

Consolidated report on payments to general government

of the PGE Polska Grupa Energetyczna S.A. Capital Group

for the year ended December 31, 2025
(in PLN thousand)



Polska Grupa Energetyczna

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1. Basis for preparation of the report on payments to general government

This report on payments to general government has been prepared on the basis of the provisions of Chapter 6a of the Accounting Act of 29 September 1994 (the 'Act') (Dz. U. [*Journal of Laws*] of 2023, item 120). In accordance with these provisions, entities operating in the extractive industry or engaged in the logging of primary forests, provided that they meet the criteria set out in the Act, prepare, as at the balance sheet date and together with their annual financial statements, a report on payments to general government. The Act defines an entity operating in the extractive industry as an entity engaged in activities consisting in the exploration, prospecting, discovery, development and extraction of mineral deposits, oil, natural gas or other materials, within the scope of economic activities listed in Section B, Divisions 05–08 of the Polish Classification of Activities.

The Act also requires the preparation of a consolidated report on payments to general government. Such a report should include data of the parent entity and its subsidiaries operating in the extractive industry or engaged in the logging of primary forests, provided that they meet the criteria set out in the Act.

Within the PGE Capital Group, the only entity meeting the requirements set out in Chapter 6a of the Act is PGE Górnictwo i Energetyka Konwencjonalna Spółka Akcyjna (the 'Company', 'PGE GiEK S.A.'). Accordingly, this consolidated report on payments to general government presents exclusively the data of PGE GiEK S.A.

The core business activity of PGE Górnictwo i Energetyka Konwencjonalna Spółka Akcyjna (the 'Company') is the activity listed in Section D of the Polish Classification of Activities ('PKD'), Division 35, i.e.:

- production of electricity (PKD 35.11.Z);
- steam, hot water and air conditioning manufacturing and supply (PKD 35.30.Z).

The Company also conducts business activities listed in Section B – Mining and quarrying – of the Polish Classification of Activities. These activities primarily include the extraction of lignite (brown coal) (PKD 05.20.Z), which is mainly used as fuel in power plants owned by the Company.

In addition, in accordance with its Articles of Association, the Company's activities also include:

- quarrying of ornamental and building stone, limestone, gypsum, chalk and slate (PKD 08.11.Z);
- operation of gravel and sand pits; mining of clays and kaolin (PKD 08.12.Z);
- mining of minerals for chemical industry and for production of fertilizers (PKD 08.91.Z);
- extraction of peat (PKD 08.92.Z);
- extraction of salt (PKD 08.93.Z);
- other mining and quarrying n.e.c. (PKD 08.99.Z).

However, these activities are of marginal importance to the Company and are carried out as ancillary to lignite extraction.

In 2025, the Company's organisational structure comprised seven branches:

- Bełchatów Lignite Mine Branch;
- Turów Lignite Mine Branch;
- Bełchatów Power Plant Branch;
- Turów Power Plant Branch;
- Opole Power Plant Branch;
- Dolna Odra Power Plant Branch;
- Rybnik Power Plant Branch.

Mining activities are conducted in two branches, namely:

- Bełchatów Lignite Mine Branch;
- Turów Lignite Mine Branch.

Mining activities are carried out on the basis of licences granted for the extraction of lignite deposits.

2. Accounting policies applied in preparing the report on payments to general government

Pursuant to Article 63e(6) of the Accounting Act, 'payments' shall mean amounts paid, whether in cash or in kind, in respect of:

- production entitlements;
- taxes levied on income, production or profits of companies, excluding consumption taxes such as value added tax, personal income tax or sales tax;
- royalties;
- dividends;
- signature, discovery and production bonuses;
- licence fees, rental fees, entry fees and other considerations for licences or concessions;
- payments for infrastructure improvements,

relating to the activities referred to in Article 63e(1) and (2) of the Act.

The activity referred to in Article 63e(1) of the Act is the exploration, prospecting, discovery, development and extraction of mineral deposits, oil, natural gas or other materials, within the scope of economic activities listed in Section B, Divisions 05–08 of PKD. The activity referred to in Article 63e(2) of the Act is the activity specified in Section A, Division 02, Group 02.2 of PKD (logging), in primary forests.

The Company does not carry out logging in primary forests. Accordingly, all amounts disclosed in this report, unless expressly stated otherwise, relate exclusively to mining activities conducted in the two divisions indicated above and do not include amounts paid to general government in respect of other activities carried out in the Company's remaining divisions.

In this report on payments to general government, the Company has included the following categories:

Payment category defined in Article 63e of the Accounting Act	Taxes and charges classified by the Company under the given payment category specified in the Accounting Act
Production entitlements	The Company did not make any payments under this category to general government in 2025
Taxes levied on income, production or profits of companies (excluding consumption taxes such as VAT, personal income tax or sales tax)	Corporate income tax (CIT)
Royalties	The Company did not make any payments under this category to general government in 2025
Dividends	The Company did not make any payments under this category to general government in 2025
Licence fees, discovery and production bonuses	Extraction fee; mining usufruct fees
Licence fees, rental fees, entry fees and other considerations for licences or concessions	Perpetual usufruct fees; fees for exclusion of land from agricultural and forestry production; environmental usage fees; lease fees; tree felling fees; real estate tax; transport tax; agricultural tax; forest tax
Payments for infrastructure improvements	The Company did not make any payments under this category to general government in 2025

Corporate income tax

As corporate income tax is calculated at the level of the entire Company, this report presents payments relating to corporate income tax in the full amount of payments made to the tax authority in 2025, reduced by tax refunds received from the tax authority in 2025 resulting from the settlement of tax for 2024.

Information disclosed in the report

The amounts presented in this report represent the value of cash transfers made in 2025 to general government in respect of individual payment categories, reduced by refunds received in 2025. In 2025, the Company did not make any payments in kind to general government.

Pursuant to Article 63f(2) of the Act, the report on payments shall include the following information:

- the total amount of payments made to general government of a given country, broken down by payments to the respective levels of general government;
- the total amount of payments broken down by the categories referred to in Article 63e(6), made to the respective level of general government of a given country;
- where payments have been attributed by the entity to specific projects – the total amount of payments made in respect of individual projects, broken down by the payment categories referred to in Article 63e(6).

The Company has attributed payments to general government to two projects. These are projects related to activities carried out in:

- the Bełchatów Lignite Mine Branch;
- the Turów Lignite Mine Branch.

3. Payments to general government made in 2025

3.1 Total amount of payments made to general government, broken down by level of general government and by payment category

Levels of general government	Taxes levied on income, production or profits of companies	Concession fees and discovery and production bonuses	Licence fees, rental fees, entry fees and other considerations	Total
Government administration authorities and entities supervised or controlled by such authorities	-	77,023	42,900	119,923
Local government authorities and entities supervised or controlled by such authorities	-	63,422	208,491	271,913
<i>Cities and municipalities</i>	-	63,422	187,208	250,630
<i>District offices</i>	-	-	4,248	4,248
<i>Marshal Offices</i>	-	-	17,035	17,035
Corporate income tax (CIT)*	56,042	-	-	56,042
Total	56,042	140,445	251,391	447,878

As described in section 2, the amount presented represents the balance of corporate income tax advance payments made to the tax authority in 2025, calculated on the income of the entire Company (not only from extractive activities), and the tax refund received from the tax authority resulting from the settlement of tax for 2024.

3.2 Total amount of payments made in respect of individual projects, broken down by payment category

3.2.1 Bełchatów Lignite Mine project

Levels of general government	Concession fees and discovery and production bonuses	Licence fees, rental fees, entry fees and other considerations	Total
Government administration authorities and entities supervised or controlled by such authorities	63,386	35,097	98,483
Local government authorities and entities supervised or controlled by such authorities	52,088	146,587	198,675
<i>Cities and municipalities</i>	52,088	133,502	185,590
<i>District offices</i>	-	2,107	2,107
<i>Marshal Offices</i>	-	10,978	10,978
Total	115,474	181,684	297,158

3.2.2 Turów Lignite Mine project

Levels of general government	Concession fees and discovery and production bonuses	Licence fees, rental fees, entry fees and other considerations	Total
Government administration authorities and entities supervised or controlled by such authorities	13,637	7,803	21,440
Local government authorities and entities supervised or controlled by such authorities	11,334	61,904	73,238
<i>Cities and municipalities</i>	11,334	53,706	65,040
<i>District offices</i>	-	2,141	2,141
<i>Marshal Offices</i>	-	6,057	6,057
Total	24,971	69,707	94,678

Warsaw, 14 April 2026

Signatures of the Members of the Management Board of PGE Polska Grupa Energetyczna S.A.

President of the Management Board

Dariusz Lubera

Vice-President of the Management Board

Katarzyna Rozenfeld

Vice-President of the Management Board

Przemysław Jastrzębski

Vice-President of the Management Board

Robert Kowalski

Vice-President of the Management Board

Marcin Laskowski