that the Head of Internal Audit has achieved full independence.

### **Assessment of the internal audit system**

The bylaws governing the operation of the internal control system, based on the report *Internal Control - Integrated Framework Concept* by COSO, set out the key principles and factors necessary for effective risk management. Under the methodology presented therein, special emphasis is placed on elements such as the control environment, risk assessment, control activities, information and communication system, and continuous monitoring. This approach enables a comprehensive analysis of the operation of the system and early detection of areas for improvement.

The internal control system uses a three-stage defense system, which is the foundation for effective risk identification and minimization. The first line is responsible for day-to-day operational activities, where potential threats are identified; in addition, internal control – functional control and self-control is applied. The second line focuses on monitoring and oversight of operational processes, while the third line is independent internal audit, which regularly evaluates the effectiveness of the entire system.

The internal control system in operation in JSW S.A. covers all the Company's operations contemplated in the Articles of Association and all the levels of organizational structure, and thereby all the processes in JSW S.A., including the areas of internal control, compliance, internal audit and risk management, also those having a direct or indirect impact on the correctness of preparing the financial statements.

Within this system, the Company has a number of implemented control mechanisms and internal regulations which relate to the functioning of the areas of internal control, compliance, internal audit and risk management. In the opinion of the Head of Internal Audit, the internal control system comprises regulations, procedures and organizational structures which aim to ensure:

- compliance with the Company's strategy,
- efficiency and effectiveness of the procedures in place,
- protection of organizational resources,
- compliance of transactions and activities with the mandatory provisions of law, supervisory regulations and internal corporate policies,
- support for the decision-making process,
- prevention of fraud and irregularities,
- continuous improvement of the organization,
- building a culture of compliance and ethics.

One component of the internal control system assessment is the audit activities conducted by the Audit Department, which are designed to improve control mechanisms and minimize the likelihood of materialization of adverse risk impacts. The Audit Department conducts ongoing monitoring of the implementation of the recommendations and instructions. On 1 August 2025, the Audit Committee of the JSW S.A. Supervisory

Board issued a positive opinion on the performance of audit tasks in Resolution No. 94/XI/2025 concerning the Report on the Performance of Audit Tasks in H1 2025.

An assessment of the internal control system based on the COSO criteria requires reference to the COSO Internal Control – Integrated Framework and the Three Lines Model introduced by the IIA. The assessment criteria consist of the five components of the control system (control environment, risk assessment, control activities, information and communication, and monitoring). The assessment covers the presence, adequacy, effectiveness and integration of the various elements.

### **Assessment of the risk management system**

The assessment of the risk management system is part of the assessment of the effectiveness of internal control confirming that the mechanisms in place enable effective identification and analysis of risks. Key elements supporting this process include semiannual reports, which identify the most important risks and their potential impact on JSW Group's operations on an ongoing basis. The regularity of the reports is intended to make it possible to detect problems early and to give them the appropriate priority. An analysis of previous reports indicates that Risk Owners are somewhat involved in the risk management process; however, the audits conducted reveal that there is still room for improvement in this area. Risk Owners do not indicate integration with operational and strategic processes. The procedures that have been implemented allow for an analysis of changes in the internal and external environment; however, Risk Owners do not always take these changes into account when assessing risks. It is essential to continuously identify and assess risks, as well as to systematically monitor and update them. There are also instances of deficiencies in the quality of risk cards, resulting in them being filled out incorrectly; for example, incorrect information or mechanisms may be entered in the control mechanisms section.

During the reporting period, no internal audits were conducted that directly addressed risk management; however, audit reports almost always included recommendations related to risks. The Integrated Management and Risk Management System Department uploads on a shared folder, documents relating to risk, including: quarterly risk cards, risk register, model and semiannually Risk Management System Assessment Reports. The Audit Department, in turn, after the approved Task Completion Report, forwards the relevant information on risk assessment to the unit responsible for risk management.

<b>COSO ERM component</b>	<b>Assessment</b>	<b>Justification</b>
<b>Management and culture</b>	Possible improvement	The Company has formally adopted a risk management policy and appointed an ERM Officer. Although the Company claims to have a risk management culture in place, some risk owners still lack awareness of risks and a practical approach to managing them.
<b>Strategy and goal setting</b>	Possible improvement	Risks are identified at the strategic level, but their actual alignment with business objectives needs to be strengthened.
<b>Risk identification and assessment</b>	Improvement needed	The risk assessment process is formalized, but in practice it is often viewed by process owners primarily as a formality rather than an effective management support tool.
<b>Risk response</b>	Possible improvement	There are cases where there are no actual risk response plans or contingency plans – these responses are merely declarative and are not integrated by risk owners into day-to-

		day process management.
<b>Information, reporting and monitoring</b>	Correct	The risk reports prepared by the ERM Officer are submitted to the Management Board and the Supervisory Board in accordance with the established reporting guidelines.

The risk management system is ineffective in identifying and assessing risks in strategic, organizational and environmental areas, due to lack of full maturity of those responsible for these risks in terms of understanding the process and taking appropriate action in response to identified risks. The Company identifies risks arising from climate change and the CSRD.

It is recommended that education and training be provided to enhance the risk management competencies of process owners, which should contribute to improving the organization's maturity level.

The overall assessment under COSO ERM indicates an average level – the Company has implemented an ERM system; however, despite the formal establishment of the structure, policies and tools supporting the process, its practical application is limited and requires further improvements, particularly in terms of raising user awareness and implementing effective mechanisms for monitoring and responding to risks.

Justification of the assessment:

- 1) The Company has implemented an ERM system; however, its use in day-to-day management remains limited, indicating a continued need for its further development.
- 2) Process owners do not view risks as a management tool – this results in a lack of alignment between risks and operational and strategic processes.
- 3) With regard to the identified risk response, there is a clear need for further development – currently, these measures are largely declaratory in nature, which may limit the ability to respond effectively to crises and undesired events.

### **Assessment of the compliance system**

The leading organizational unit with responsibility for the compliance system is the Compliance Department. In addition, compliance coordinators have been appointed at individual JSW subsidiaries and plants.

In January 2020, the Compliance Department was established, which was subsequently dissolved in August 2022, and compliance issues were assigned to the Compliance Team operating within the Legal Department. As of 1 November 2024, the Compliance Department has been reestablished, placed organizationally in the Division of the President of the JSW Management Board, thus fulfilling the best practices for WSE listed companies in terms of maintaining smoothly functioning internal systems and functions as indispensable tools for overseeing the company, and stipulating that those responsible for risk management and compliance report directly to the President of the Management Board or another Management Board Member.

The following regulations are in place as part of compliance:

- JSW Group's Code of Conduct,
- JSW Group's Compliance Policy,
- JSW Group's Anti-Corruption Policy,
- JSW Group's Gift Policy,
- JSW Group's Business Partner Verification Policy,
- Policy on the Management of Conflicts of Interest and Relationships Between Related Parties in the JSW Group,
- JSW Group Human Rights Policy,
- Jastrzębska Spółka Węglowa S.A.'s Anti-Harassment Policy,
- JSW Group's Whistleblowing Policy.
- Procedure for reporting internal violations of law and taking follow-up actions,
- Code of Conduct for Suppliers of Jastrzębska Spółka Węglowa S.A.

The Audit Department, in the areas of its audit tasks, evaluates the compliance of its activities with external and internal regulations, including corporate governance. If irregularities are found, appropriate recommendations are issued.

The Compliance Department reviews and analyzes the validity of reports of irregularities. In 2025, there were 56 reports (29 in the first half of the year and 27 in the second half). All reports were subjected to a preliminary analysis to determine whether there were grounds for initiating an internal investigations.

The addressee of the results, both of the preliminary assessment and the investigation procedures, is the JSW management body, which remains the sole holder of the report prepared. The Compliance Department also conducts a compliance review at least once a year, which assesses the up-to-date nature of the company's internal regulations and issues recommendations aimed at improving the effectiveness and transparency of the company's internal corporate governance.

In addition to the above, the Compliance Department, among other things, prepares opinions for internal regulations, maintains the JSW Clause Book, prepares and issues recommendations, issues opinions on matters ordered by the JSW Management Board, supervises the up-to-dateness of sanction lists, and provides support to compliance coordinators and conducts educational activities in the area of compliance.

The measures implemented are designed to support the fulfillment of reporting duties and monitor the risk of violations, and the entire compliance system includes mechanisms aimed at providing evidence of compliance.

No specific compliance audits were conducted last year. However, the absence of independent reviews does not mean a lack of oversight, as the audit activities have ensured cooperation with the Compliance Department, including, among other things, the reporting of identified regulatory non-compliance issues.

Regular reporting, ongoing compliance monitoring and active employee education help build operational security and are consistent with industry best practices, in which an ethical culture and effective whistleblowing mechanisms form the foundation of responsible management. The literature on corporate governance emphasizes that combining oversight, education and transparent compliance processes enhances an organization's resilience to regulatory risks and strengthens stakeholder trust.

The assessment of the compliance system also indicates that the procedures and mechanisms in place promote compliance with both applicable legal regulations and internal ethical standards, which is consistent with corporate governance principles and best practices for publicly traded companies that promote transparency and information responsibility. In accordance with the WSE Code of Best Practices, adherence to established rules and the maintenance of transparent processes are critical to an organization's credibility and effective risk management.

In summary, the compliance system is functioning properly. The internal compliance regulations implemented within the JSW Group, combined with growing awareness of compliance risks, enable the identification, proper assessment and appropriate response to potential violations.

### **Assessment of the internal audit function**

An assessment of the internal audit function indicates that the system is a key tool to support the JSW Group's risk management and operational efficiency. Operating on the principles of independence and objectivity, internal audit enables systematic monitoring of processes and identification of potential non-compliance. Its role is particularly important in ensuring that operations comply with accepted standards and regulations, both internal and external.

The structure of the audit function is based on a defined division of roles and responsibilities, which ensures that auditors can conduct independent analyses of individual business areas. Regular reviews of processes and verification of compliance of procedures with applicable regulations allow early detection of possible irregularities.

The use of international standards and industry best practices contributes to improving the quality and efficiency of audits conducted.

In the first half of the year, the Audit Department faced staffing issues related to unexpected turnover. The corrective measures taken have made it possible to stabilize the HR situation. At the same time, the Company's deteriorating financial situation necessitated adjustments to the operational model of the Management Board Office, including the Audit Department.

The internal audit function shows significant potential for growth, both in terms of the team's expertise and the educational impact that audit activities have on organizational culture. There is a solid foundation of expertise and commitment that will enable the role of auditing within the organization to be further strengthened.

At the same time, the function requires further improvements and ongoing professional development to ensure that its operations are fully aligned with the requirements of the Global Standards for Internal Auditing. To this end, measures have been taken to achieve full compliance with standards and to strengthen quality assurance processes.

The current overall assessment of the internal audit function rates it as average, indicating the need to implement additional improvement measures based on the external auditor's recommendations. Although there are areas for improvement, the outlook for development is positive. The planned strengthening of internal audit tools, resources and capabilities will enable us to further improve the quality of our services and increase the value we deliver to the organization.

The above indicates that the Company separates within its structure units responsible for the execution of tasks in individual systems or functions. There is a clear division of roles, duties, and responsibilities among participants of individual systems or functions.

The Supervisory Board positively evaluates the Company's compliance, risk management and internal audit functions, as well as JSW's internal control system, while identifying areas requiring further optimization and potential for further development. The Supervisory Board assesses these systems collectively as adequate and effective. During the financial year, the Supervisory Board took steps to make this evaluation. Inter alia:

- ✓ the Supervisory Board cooperated with the statutory auditor on an ongoing basis and through the Audit Committee, monitored the process of auditing the financial statements, the effectiveness of the internal control, internal audit, compliance and risk management systems,
- ✓ in accordance with the Work Plan adopted by the Supervisory Board, on the basis of periodic information submitted by the Management Board, the Supervisory Board monitored the Company's situation in all material areas of its operation, including, among others: implementation of the Audit Plan, assessment of the internal control system, risks associated with the conducted operations and ways to manage those risks, compliance and internal audit function at JSW,
- ✓ the Supervisory Board evaluated the Company's activity and results on the basis of periodical reports submitted by the Management Board on the production, economic and financial and social situation of the Company, including, among others, information on the degree of achievement of the economic parameters presented by the Company in the Technical and Economic Plan, target economic and financial results, financial indicators and the liquidity situation of the Company.

The Supervisory Board assesses that the actions taken by the Management Board are appropriate to the nature of the business, the size of the Company's workforce, the scale of expenses incurred, and are in line with the Company's business model.

## **10. Summary of the activity of Supervisory Board Committees**

In 2025, the following Committees operated within the Supervisory Board:

- ✓ Audit Committee,

- ✓ Nomination and Compensation Committee,
- ✓ Strategy and Development Committee.

The committees are advisory and opinion-making bodies supporting the Supervisory Board.

### **Audit Committee**

It is appointed to support the Supervisory Board in exercising financial oversight and to provide the Board with reliable information and opinions that allow it to efficiently make correct decisions in the area of financial reporting, internal control and risk management. It plays a special role among the Committees because of its nature and tasks.

The organizational framework and the scope of the Committee's work are governed by the *Bylaws of the Supervisory Board's Audit Committee of Jastrzębska Spółka Węglowa S.A.* updated and adopted by the Supervisory Board on 20 January 2026.

The Audit Committee's basic tasks include in particular the following:

- ✓ monitoring of the:
  - process:
    - financial reporting,
    - sustainability reporting or sustainability reporting of the corporate group, including with respect to their preparation and labeling in accordance with Article 63zc of the Accounting Act of 29 September 1994, and the Company's process for identifying information presented in accordance with sustainability reporting standards within the meaning of Article 63p item 2 of the Accounting Act of 29 September 1994,
  - effectiveness of internal control systems, risk management systems and internal audit, including in the area of financial reporting,
    - sustainability reporting or sustainability reporting of the corporate group, including with respect to their preparation and labeling in accordance with Article 63zc of the Accounting Act of 29 September 1994,
  - performance of financial audit activities, in particular audits or assurance on sustainability reporting conducted by the audit firm, taking into account all conclusions and findings of the Polish Agency for Audit Oversight resulting from inspections performed in the audit firm,
- ✓ inspecting and monitoring the independence of the statutory auditor and the audit firm, particularly in cases where the audit firm provides services to the Company other than audit and assurance on sustainability reporting,
- ✓ informing the Supervisory Board or another supervisory or control body of the Company about the results of the review or assurance on sustainability reporting and explaining how such audit or assurance contributed to the reliability of the Company's financial reporting, sustainability reporting or the sustainability reporting of the Company's corporate group, as well as the role of the Audit Committee in the audit or assurance process, respectively,
- ✓ assessing the independence of the auditor and approving the provision by the auditor of permitted non-audit services to the Company,
- ✓ developing policies for selecting an audit firm to conduct an audit of the financial statements and policies for selecting an audit firm to perform an assurance engagement on sustainability reporting,
- ✓ developing policies regarding the provision of permitted services other than audits or sustainability reporting assurance by an audit firm conducting an audit of financial statements or sustainability reporting assurance, by entities affiliated with that audit firm and by a member of the audit firm's network,
- ✓ development of the procedure for selecting an audit firm by the Company,
- ✓ presentation to the Supervisory Board or another supervisory or control body or the body referred to in Article 66 Section 4 of the Accounting Act of 29 September 1994

- of recommendations on the appointment of statutory auditors or audit firms, in accordance with the said policies,
- ✓ submission of recommendations intended to ensure the reliability of the financial reporting process, sustainability reporting or the corporate group's sustainability reporting in the Company.

During the financial year, the Audit Committee monitored the reliability of reporting information and the effectiveness of the internal control, internal audit, and risk management systems. It also oversaw activities related to the auditing process and auditor independence.

The Audit Committee submitted to the Supervisory Board the results of the activities carried out as part of the procedures for: selecting an audit firm to audit and review the standalone financial statements of Jastrzębska Spółka Węglowa S.A. and consolidated financial statements of the Jastrzębska Spółka Węglowa S.A. Group, as well as to audit the standalone financial statements of key companies of the JSW S.A. Group. – for a period of 3 years, i.e. for the years 2025-2027, selecting an audit firm

1)

2) to provide assurance on the sustainability report for 2025, along with the final reports and recommendations regarding the selection of the audit firm.

The Audit Committee, having regard, inter alia, to the amended provisions of *Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC, the Act of 11 May 2017 on Statutory Auditors, Auditing Firms and Public Supervision*, and the Accounting Act of 29 September 1994, introduced amendments to the document entitled: *Policy and procedure for selection of the audit firm and policy governing the provision of permitted non-audit services by the audit firm, by its related parties and by a member of the audit firm's network* and split the existing Policy into two separate documents. It adopted the consolidated texts and submitted the following documents to the Supervisory Board for approval:

- *Policy and procedure for selecting an audit firm to conduct audits of financial statements,*
- *Policy on the provision of permitted services other than the audit or sustainability reporting assurance,*

Acting pursuant to Article 130(1)(5) and (7) of the Act of 11 May 2017 on Statutory Auditors, Auditing Firms and Public Supervision, the Audit Committee, the Audit Committee adopted and submitted to the Supervisory Board for approval a document entitled *Policy and procedure for selecting an independent auditor or audit firm to perform an assurance engagement on sustainability reporting.*

The Audit Committee provided information to the other members of the Supervisory Board on an ongoing basis on issues relating to the Committee's areas of activity.

The members of the Audit Committee, in performing the tasks entrusted to them, acted in the interest of the Company, maintained independence of action and judgment. They demonstrated efficiency, reliability and competence. The members of the Audit Committee understand the Company's operations, including its business model and the strategy it pursues, including the activities of the entities in its group that have a significant impact on its operations. In carrying out its tasks, the Audit Committee relied on its own findings and those made by the Company's employees responsible for carrying out its tasks, particularly in the financial and reporting areas and the various internal functions and systems.

*Table 7: Composition of the Audit Committee and functions discharged in 2025*

First and Last Name	Position	Term in position
Artur Kisielewski	Chairperson	01.01.2025 – 31.12.2025
Paweł Bieszczad	Member	01.01.2025 – 31.12.2025
Krzysztof Wrona	Member	01.01.2025 – 31.12.2025
Marek Szczęch	Member	24.06.2025 – 31.12.2025
Paweł Nieradzik	Member	27.08.2025 – 31.12.2025
Krzysztof Szlaga	Member	01.01.2025 – 14.06.2025
Robert Kudelski	Member	01.01.2025 – 07.07.2025

*Table 8: Composition of the Audit Committee and functions discharged in 2025 after 31 December 2025*

First and Last Name	Position	Term in position
Artur Kisielewski	Chairperson	01.01.2026 – to date
Paweł Bieszczad	Member	01.01.2026 – to date
Łukasz Brzózka	Member	20.01.2026 – to date
Łukasz Czopik	Member	20.01.2026 – to date
Paweł Nieradzik	Member	01.01.2026 – to date
Marek Szczęch	Member	01.01.2026 – to date
Krzysztof Wrona	Member	01.01.2026 – to date

Changes in the composition of the Audit Committee in 2025 and after 31 December 2025:

- on 14 June 2025 Krzysztof Szlaga tendered his resignation from the function of a Supervisory Board Member,
- on 24 June 2025, the Supervisory Board appointed Marek Szczęch to the Committee,
- on 07 July 2025 Robert Kudelski tendered his resignation from the function of a Committee Member,
- on 27 August 2025, the Supervisory Board appointed Paweł Nieradzik to the Committee,
- on 20 January 2026, the Supervisory Board appointed Łukasz Brzózka and Łukasz Czopik to the Committee.

The composition of the Audit Committee satisfies the requirements set forth in Article 129 of the Act of 11 May 2017 on Statutory Auditors, Auditing Firms and Public Supervision. Most Audit Committee members, including the Chairperson, are independent of JSW within the meaning of the aforementioned act. Three Audit Committee Members hold expertise and skills in accounting or audit of financial statements. Most Audit Committee members have expertise and skills in the industry in which JSW operates.

The members of the Audit Committee made declarations regarding meeting the statutory independence criteria, as well as declarations regarding having/not having knowledge and skills in accounting or audit of financial statements and in the industry in which the issuer operates. The competencies and experience of the Audit Committee Members, as well as how they acquired their knowledge and skills in financial reporting and the industry, are set forth in the biographical notes of individual Committee Members.

As of the date of the report, the statutory criteria for independence are met by the following members of the Audit Committee: Artur Kisielewski, Łukasz Czopik, Paweł Nieradzik, Marek Szczęch and Krzysztof Wrona.

Three Audit Committee Members hold expertise and skills in accounting or audit of financial statements are: Artur Kisielewski, Łukasz Brzózka and Łukasz Czopik.

The Audit Committee Members who had expertise and skills in the industry in which the issuer operates are: Artur Kisielewski, Paweł Bieszczad, Łukasz Brzózka, Łukasz Czopik, Paweł Nieradzik and Marek Szczęch.

The Audit Committee held 11 meetings throughout financial year 2025. All members of the Committee attended 7 meetings; Krzysztof Szłaga was absent from the meetings held on 8 January, 6 May and 28 May 2025, and Marek Szczęch was absent from the meeting held on 19 September 2025.

Regardless of where and how the meetings were held, the Committee had free access to the Company's personnel and documents. It had its own calendar of meetings, which means that it did not meet only on the occasion of Supervisory Board meetings. The following persons participated in the meetings as required: other Supervisory Board Members who are not Members of the Committee, the Management Board Members, the statutory auditors auditing the Company's financial statements, the Company's Chief Accountant, the Director of the Audit and Control Department, the Management Board Representative for the Integrated Management System and Risk Management, Representative of the Compliance Office, and other employees of the Company.

In total, in 2025 the Committee adopted 38 resolutions (including 2 resolutions through the use of means of direct remote communication).

In addition, the Audit Committee held working meetings between its regular sessions to discuss current issues.

#### Description of the most important activities and issues with which the Committee dealt in 2025

- ✓ monitoring the financial reporting process,
- ✓ carrying out activities in the proceedings for selecting an audit firm to audit the financial statements for 2025-2027, including submission of a final report and recommendation to the Supervisory Board on the selection of an audit firm,
- ✓ reviewing the financial results of JSW and the JSW Group for 2024 as well as cooperation with the statutory auditor to discuss the results and key findings of the audit of the financial statements of JSW and the JSW Group for 2024, the independent statutory auditor's audit reports and supplementary report for the Audit Committee,
- ✓ meeting with the statutory auditor to discuss the results of the assurance of the JSW Group's 2024 sustainability report and reviewing the independent statutory auditor's assurance report,
- ✓ discussing and recommending that the Supervisory Board issue a positive assessment of the standalone financial statements, the Management Board's report on the Company's and the JSW Group's activity, the Management Board's motions as regards the coverage of the net loss and accounting for Other Comprehensive Income, as well as a positive assessment of the JSW Group's consolidated financial statements and the adoption of an assessment regarding the aforementioned reports in terms of their compliance with the books, documents and the actual state of affairs – for the financial year ended 31 December 2024,
- ✓ reviewing the financial results of JSW and the JSW Group for H1 2025 as well as cooperation with the statutory auditor to discuss the results and key findings of the review of the financial statements of JSW and the JSW Group for H1 2025,
- ✓ submitting to the Supervisory Board a position and recommendation regarding the issuance of an opinion on the audit firm's refusal, as stated in its review reports, to express a conclusion on the interim financial statements of the Company and the Group prepared for the period of 6 months ended 30 June 2025,
- ✓ carrying out activities in the proceedings for selecting an audit firm to provide assurance on the 2025 sustainability report, including submitting a final report and recommendations regarding the selection of the audit firm to the Supervisory Board,

- ✓ meeting with the statutory auditor to discuss the results of the preliminary audit of JSW's and the JSW Group's 2025 financial statements and the assurance review of the JSW Group's 2025 sustainability report,
- ✓ assessing the auditor's independence with respect to JSW,
- ✓ introducing amendments and adopting consolidated versions of the following documents: *Policy and Procedure for Selecting an Audit Firm to Conduct Audits of Financial Statements* and *Policy on the provision of permitted services other than the audit or sustainability reporting assurance*,
- ✓ adoption of the document: *Policy and procedure for selecting an independent auditor or audit firm to perform an assurance engagement on sustainability reporting*,
- ✓ giving consent to commission an audit firm to provide the service involving the conduct of procedures to verify that the Financial Ratios defined in the documentation of the Financing Agreement dated 12 April 2023 were calculated correctly as at 31 December 2024,
- ✓ giving consent to the engagement of the audit firm to provide the assurance service involving an audit of the annual report on the compensation of JSW's Management Board and Supervisory Board, prepared as at 31 December 2024,
- ✓ discussing and recommending that the Supervisory Board adopt and submit to the JSW Ordinary Shareholder Meeting the *Report on of the Jastrzębska Spółka Węglowa S.A. Supervisory Board for the financial year 2024*,
- ✓ discussing and recommending that the Supervisory Board approve the *Report on entertainment expenses, expenditures on legal, marketing, public relations and social media communication services as well as management consulting services of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2024*,
- ✓ monitoring issues in the area of internal audit and internal control,
- ✓ carrying out activities as part of the process of selecting an external auditor to assess the overall internal audit function, issuing a favorable opinion on the Report regarding the selection of the auditor and submitting a recommendation to the Supervisory Board regarding the selection of the external auditor,
- ✓ reviewing the results of the external evaluation of the overall internal audit function and taking appropriate action,
- ✓ discussing the status of the implementation of global internal audit standards and changes to the Company's internal regulations,
- ✓ issuing a positive opinion and recommending that the Supervisory Board approve *Jastrzębska Spółka Węglowa's Internal Audit Plan for 2025*,
- ✓ issuing a positive opinion and recommending that the Supervisory Board approve the updated *Audit Plan of Jastrzębska Spółka Węglowa S.A. for 2025*,
- ✓ giving positive opinion on the *Report on the implementation of audit tasks in H1 2025*,
- ✓ issuing a positive opinion and recommending to the Supervisory Board that it approve the *Report on the performance of the Audit Plan, assessment of internal control system, risk management system, compliance and internal audit function at Jastrzębska Spółka Węglowa S.A. for 2024*,
- ✓ giving an opinion on the final reports on the completed audit tasks,
- ✓ reviewing information on results of conducted audit tasks,
- ✓ reviewing information regarding the staffing situation, current tasks and future development plans for the internal audit unit,
- ✓ discussing and monitoring the compliance system,
- ✓ discussing and monitoring the enterprise risk management system in the JSW Group,
- ✓ discussing the impact of climate-related hazards and associated risks, discussing changes in other risks at JSW,
- ✓ reviewing the information regarding changes to regulations related to foreign exchange risk and the information regarding foreign exchange risk hedging as at 30 June 2025,
- ✓ reviewing and completing the questionnaire from the Committee of European Auditing Oversight Bodies (CEAOB) regarding the functioning of the Audit Committee,
- ✓ adopting and presenting to the Supervisory Board for approval of the *Report of the JSW S.A. Supervisory Board Audit Committee for the financial year 2024*.

In accordance with the provisions of Article 390<sup>1</sup> § 4 of the Commercial Company Code, the Chairperson of each Committee presented information to the Supervisory Board on the supervisory activities undertaken by the Committee and their results. All materials from the work of the Committee were immediately made available to the Supervisory Board and the Supervisory Board had the opportunity to review them, on an ongoing basis.

### ***Nomination and Compensation Committee***

It has been formed for the purpose of presenting opinions and proposals to the Supervisory Board on how to shape the governance structure of the Company, including issues related to organizational solutions, compensation system and the selection of managers with the qualifications needed to build the success of the Group.

The organizational framework and the scope of the Committee's work are governed by the *Bylaws of the Supervisory Board's Nomination and Compensation Committee of Jastrzębska Spółka Węglowa S.A.* adopted by the Supervisory Board on 1 December 2021.

The Committee's basic powers and obligations include the following in particular:

- ✓ handling matters connected with the appointment procedure for the positions of JSW S.A. Management Board Members, including the performance of tasks following from the Regulations for conducting the appointment procedure for the positions of Management Board Members; preparing and presenting to the Supervisory Board draft versions of advertisements in the appointment procedure and questions/problems for candidates during interviews,
- ✓ handling matters related to the election and dismissal of JSW S.A. Management Board Members by employees,
- ✓ issuing opinions on the Bylaws for election and dismissal of JSW S.A. Management Board Members by employees and submitting recommendations to the Supervisory Board in this respect,
- ✓ handling matters connected with the appointment and dismissal of JSW S.A. Supervisory Board Members by the employees, including issuing an opinion on the Regulations and presenting the Supervisory Board with relevant recommendations,
- ✓ preparing draft versions of contracts and other model documents in connection with appointments of JSW S.A. Management Board Members for discharging their functions and overseeing the performance of the contractual obligations taken by the parties,
- ✓ monitoring and performing periodical analyses of the compensation system, providing an opinion on the compensation policy for JSW S.A. and the Management Boards and Supervisory Boards of other companies of the Group and presenting recommendations for the Supervisory Board,
- ✓ overseeing the implementation of the Management Board's compensation system, recommending a list of Management Objectives for the Management Board Members (KPI), analyzing the Management Board Report on the performance of Management Objectives and presenting the Supervisory Board with relevant recommendations,
- ✓ overseeing the proper implementation of additional benefits for the Management Board stemming from their management contracts.

*Table 9: Composition of the Nomination and Compensation Committee and functions discharged in 2025*

<b>First and Last Name</b>	<b>Position</b>	<b>Term in position</b>
Michał Rospędek	Chairperson	01.01.2025 – 31.12.2025
Artur Kisielewski	Member	01.01.2025 – 31.12.2025

Robert Kudelski	Member	01.01.2025 – 31.12.2025
Krzysztof Wrona	Member	01.01.2025 – 31.12.2025
Arkadiusz Wypych	Member	01.01.2025 – 31.12.2025
Marek Szczęch	Member	06.05.2025 – 31.12.2025
Katarzyna Bilińska	Member	01.01.2025 – 22.12.2025

Table 10: Composition of the Nomination and Compensation Committee and functions discharged in 2025 after 31 December 2025

First and Last Name	Position	Term in position
Michał Rospędek	Chairperson	01.01.2026 – to date
Artur Kisielewski	Member	01.01.2026 – to date
Robert Kudelski	Member	01.01.2026 – to date
Krzysztof Wrona	Member	01.01.2026 – to date
Arkadiusz Wypych	Member	01.01.2026 – to date

Changes in the composition of the Committee in 2025 and after 31 December 2025:

- on 6 May 2025, the Supervisory Board appointed Marek Szczęch to the Committee,
- on 22 December 2025, the Minister of State Assets, by way of a statement made to the Company, pursuant to § 15 sec. 13 of JSW S.A.'s Articles of Association, dismissed Katarzyna Bilińska from the Supervisory Board,
- on 20 January 2026, Marek Szczęch tendered his resignation from the function of Committee Member.

In accordance with the provisions of § 3 sec. 3 of the *Bylaws of the Jastrzębska Spółka Węglowa S.A. Supervisory Board Nomination and Compensation Committee*, at least one member of the Committee should meet the criteria provided for an independent member of the Supervisory Board referred to in § 16 sec. 2 of the Company's Articles of Association.

Under Standard 2.3. of the Code of Best Practice for WSE Listed Companies 2021 each Committee Member made a statement to the Company that they satisfy the requirements of independence specified in this principle (an independent Supervisory Board Member is deemed to be a Member satisfying the requirements set out in *the Act of 11 May 2017 on Statutory Auditors, Auditing Firms and Public Supervision*, as well as having no actual and significant affiliations with the shareholder holding at least 5% of the overall number of votes in the company).

As of the date of the report, the independence criteria set forth in Standard 2.3. of the Code of Best Practice for WSE Listed Companies 2021 are met by the following Committee Members: Artur Kisielewski, Krzysztof Wrona and Arkadiusz Wypych.

The Committee performed the tasks assigned to it on an ongoing basis and took actions to support the Supervisory Board in the performance of its statutory duties. The current tasks included, among others, systematic exchange of opinions, views and information between Committee Members and Supervisory Board Members both during and outside Supervisory Board meetings.

The Committee held 6 meetings throughout financial year 2025. One meeting was attended by all Members of the Nomination and Compensation Committee, while the meetings held on:

- 17 March and 2 July 2025 were not attended by Katarzyna Bilińska,
- 09 September 2025 were not attended by: Marek Szczęch and Arkadiusz Wypych,

- 23 September 2025 were not attended by: Marek Szczęch, Krzysztof Wrona and Arkadiusz Wypych,
- 30 September 2025 were not attended by: Artur Kisielewski and Marek Szczęch.

The Committee, during its meetings, among other things:

- ✓ discussed matters related to the recruitment process for the position of JSW Management Board Member; inter alia, it drafted and submitted to the Supervisory Board a draft announcement regarding the recruitment process, opened and reviewed the candidate's application and submitted to the Supervisory Board a proposal for the interview process,
- ✓ reviewed matters related to agreements entered into with Management Board Members, including issues concerning their compensation,
- ✓ analyzed issues regarding supplemental (variable) compensation for Management Board Members, held discussions regarding the catalog of management objectives and the criteria for their implementation and accountability, estimated the amount of variable compensation, analyzed and evaluated the implementation of management objectives, and made recommendations to the Supervisory Board in the area in question,
- ✓ recommended that the Supervisory Board approve the updated document entitled *Compensation policy for the management of JSW S.A.*,
- ✓ reviewed the results and key conclusions of the statutory auditor's assurance work on the evaluation of the *Report on compensations of Jastrzębska Spółka Węglowa S.A. Management Board and Supervisory Board Members for the financial year ended 31 December 2024* as regards inclusion of the information required pursuant to Article 90g sec. 1-5 and 8 of the *Act of 29 July 2005 on Public Offerings and the Conditions for Floating Financial Instruments in an Organized Trading System and on Public Companies*,
- ✓ reviewed the written *"Report of the independent statutory auditor on the assurance service pertaining to evaluation of the compensation report"*,
- ✓ recommended that the Supervisory Board approve the *Report on compensations of Jastrzębska Spółka Węglowa S.A. Management Board and Supervisory Board Members for the financial year ended 31 December 2024* and submit it to the JSW S.A. Ordinary Shareholder Meeting,
- ✓ recommended that the Supervisory Board adopt a statement for the audit firm in connection with the verification of the *Report on compensations of Jastrzębska Spółka Węglowa S.A. Management Board and Supervisory Board Members for the financial year ended 31 December 2024*,
- ✓ reviewed the Company's information on its activities regarding the Guidelines for Companies with State Treasury Participation on Supporting Women's Professional Development, as well as practical guidance on implementing Directive (EU) 2022/2381, known as the Women on Boards Directive,
- ✓ adopted and presented to the Supervisory Board for approval of the *Report of the JSW S.A. Supervisory Board Nomination and Compensation Committee for the financial year 2024*.

In accordance with the provisions of Article 390<sup>1</sup> § 4 of the Commercial Company Code, the Chairperson of each Committee presented information to the Supervisory Board on the supervisory activities undertaken by the Committee and their results. All materials from the work of the Committee were immediately made available to the Supervisory Board and the Supervisory Board had the opportunity to review them, on an ongoing basis.

Regardless of where and how the meetings were held, the Committee had free access to the Company's personnel and documents. It had its own calendar of meetings, which means that it did not meet only on the occasion of Supervisory Board meetings. The following persons participated in the meetings as required: other Supervisory Board Members who are not Committee Members, Management Board Members, the statutory

auditors auditing the report on compensations of JSW Management and Supervisory Board Members, as well as the Company's employees. The members of the Nomination and Compensation Committee, in performing the tasks entrusted to them, acted in the interest of the Company, maintained independence of action and judgment, and demonstrated efficiency, reliability and competence. In performing its tasks, the Committee relied on its own determinations and those made by the Company's employees responsible for the execution of individual tasks.

In total, in 2025 the Committee adopted 10 resolutions (including 1 resolution through the use of means of direct remote communication).

### **Strategy and Development Committee**

The Committee is an advisory and opinion-making body for the Supervisory Board and is formed with the purpose of presenting the Supervisory Board with motions, recommendations, opinions and reports on the tasks in the scope of the Committee's duties.

The organizational framework and the scope of the Committee's work are governed by the Bylaws of the Committee adopted by the Supervisory Board on 17 October 2019.

The Audit Committee's basic tasks include the following:

- ✓ assessment of the Company's business strategy and presentation of the assessment results to the Supervisory Board,
- ✓ recommendation of the scope and dates for the Company's Management Board to submit technical and economic annual and long-term strategic plans to the Supervisory Board,
- ✓ assessment of the impact of strategic investments, planned and undertaken, on the Company's assets,
- ✓ monitoring of the fulfillment of strategic investment tasks,
- ✓ assessment of actions related to the management of the Company's material assets,
- ✓ issuing opinions on strategic documents submitted to the Supervisory Board by the Company's Management Board.

*Table 11: Composition of the Strategy and Development Committee and its functions in 2025*

<b>First and Last Name</b>	<b>Position</b>	<b>Term in position</b>
Arkadiusz Mężyk	Chairperson	01.01.2025 – 28.10.2025
Paweł Nieradzik	Member	01.01.2025 – 31.12.2025
Michał Rospędek	Member	01.01.2025 – 31.12.2025
Arkadiusz Wypych	Member	01.01.2025 – 31.12.2025
Marek Szczęch	Member	06.05.2025 – 31.12.2025
Krzysztof Szlaga	Member	01.01.2025 – 14.06.2025
Paweł Rostkowski	Member	01.01.2025 – 16.01.2025

*Table 12: Composition of the Strategy and Development Committee and its functions after 31 December 2025*

<b>First and Last Name</b>	<b>Position</b>	<b>Term in position</b>
Andrzej Karbownik	Chairperson	20.01.2026 – 13.05.2026
Łukasz Brzózka	Member	20.01.2026 – to date

Łukasz Czopik	Member	20.01.2026 – to date
Paweł Nieradzik	Member	01.01.2026 – to date
Michał Rospędek	Member	01.01.2026 – to date
Marek Szczęch	Member	01.01.2026 – to date
Arkadiusz Wypych	Member	01.01.2026 – to date

Changes in the composition of the Committee in 2025 and after 31 December 2025:

- on 16 January 2025, by means of a statement of the Ministry of State Assets, submitted to the Company, pursuant to § 15 sec. 13 of the Articles of Association of JSW S.A. Paweł Rostkowski was dismissed from the Supervisory Board,
- on 14 June 2025 Krzysztof Szlaga tendered his resignation from the function of a Supervisory Board Member,
- on 6 May 2025, the Supervisory Board appointed Marek Szczęch to the Committee,
- on 28 October 2025, Arkadiusz Mężyk tendered his resignation from the function of a Supervisory Board Member,
- on 20 January 2026, the Supervisory Board appointed Andrzej Karbownik as Chairman of the Committee,
- on 20 January 2026, the Supervisory Board appointed Łukasz Brzózka and Łukasz Czopik to the Committee.

The main task of the Committee is to analyze and verify the Company's strategic documents prepared by the Management Board, as well as to monitor and give opinions on the implementation by the Management Board of the tasks arising from these documents and to provide the Supervisory Board with full and reliable information in this respect.

The Committee's current tasks included, among others, systematic exchange of opinions, views and information between Committee Members and Supervisory Board Members both during and outside Supervisory Board meetings. Supervisory Board members were kept informed of the Committee's activities on an ongoing basis.

The members of the Committee, in performing the tasks entrusted to them, acted in the interest of the Company, maintained independence of action and judgment. They demonstrated efficiency, reliability and competence. They understood the Company's operations, including its business model and the strategy it pursues, including the activities of the entities in its group that have a significant impact on its operations. In performing its tasks, the Committee relied on its own determinations and on information provided by the Company's employees responsible for the execution of individual tasks, in particular in the area of the Company's strategy.

Regardless of where the meetings were held, the Committee had free access to the Company's personnel and documents. It had its own calendar of meetings, which means that it did not meet only on the occasion of Supervisory Board meetings. The following persons participated in the Committee meetings as required: other Supervisory Board Members who are not Committee Members, Management Board Members, as well as the Company's employees.

In total, in 2025 the Committee adopted 5 resolutions.

In carrying out its assigned tasks, the Committee held 5 meetings (including 1 two-day meeting). Two meetings were attended by all Committee Members, while the meetings held on:

- 3 April and 7 April 2025 were not attended by Arkadiusz Wypych,
- 23 May 2025 was not attended by Marek Szczęch,
- 23 September 2025 were not attended by: Marek Szczęch and Arkadiusz Wypych.

The Committee, during its meetings, among other things:

- ✓ gave a positive opinion on the proposal to integrate the Bzie Section into the Zofiówka

Section and to establish an integrated KWK Borynia-Zofiówka mine, and recommended that the Supervisory Board approve the amendments to the existing *Organizational Bylaws of Jastrzębska Spółka Węglowa S.A.*,

- ✓ analyzed the following documents:
- ✓ *Technical and Economic Plan of Jastrzębska Spółka Węglowa S.A. for 2025*,
- ✓ *Technical and Economic Plan of the JSW Group for 2025*,
- ✓ made recommendations to the Supervisory Board regarding the aforementioned documents,
- ✓ monitored the implementation of the Technical and Economic Plans of JSW and the JSW Group in 2025,
- ✓ discussed the Report on the Implementation of the JSW S.A. Strategy, including the JSW Group's subsidiaries for 2022-2030 (2024 Report),
- ✓ monitored the implementation of JSW's and JSW Group's strategic investment tasks,
- ✓ discussed and gave a positive opinion on the amendments to the Articles of Association of Jastrzębska Spółka Węglowa S.A. and recommended that the Supervisory Board approve the JSW Management Board's motion to the JSW Shareholder Meeting to amend the Company's Articles of Association,
- ✓ discussed, gave a positive opinion on, and recommended to the Supervisory Board that it amend the existing document entitled *Bylaws of the Jastrzębska Spółka Węglowa S.A. Supervisory Board*
- ✓ demanded from the Company's Management Board and employees any and all information and explanations required to perform its duties,
- ✓ reviewed the information provided by the Management Board on the most important business directions and assumptions of the individual areas of JSW and the JSW Group,
- ✓ adopted and presented to the Supervisory Board for approval of the *Report of the JSW S.A. Supervisory Board Strategy and Development Committee for the financial year 2024*.

In accordance with the provisions of Article 390<sup>1</sup> § 4 of the Commercial Company Code, the Chairperson of each Committee presented information to the Supervisory Board on the supervisory activities undertaken by the Committee and their results. All materials from the work of the Committees were immediately made available to the Supervisory Board and the Supervisory Board had the opportunity to review them, on an ongoing basis.

In between meetings, Members of the Strategy and Development Committee held regular away meetings as part of the Committee's work, i.e.:

- on 16 June 2025, at the Przyjaźń Coking Plant, for the purpose of presenting JSW KOKS, including the Przyjaźń Coking Plant,
- on 5 August 2025, at the Radlin CHP Plant to gain a better understanding of the project entitled *Improvement of Energy Efficiency at JSW KOKS S.A. – Construction of a power unit fired with coke oven gas at the JSW KOKS S.A. Radlin Coking Plant*.

**11. An assessment of application of the corporate governance rules by the Company and the manner of complying with the reporting duties in this regard, specified in the Bylaws of the Warsaw Stock Exchange and the provisions on current and periodic information provided by the securities issuers with information on the activities of the Supervisory Board taken to make this assessment**

On 30 April 2026, the Company published its standalone and consolidated annual report for the financial year ended 31 December 2025, including the Management Board report on the activities of Jastrzębska Spółka Węglowa S.A. and the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025. This document contains a separate part, which is the Declaration on the application of corporate governance principles containing all information required by law, including information on the Company's application of the principles in the document *Code of Best Practice for*

*WSE Listed Companies 2021*. These documents are also available on the Company's corporate website: [www.jsw.pl](http://www.jsw.pl).

JSW S.A. strives to ensure the greatest possible transparency in its operations, high-quality communication with investors, and the protection of shareholders' rights; accordingly, it takes the necessary steps to fully comply with the principles set forth in the 2021 Code of Best Practice for WSE Listed Companies and consequently regularly reviews the manner and extent of compliance with the rules set out in the aforementioned file. These activities are carried out at the Issuer's individual industry offices, to which the relevant rules from the aforementioned set have been assigned, in accordance with the scope of each office's operations. The entire process is overseen by the Stock Exchange Relations Office.

According to the information regarding the Company's compliance with the rules set forth in the Code of Best Practice for WSE Listed Companies 2021, published in EBI's current report dated 22 July 2022, the Company did not apply the following rules: 1.4.2, 2.1, 2.2, 2.11.6 and 4.1.

In 2025, the Company did not report any incidental violations of DPSN 2021.

In connection with the Warsaw Stock Exchange's recommendation resulting from the implementation of the new GPW Data reporting system, which replaced the previous EBI system, the Company reviewed the scope of application of the DPSN 2021 rules and subsequently, on 8 April 2026 (an event after the balance sheet date), in Current Report No. 1/2026, it updated the *Information on the Company's Application of the Rules Contained in the Code of Best Practice for WSE Listed Companies 2021*.

The Company's overall COMPLY score is currently 94%. JSW S.A. applies 59 of the rules set forth in the DPSN2021 set, while 4 rules are not applied. The Company's COMPLY ratio relating to the standards contained in individual chapters is as follows:

1. Disclosure Policy and Communications – 100%
2. Management Board and Supervisory Board – 88%
3. Internal Systems and Functions – 100%
4. Shareholder Meeting and Investor Relations – 93%
5. Conflict of Interest and Transactions with Related Parties – 100%
6. Payroll – 80%

According to Current Report No. 1/2026 issued by GPW Data on 8 April 2026, JSW does not apply the following DPSN 2021 rules:

### **Rule 2.1.**

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

*Company's commentary: The Company has adopted the Policy for Gender Balance in the Management Board and Supervisory Board of Jastrzębska Spółka Węglowa S.A. which was approved by the Extraordinary Shareholder Meeting on 8 December 2025. The purpose of this Policy is to establish rules aimed at ensuring gender balance in the Company's governing bodies, with the goal of promoting diversity and preventing discrimination.*

*Jastrzębska Spółka Węglowa S.A. exercises the utmost diligence in complying with all applicable legal regulations concerning recruitment procedures for the Company's Boards. Members of the Management Board and the Supervisory Board are elected by the competent bodies in accordance with applicable law. This election is made on the basis of submitted application documents, taking into account the candidates' experience and professional qualifications, which is crucial for advancing the Company's interests and protecting the interests of the Shareholders.*

*However, given the specific nature of the industry in which the Issuer operates, as well as the specific provisions of the Articles of Association concerning the rights of the State Treasury and the employees of Jastrzębska Spółka Węglowa S.A., the Company has decided not to apply the above principle.*

#### **Rule 2.2.**

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

Company's commentary: *Jastrzębska Spółka Węglowa S.A. has no influence over the application of this principle. Members of the Management Board and the Supervisory Board are elected by the competent bodies in accordance with applicable law. This election is made on the basis of submitted application documents, taking into account the candidates' professional experience and qualifications, and in accordance with the specific provisions of the Company's Articles of Association regarding the rights of the State Treasury and Company employees.*

#### **Rule 4.1.**

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

Company's commentary: *The Company is waiving the application of this principle due to organizational, technical and legal risks that could adversely affect the conduct and outcomes of the Shareholder Meeting, with shareholders being provided with a possibility of participating in the meeting via remote means of communication.*

#### **Rule 6.4.**

The Supervisory Board performs its duties on an ongoing basis; therefore, the remuneration of its members cannot be based on the number of meetings held. The compensation of committee members, particularly those on the audit committee, should take into account the additional workload associated with serving on these committees.

Company's commentary: *Supervisory Board Members are entitled to receive remuneration regardless of the number of meetings convened. The amount of remuneration of the Supervisory Board has been approved by the Shareholder Meeting. Membership on Committees does not affect the amount of remuneration.*

The information on the status of application of the standards in the Code of Best Practice for WSE Listed Companies 2021 by the Company is available at <https://www.jsw.pl/relacje-inwestorskie/lad-korporacyjny/dobre-praktyki>.

In the opinion of the Supervisory Board, the Company correctly fulfilled its reporting duties regarding the application of corporate governance rules, and the explanations

regarding the scope of their application by the Company were presented in a transparent and exhaustive manner.

With respect to the principles described in the Code of Best Practice for WSE Listed Companies 2021, the Supervisory Board positively evaluates the manner in which Jastrzębska Spółka Węglowa S.A. fulfills its reporting duties regarding the application of corporate governance principles set forth in the Bylaws of the Warsaw Stock Exchange and in the regulations concerning current and periodic information transferred by securities issuers in 2025. The assessment was prepared by the Supervisory Board in accordance with Rule 2.11.4. of the Code of Best Practice for WSE Listed Companies 2021. The Supervisory Board reviewed the corporate governance statement included in the Management Board Report on the activity of Jastrzębska Spółka Węglowa S.A. and the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025.

This statement describes in detail the corporate governance issues and includes the information detailed in the Regulation issued by the Minister of Finance on 6 June 2025 on the Current and Periodic Information Transmitted by Securities Issuers and the Conditions for Recognizing the Information Required by the Regulations of a Non-Member State as Equivalent. In the above statement, the Management Board informed that it complies with the applicable corporate governance principles mentioned above.

In accordance with Rule 1.1. of the Code of Best Practice for WSE Listed Companies 2021, the Company maintains a website on which it posts all documents and information prescribed by law and good practices. In the opinion of the Supervisory Board, the Company properly meets the reporting duties regarding the application of the corporate governance principles set forth in the Bylaws of the Warsaw Stock Exchange and the regulations on current and periodic information.

## **12. Assessment of the reasonableness of expenditures incurred by JSW and JSW Group**

In accordance with Rule 1.5 of the Code of Best Practice for WSE Listed Companies 2021, the Company discloses, at least annually, the expenses incurred by it and its Group to support culture, sports, charitable institutions, the media, social welfare organizations, trade unions, etc.

Information regarding the expenses incurred by the Company and its Group in 2025 for the aforementioned purposes was published on the Company's corporate website on 24 March 2026 and is available at: <https://www.jsw.pl/relacje-inwestorskie/lad-korporacyjny/dobre-praktyki>.

*Table 13: Statement of expenses incurred in 2025 by Jastrzębska Spółka Węglowa S.A. and the companies comprising the JSW Group to support culture, sports, charitable institutions, the media, social welfare organizations, trade unions, etc. - in accordance with Rule 1.5 of the Code of Best Practice for WSE Listed Companies 2021*

<b>No.</b>	<b>Support area</b>	<b>Support amount (thousand PLN)</b>
1	Culture	0.00
2	Sports	16,000.00
3	Charitable institutions	0.00
4	Media	0.00
5	Social welfare organizations	2,035.00
6	Trade unions	0.00

7	Other:	
	Health	296.17
	JSW Foundation	30.40
	Science	0.00
	Religious communities	1.00
	<b>TOTAL</b>	<b>18,362.57</b>

In the opinion of the Supervisory Board, spending on the aforementioned activities focused on supporting specific, selected areas. In 2025, the expenses in question decreased by about 28% compared to 2024.

### 13. Information regarding the degree of implementation of the Diversity Policy applicable to the Management Board and the Supervisory Board

In order to achieve the highest standards in the performance of the Company's Management Board and Supervisory Board in carrying out their duties and discharging them in an effective manner, only persons with the appropriate competence, skills and experience are appointed to the Management Board and Supervisory Board.

Table 14: Diversity structure of the Management Board and Supervisory Board in 2025

Corporate body / age	as at 01.01.2025			as at 31.12.2025		
	Female	Male	Total	Female	Male	Total
<b>Management Board</b>	<b>1</b>	<b>5</b>	<b>6</b>	<b>1</b>	<b>3</b>	<b>4</b>
<i>age under 30</i>	-	-	-	-	-	-
<i>age 30-50</i>	-	4	4	-	1	1
<i>age over 50</i>	1	1	2	1	2	3
<i>of which foreigners</i>	-	-	-	-	-	-
<b>Supervisory Board</b>	<b>1</b>	<b>10</b>	<b>11</b>	<b>1</b>	<b>11</b>	<b>11</b>
<i>age under 30</i>	-	-	-	-	-	-
<i>age 30-50</i>	-	6	6	-	4	4
<i>age over 50</i>	1	4	5	-	7	7
<i>of which foreigners</i>	-	-	-	-	-	-

Diversity of areas overseen by individual Management Board Members as at 31 December 2025:

- The President of the Management Board oversees in particular the following areas: organization and management, legal, compliance, security, media relations, audit and control, corporate governance, document circulation management, and personal data protection,
- Vice-President of the Management Board for Sales oversees in particular the following areas: trading, sales projection and analyses, and forwarding,
- Vice-President of the Management Board for Development oversees in particular the following areas: development, innovation and computerization, strategy, energy and external funds,

- Vice-President of the Management Board for Financial Matters oversees in particular the following areas: finance, accounting, stock exchange relations and controlling,
- Vice-President of the Management Board for Technical and Operational Matters oversees in particular the following areas: production (including OHS), production security, coal preparation, investments, methane drainage, methane management, process optimization and quality,
- Vice-President of the Management Board for Employment and Social Policy oversees in particular the following areas: labor, payroll, property management, HR management, integrated management and risk management system, and corporate social responsibility and promotion.

#### **14. Supervisory Board's cooperation with the Company's Management Board**

In order to enable the Supervisory Board to carry out its tasks, the Company's Management Board has provided the Supervisory Board with access to information on matters relating to the Company, including among others:

- ✓ provided the Supervisory Board with monthly information on the current production, economic, financial and social situation of the Company, including reports on the actual levels of key financial ratios and the Company's liquidity situation,
- ✓ provided answers and explanations to questions posed by Supervisory Board Members.

In addition, the Management Board provided the Supervisory Board with the necessary technical and organizational resources to enable the Supervisory Board to properly perform its duties.

In addition, the Company provides the Supervisory Board with the possibility of using professional, independent advisory services that the Supervisory Board believes are necessary for it to exercise effective oversight of the Company. Throughout the financial year, the Supervisory Board utilized legal assistance services provided under a concluded agreement.

#### **15. Results of the assessments referred to in Article 382 § 3 items 1 and 2 of the Commercial Company Code**

Acting pursuant to Article 382 § 3<sup>1</sup> (1) of the Commercial Company Code, the Supervisory Board evaluated the following documents for the reporting period covered by the report:

- Standalone financial statements of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025,
- Consolidated financial statements of the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025,
- Management Board Report on the activity of Jastrzębska Spółka Węglowa S.A. and the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025,
- Management Board's motion to cover the net loss of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025,
- Management Board's motion on accounting for Other comprehensive income in Jastrzębska Spółka Węglowa S.A. in the financial year ended 31 December 2025,
- Management Board's motion on the distribution of profit brought forward of Jastrzębska Spółka Węglowa S.A.

##### **15.1. Assessment by the Supervisory Board concerning the Standalone Financial Statements of Jastrzębska Spółka Węglowa S.A., the Consolidated Financial Statements of the Jastrzębska Spółka Węglowa S.A. Group and the Management Board's Report on the Activity of Jastrzębska Spółka Węglowa S.A. and the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025 with regard to their conformity with the ledgers, documents and facts**

Acting in accordance with the requirements of Article 382 §3 Item 1 of the Commercial Company Code and § 72 Section 1 Item 16 and § 73 Section 1 Item 14 of the Regulation by the Minister of Finance of 6 June 2025 on the Current and Periodic Information Transmitted by Securities Issuers and the Conditions for Recognizing the Information Required by the Regulations of a Non-Member State as Equivalent and § 20 Section 2 Items 7 and 8 of the Articles of Association of Jastrzębska Spółka Węglowa S.A. ("JSW"), on the basis of:

- the content of the documents submitted by the JSW Management Board, in particular:
  - *standalone financial statements of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025,*
  - *consolidated financial statements of the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025,*
  - *Management Board Report on the activity of Jastrzębska Spółka Węglowa S.A. and the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025 (comprising a sustainability report),*
- report of the independent statutory auditor on the audit of the standalone financial statements of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025,
- report of the independent statutory auditor on the audit of the consolidated financial statements of the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025,
- report of the independent statutory auditor on the sustainability reporting assurance providing limited assurance of the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025,
- report of the audit firm to the JSW S.A. Audit Committee in connection with the audit of the standalone and consolidated financial statements of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025, and after having familiarized ourselves:
- with the position of the independent statutory auditor and the recommendation of the JSW Supervisory Board Audit Committee on the positive assessment of the standalone and consolidated financial statements and the Management Board's activity report,

**On 29 April 2026 the Supervisory Board of Jastrzębska Spółka Węglowa S.A. made a positive assessment of the following reports and statements in respect to their conformity with the ledgers, documents and facts:**

1. *Standalone financial statements of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025,*
2. *consolidated financial statements of the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025,*
3. *Management Board Report on the activity of Jastrzębska Spółka Węglowa S.A. and the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025 (comprising a sustainability report).*

The audit of the financial statements (standalone and consolidated) indicated in items 1 and 2, and the sustainability report assurance indicated in item.3, was conducted by PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt Sp. k. with its registered office in Warsaw.

The results of the assessment, along with the justification, are presented below.

### **Assessment of the standalone financial statements of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025**

The Supervisory Board of JSW has reviewed, analyzed and evaluated *Standalone Financial Statements of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025*, comprising:

- Standalone statement of profit or loss and other comprehensive income for the financial year ended 31 December 2025 showing a net loss of PLN 5,058.9 million and total comprehensive income showing a loss of PLN 5,067.9 million;
  - Standalone statement of financial position as at 31 December 2025 showing total assets and liabilities and equity of PLN 13,573.0 million;
  - Standalone statement of changes in equity for the financial year ended 31 December 2025 showing a decrease of equity of PLN 5,066.6 million;
  - Standalone statement of cash flow for the financial year ended 31 December 2025 showing a decrease of cash and cash equivalents by PLN 573.5 million;
  - Notes comprising information about the adopted accounting standards (policy) and other explanatory information;
- and reviewed the results of the audit performed by the auditor as presented in the Independent Statutory Auditor's Audit Report.

*The standalone financial statements of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025 according to the opinion expressed in the Independent Statutory Auditor's Audit Report:*

- give a true and fair view of the standalone economic and financial position of Jastrzębska Spółka Węglowa S.A. as at 31 December 2025 and of its standalone financial result and its standalone cash flows for the financial year then ended in accordance with the applicable International Financial Reporting Standards endorsed by the European Union and the adopted accounting policy,
- are consistent with regard to form and content with the provisions of law binding JSW and its articles of association,
- have been prepared on the basis of accounting ledgers duly kept in compliance with the provisions of Chapter 2 of the Accounting Act of 29 September 1994 ("Accounting Act").

The opinion drew attention to Note 2.2 of the notes to the standalone financial statements, which indicates that in the financial year ended 31 December 2025 the Company reported a net loss of PLN 5,058.9 million and generated a net cash outflow from operating activities of PLN 1,139.4 million, while current liabilities exceeded current assets by PLN 4,157.5 million as at 31 December 2025. As described in Note 2.2, in order to maintain financial liquidity over the next 12 months and ensure the Company's continued operations, it is necessary to implement the restructuring assumptions set forth in the Group's Technical and Economic Plan, particularly with regard to cost savings, achievable sales prices, achieving the targeted production volume and implementing the objectives of the safety net program under the Act on the Functioning of the Hard Coal Mining Industry, which are subject to uncertainty, as well as undertaking a series of actions regarding matters such as: obtaining a loan from the Industrial Development Agency (ARP), obtaining consent from financing institutions to amend the repayment schedule for loan debt and other terms under the financing agreement, as well as the sale of shares in two subsidiaries to the Industrial Development Agency.

The above conditions, together with other information described in Note 2.2 of the notes to the standalone financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The opinion remains unchanged with respect to this matter.

The JSW Supervisory Board states that the Standalone Financial Statements of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025 have been prepared in accordance with the International Financial Reporting Standards as approved by the European Union and are consistent with the ledgers, documents and facts.

### **Assessment of the Consolidated financial statements of the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025**

The Supervisory Board of JSW has reviewed, analyzed and evaluated *Consolidated Financial Statements of the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025*, comprising:

- Consolidated statement of profit or loss and other comprehensive income for the financial year ended 31 December 2025 showing a net loss of PLN 6,254.9 million and total comprehensive income showing a loss of PLN 6,269.3 million;
- Consolidated statement of financial position as at 31 December 2025 showing total assets and liabilities and equity of PLN 13,452.6 million;
- Consolidated statement of changes in equity for the financial year ended 31 December 2025 showing a decrease of equity of PLN 6,270.0 million;
- Consolidated statement of cash flow for the financial year ended 31 December 2025 showing a decrease of cash and cash equivalents by PLN 88.0 million;
- Notes comprising information about the adopted accounting standards (policy) and other explanatory information;

and reviewed the results of the audit performed by the auditor as presented in the Independent Statutory Auditor's Audit Report.

*The consolidated financial statements of the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025* according to the opinion expressed in the *Independent Statutory Auditor's Audit Report*:

- give a true and fair view of the consolidated economic and financial position of Jastrzębska Spółka Węglowa S.A. and its subsidiaries (the "Group") as at 31 December 2025 and of the Group's consolidated financial result and its consolidated cash flows for the financial year ended on that date in accordance with the applicable International Financial Reporting Standards endorsed by the European Union and the adopted accounting policy;
- are consistent as to the form and content with the legal regulations applicable to the Group and the provisions of the Parent Company's articles of association.

The opinion drew attention to Note 2.2 of the notes to the consolidated financial statements, which indicates that in the financial year ended 31 December 2025 the Group reported a net loss of PLN 6,254.9 million and generated a net cash outflow from operating activities of PLN 440.8 million, while current liabilities exceeded current assets by PLN 4,135.1 million as at 31 December 2025. As described in Note 2.2, in order to maintain financial liquidity over the next 12 months and ensure the Group's continued operations, it is necessary to implement the restructuring assumptions set forth in the Group's Technical and Economic Plan, particularly with regard to cost savings, achievable sales prices, achieving the targeted production volume and implementing the objectives of the safety net program under the Act on the Functioning of the Hard Coal Mining Industry, which are subject to uncertainty, as well as undertaking a series of actions regarding matters such as: obtaining a loan from the Industrial Development Agency (ARP), obtaining consent from financing institutions to amend the repayment schedule for loan debt and other terms under the financing agreement, as well as the sale of shares in two subsidiaries to the Industrial Development Agency.

The above conditions, together with other information described in Note 2.2 of the notes to the consolidated financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The opinion remains unchanged with respect to this matter.

The JSW Supervisory Board states that the *Consolidated Financial Statements of the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025* have been prepared in accordance with the International Financial Reporting Standards as approved by the European Union and are consistent with the ledgers, documents and facts.

### **Assessment of the Management Board Report on the activity of Jastrzębska Spółka Węglowa S.A. and the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025**

The JSW Supervisory Board assessed the *Management Report on the activity of Jastrzębska Spółka Węglowa S.A. and the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025*, and reviewed the independent statutory auditor's position presented in the *Independent Statutory Auditor's Audit Report*.

According to the *Independent Statutory Auditor's Audit Report*, the Management Board Report on the Activity:

- has been prepared in accordance with the requirements of Article 49 of the Accounting Act and §§ 72 and 73 of the Finance Minister's Regulation of 6 June 2025 on the Current and Periodic Information Transmitted by Securities Issuers and the Conditions for Recognizing the Information Required by the Regulations of a Non-Member State as Equivalent,
- is consistent with the information contained in JSW's standalone financial statements and the Group's consolidated financial statements.

Presented in the Management Board's Activity Report under item 6. This sustainability report has been prepared in accordance with Chapter 6c of the Accounting Act, the European Sustainability Reporting Standards (ESRS) referred to in Article 63p(2) of the Accounting Act, and Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 as well as delegated acts issued under Article 8(4) of those Regulations. The sustainability report was subject to assurance by a statutory auditor. The JSW Supervisory Board reviewed the results of the assurance as presented in the *Independent statutory auditor's report on assurance providing limited assurance on sustainability reporting*.

Based on the assurance procedures performed and the evidence obtained, nothing has come to the auditors' attention that would lead them to believe that:

- The Group's sustainability report does not comply, in all material respects, with the requirements of Chapter 6c of the Accounting Act, including the European Sustainability Reporting Standards ("ESRS");
- The materiality assessment process carried out by the Company to identify information included in the Group's Sustainability Report (the "Materiality Assessment Process") does not comply, in all material respects, with the ESRS;
- The Group's Sustainability Report does not comply, in all material respects, with the reporting requirements of Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework to facilitate sustainable investment, amending Regulation (EU) 2019/2088 (the "Taxonomy Regulation")

In view of the above, the JSW Supervisory Board positively evaluates the *Management Board's Report on the Activity of Jastrzębska Spółka Węglowa S.A. and the Jastrzębska Spółka Węglowa S.A. Group for the financial year ended 31 December 2025*, with respect to its consistence with accounting ledgers, documents and the facts.

**15.2. The Supervisory Board's opinion on the Management Board's motion to the Shareholder Meeting of Jastrzębska Spółka Węglowa S.A. regarding the coverage of the net loss and the accounting for Other comprehensive income in Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025**

Pursuant to Article 382 § 3 item 2 and Article 382 § 3<sup>1</sup> of the Commercial Company Code and § 20 sec. 2 items 8 and 9 of the Company's Articles of Association, the Jastrzębska Spółka Węglowa S.A. Supervisory Board hereby submits to the Shareholder Meeting of Jastrzębska Spółka Węglowa S.A. the results of its assessment regarding:

1. The Management Board's motion to the Shareholder Meeting of Jastrzębska Spółka Węglowa S.A. on covering the net loss of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025,
2. The Management Board's motion to the Shareholder Meeting of Jastrzębska Spółka Węglowa S.A. on accounting for Other comprehensive income in Jastrzębska Spółka Węglowa S.A. in the financial year ended 31 December 2025.

**Assessment of the Management Board's motion to the Shareholder Meeting of Jastrzębska Spółka Węglowa S.A. on covering the net loss of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025**

The Supervisory Board reviewed, analyzed and evaluated the Management Board's motion to the Shareholder Meeting, as set forth in Management Board Resolution No. 177/XI/2026 dated 29 April 2026, regarding the coverage of the net loss of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025, in the amount of **PLN 5,058,932,393.47** (five billion fifty-eight million nine hundred thirty-two thousand three hundred ninety-three and 47/100 Polish zloty) in full from the Company's supplementary capital.

*Having analyzed the Management Board's motion to the Shareholder Meeting incorporating the justification given by the Company's Management Board, on 29 April 2026 the Supervisory Board endorsed the proposed manner of covering the net loss of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025.*

**Assessment of the Management Board's motion to the Shareholder Meeting of Jastrzębska Spółka Węglowa S.A. on accounting for other comprehensive income in Jastrzębska Spółka Węglowa S.A. in the financial year ended 31 December 2025**

The Supervisory Board reviewed, analyzed and evaluated the Management Board's motion to the Shareholder Meeting, as set forth in Management Board Resolution No. 178/XI/2026 dated 29 April 2026, regarding accounting for Other comprehensive income in Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025, by covering the loss recognized in Other comprehensive income, arising from the measurement of post-employment defined benefit plans, in the amount of **PLN 28,289,647.00** (twenty-eight million two hundred eighty-nine thousand six hundred forty-seven and 00/100 Polish zloty) from the Company's supplementary capital.

*Having analyzed the Management Board's motion to the Shareholder Meeting incorporating the justification given by the Company's Management Board, on 29 April 2026 the Supervisory Board endorsed the proposed manner of accounting for other comprehensive income of Jastrzębska Spółka Węglowa S.A. for the financial year ended 31 December 2025.*

***In connection with its endorsement the Supervisory Board hereby recommends to the Shareholder Meeting that it cover the net loss and account for other comprehensive income in Jastrzębska Spółka Węglowa S.A. in the financial year ended 31 December 2025 in the manner specified in the Company's Management Board's motions.***

**15.3. The Supervisory Board's assessment of the Management Board's motion to the Shareholder Meeting of Jastrzębska Spółka Węglowa S.A. on distributing the profit brought forward of Jastrzębska Spółka Węglowa S.A.**

Pursuant to Article 382 § 3 item 2 and Article 382 § 3<sup>1</sup> of the Commercial Company Code and § 20 sec. 2 items 8 and 9 of the Company's Articles of Association, the Jastrzębska Spółka Węglowa S.A. Supervisory Board hereby submits to the Shareholder Meeting of Jastrzębska Spółka Węglowa S.A. the results of:

**Assessing the Management Board's motion to the Shareholder Meeting of Jastrzębska Spółka Węglowa S.A. on distributing the profit brought forward of Jastrzębska Spółka Węglowa S.A.**

The Supervisory Board reviewed, analyzed and evaluated the Management Board's motion to the Shareholder Meeting, as set forth in Management Board Resolution No. 179/XI/2026 dated 29 April 2026, regarding the distribution of Jastrzębska Spółka Węglowa S.A.'s retained earnings, by allocating the profit brought forward of Jastrzębska Spółka Węglowa S.A., arising from the merger of Jastrzębska Spółka Węglowa S.A. with its subsidiary JSW Nowe Projekty S.A. as at 31 December 2025, in the amount of PLN 1,302,322.16 (one million three hundred two thousand three hundred twenty-two and 16/100 Polish zloty) to the Company's supplementary capital.

*Having analyzed the Management Board's motion to the Shareholder Meeting incorporating the justification given by the Company's Management Board, on 14 May 2026, the Supervisory Board endorsed the proposed manner of distributing the profit brought forward of Jastrzębska Spółka Węglowa S.A.*

***In connection with its endorsement the Supervisory Board hereby recommends to the Shareholder Meeting that it distribute the profit brought forward of Jastrzębska Spółka Węglowa S.A. in the manner specified in the Company's Management Board's motion.***

**16. Assessment of the Management Board' execution of the duties referred to in Article 380<sup>1</sup> of the Commercial Company Code**

The Supervisory Board, in accordance with the Work Plan adopted by the Supervisory Board, received regular information submitted by the Management Board on all relevant areas of operation, including but not limited to:

- Resolutions adopted by the Management Board and their subject matter (the list of Management Board Resolutions made available to the Supervisory Board was updated on an ongoing basis),
- the Company's standing, including its assets, as well as important circumstances in the conduct of the Company's affairs, in particular in the operational, investment and HR areas (written information on the subject matter was submitted by the Management Board on a monthly basis, the agendas of Supervisory Board meetings included item entitled "Discussion of Matters Arising from the Supervisory Board Work Plan" and "Management Board Information on Current Company Matters", at Supervisory Board meetings, the Management Board reported on the financial, economic, commercial and production situation of JSW and the JSW Group, as well as any significant circumstances in the conduct of the Company's affairs, and presented information on the subsidiaries and affiliated companies),
- progress in the implementation of the Company's designated business development directions (written information on the matter in question was submitted by the Management Board on a monthly basis; at Supervisory Board meetings, the Management Board provided information on the progress in the implementation of the designated business development directions of JSW and the JSW Group),
- transactions and other events or circumstances that materially affect or may affect the Company's economic position, including its profitability or liquidity (the Management Board provided the Supervisory Board with information on an ongoing basis on transactions and other events or circumstances that materially affect or may affect the economic position of JSW and the JSW Group),
- changes to information previously provided to the Supervisory Board, if such changes materially affect or may affect the Company's standing (the Management Board provided information to the Supervisory Board on an ongoing basis on changes, updating information previously provided).

The Supervisory Board positively evaluates the Management Board's performance of all disclosure obligations set forth in Article 380<sup>1</sup> of the Commercial Company Code. The information submitted was complete and fairly presented the actual picture of JSW and the JSW Group.

**17. Assessment of the manner in which the Management Board prepares or submits to the Supervisory Board information, documents, reports or explanations requested in accordance with the procedure set forth in Article 382 § 4 of the Commercial Company Code**

The Management Board implemented the recommendations of the Supervisory Board and its Committees, provided explanations and submitted information, documents and reports requested by the Supervisory Board and the Committees. In the opinion of the Supervisory Board, the information and explanations of the Management Board were presented in a transparent, reliable and comprehensive manner, so the Supervisory Board positively evaluates the manner in which the Management Board prepared and submitted to the Supervisory Board information, documents, reports and explanations requested by the Supervisory Board, in accordance with Article 382 § 4 of the Commercial Company Code.

**18. Information on the total compensation payable by the Company for all studies commissioned by the Supervisory Board during the financial year 2025 in accordance with Article 382<sup>1</sup> of the Commercial Company Code**

In Article 382<sup>1</sup> of the Commercial Company Code, the legislator granted the Supervisory Board the authority to adopt a resolution to have certain matters relating to the Company's operations or assets examined by a selected advisor (Supervisory Board Advisor) at the Company's expense. A Supervisory Board Advisor may also be selected to prepare specific analyses and opinions.

In 2025, the Supervisory Board did not take advantage of the option of appointing a Supervisory Board Advisor, so no costs were generated in this regard.

***The Supervisory Board hereby moves to the Shareholder Meeting to approve this Report and discharge the Supervisory Board Members on the performance of their duties in 2025.***

The original contains the relevant signatures