

**REPORT OF THE SUPERVISORY BOARD
PGE POLSKA GRUPA ENERGETYCZNA S.A.
FOR THE FINANCIAL YEAR 2025**



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Introduction

PGE Polska Grupa Energetyczna S.A. (also referred to as PGE S.A., PGE, or the Company) is the parent company of the PGE Capital Group (hereinafter also referred to as the “PGE Group”, “the Group” or “PGE Capital Group”), whose operations are organised into eight operating segments: Coal-fired Power Generation (formerly Conventional Generation), Renewable Energy, Gas-fired Power Generation, Trading, Distribution, District Heating, Railway Power Generation, Other Operations. PGE S.A. conducts its business operations in the Trading Segment. The core business of PGE S.A. is the wholesale trading of electricity on the domestic market, the procurement of fuels and related products—including CO₂ emission allowances for the Group’s generation companies—and the provision of Corporate Centre services to companies within the PGE Group.

PGE S.A., together with the other companies of the PGE Capital Group, is implementing the PGE Capital Group’s business strategy, which is a response to the profound changes in the energy sector in recent years and to public expectations, which largely determine the direction of the industry’s development. The PGE Capital Group is a leader in the transformation and modernisation of the energy sector in Poland and supports the development of a market environment conducive to the energy transition. The transformation of the PGE Group will be carried out in a sustainable manner, in consultation with the social partners. PGE S.A. is aware of the impact that the PGE Capital Group’s activities have on the wider community – in social, economic and environmental terms. The PGE Capital Group’s activities are focused on maximising value for all stakeholders.

1. Composition of the Supervisory Board

The Supervisory Board of PGE S.A. of the 12th term of office operates on the basis of the Act of 15 September 2000 – the Commercial Companies Code – and the Company’s Articles of Association and the Rules of Procedure of the Supervisory Board, which are available on the Company’s website:

[Company’s Articles of Association](#)

[Supervisory Board Rules of Procedure](#)

THE COMPOSITION OF THE SUPERVISORY BOARD AND CHANGES TO THE SUPERVISORY BOARD IN 2025

Table: Composition of the Company's Supervisory Board as at 01 January 2025:

First name and surname Member of the Supervisory Board	Function:
Michał Domagała	Member of the Supervisory Board Chairperson of the Supervisory Board – independent member
Andrzej Sadkowski	Member of the Supervisory Board Deputy Chair of the Supervisory Board – independent member
Anna Kowalik	Chairperson of the Supervisory Board / Secretary to the Supervisory Board
Małgorzata Banasik	Member of the Supervisory Board – independent member
Andrzej Kozyra	Member of the Supervisory Board – independent member
Elżbieta Niebisz	Member of the Supervisory Board – independent member
Sławomir Patyra	Member of the Supervisory Board – independent member
Andrzej Rzońca	Member of the Supervisory Board – independent member

The 12th term of the Supervisory Board of PGE S.A. began on 22 June 2022.

As of 7 February 2024, in accordance with the resolutions adopted, the Praesidium of the Supervisory Board remains unchanged and consists of:

- Michał Domagała – Chairperson of the Supervisory Board,
- Andrzej Sadkowski – Deputy Chairperson of the Supervisory Board,
- Anna Kowalik – Secretary to the Supervisory Board.

On 4 December 2025, the Extraordinary General Meeting of PGE S.A. passed resolutions to remove the following members from the Supervisory Board:

- Małgorzata Banasik (Resolution No. 5 of the Extraordinary General Meeting),
- Sławomir Patyra (Resolution No. 6 of the Extraordinary General Meeting).

Subsequently, the Extraordinary General Meeting of PGE S.A. adopted resolutions appointing the following members to the Supervisory Board of PGE S.A. with effect from 5 December 2025:

- Dariusz Lubera (Resolution No. 7 of the Extraordinary General Meeting),
- Piotr Stolarczyk (Resolution No. 8 of the Extraordinary General Meeting).

On 8 December 2025, the Company's Supervisory Board adopted Resolution No. 639/XII/2025 appointing Dariusz Lubera to temporarily perform the duties of a Member of the Management Board of PGE S.A. for a period of up to three months and entrusting him with the duties of the Company's President of the Management Board.

As a result of the changes described above, the composition of the Supervisory Board of PGE S.A. as at 31 December 2025 was as shown in the table below.

Table: Composition of the Company's Supervisory Board as at 31 December 2025:

First name and surname Member of the Supervisory Board	Function:
Michał Domagała	Member of the Supervisory Board Chairperson of the Supervisory Board – independent member
Andrzej Sadkowski	Member of the Supervisory Board Deputy Chair of the Supervisory Board – independent member
Anna Kowalik	Chairperson of the Supervisory Board / Secretary to the Supervisory Board
Andrzej Kozyra	Member of the Supervisory Board – independent member
Dariusz Lubera	Member of the Supervisory Board – independent member
Elżbieta Niebisz	Member of the Supervisory Board – independent member
Andrzej Rzońca	Member of the Supervisory Board – independent member
Piotr Stolarczyk	Member of the Supervisory Board – independent member

On 14 January 2026, the Company received notice of Dariusz Lubera's resignation from his position as a member of the Supervisory Board.

Following a selection process, on 14 January 2026 the Supervisory Board of PGE S.A. adopted Resolution No. 668/XII/2026 appointing Dariusz Lubera to the Management Board for the 12th term of office with effect from 15 January 2026 and appointing him as Chairperson of the Management Board.

On 28 January 2026, the Extraordinary General Meeting of PGE S.A. adopted resolutions appointing the following persons to the Supervisory Board of PGE S.A. with effect from 28 January 2026:

- Arkadiusz Krężel (Resolution No. 4 of the Extraordinary General Meeting),
- Wojciech Wróbel (Resolution No. 5 of the Extraordinary General Meeting).

As a result of the above changes, the composition of the Supervisory Board of PGE S.A. as at the date of signing this report was as shown in the table below.

CURRENT COMPOSITION OF THE SUPERVISORY BOARD OF PGE S.A.

As at the date of signing this report, the composition of the Supervisory Board of PGE S.A. is as shown in the table below.

Table: The composition of the Company's Supervisory Board as at the date of signing this report

First name and surname Member of the Supervisory Board	Function:
Michał Domagała	Member of the Supervisory Board Chairperson of the Supervisory Board – independent member
Andrzej Sadkowski	Member of the Supervisory Board Deputy Chair of the Supervisory Board – independent member
Anna Kowalik	Chairperson of the Supervisory Board / Secretary to the Supervisory Board
Andrzej Kozyra	Member of the Supervisory Board – independent member
Arkadiusz Krężel	Member of the Supervisory Board – independent member
Elżbieta Niebisz	Member of the Supervisory Board – independent member
Andrzej Rzońca	Member of the Supervisory Board – independent member
Piotr Stolarczyk	Member of the Supervisory Board – independent member
Wojciech Wróbel	Member of the Supervisory Board

Assessment of whether members of the Supervisory Board meet the criteria of being independent.

On 1 July 2021, the “Best Practice of Companies Listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych, GPW) 2021” came into force, having been adopted by Resolution No. 13/1834/2021 of the Supervisory Board of the Warsaw Stock Exchange S.A. dated 29 March 2021 (hereinafter “Best Practice for GPW Listed Companies”, “Best Practice”) and have been applied by PGE since 1 July 2021. In accordance with Principle 2.3 of Best Practice for GPW Listed Companies, the Supervisory Board assesses whether there are any relationships or circumstances that may affect a particular member of the Supervisory Board's compliance with the criteria of being independent. The members of the Supervisory Board serving in 2025 assessed their compliance with the criteria of being independent. The information regarding the Supervisory Board members' compliance with the criteria of being independent, as provided by the Supervisory Board in accordance with Principle 2.11.1, is set out in the table above.

In light of the assessment presented, the Supervisory Board concludes that Principle 2.3 of Best Practice for GPW Listed Companies was complied with in 2025. The Principle stipulates that at least two members of the Supervisory Board must meet the criteria of being independent.

2. Activity of the Supervisory Board

In 2025, 13 in-person meetings of the Supervisory Board were held. In urgent matters, where the deadlines and timetables for projects undertaken by the Company required immediate corporate approvals, the Supervisory Board adopted resolutions by means of a vote conducted via direct remote communication. The Supervisory Board adopted a total of 187 resolutions.

Attendance at the meetings was very high. All members of the Supervisory Board were present at most of the meetings of the Supervisory Board of PGE S.A. The members of the Supervisory Board of PGE S.A. demonstrated consistent attendance and commitment to their duties, which had a positive impact on the continuity and effectiveness of the actions undertaken. Occasional absences did not have a significant impact on the conduct of the meetings or on the completion of the planned tasks. If a member of the Supervisory Board was absent from a particular meeting, the Supervisory Board, having considered the reason for the absence, passed a resolution to excuse it. In 2025, two resolutions were passed regarding the justification of absences by members of the Supervisory Board.

During the 2025 financial year, the Supervisory Board of PGE S.A. carried out supervisory and control activities relating, amongst other things, to the following matters:

- reviewing the Management Board's report on the Company's operations and the separate financial statements for the previous financial year in terms of their compliance with the books, documents and the actual state of affairs, as well as the Management Board's report on the operations of PGE and the PGE Capital Group and the consolidated financial statements of the PGE Capital Group,
- assessment of the Management Board's proposal regarding the distribution of profits,
- submitting of a written report to the General Meeting on the results of the activities referred to in points above,
- selection of an audit company to audit or review the separate financial statements and the consolidated financial statements of the PGE Capital Group,
- approving the Company's annual and multi-year financial plans, including investment, marketing and sponsorship plans, as well as determining their scope and the deadlines for their submission by the Management Board,
- providing opinions on the rules governing sponsorship activities and assessing the effectiveness of the Company's sponsorship activities,
- approval of the "Annual Sponsorship Plan of PGE Polska Grupa Energetyczna S.A. for 2025".
- Approving the Company's development strategy,
- determining the remuneration and other terms of the contract, and concluding a contract with a member of the Supervisory Board appointed to serve on the Company's Management Board,
- reviewing reports prepared by the Management Board concerning entertainment expenses, expenditure on legal services, marketing services, public relations and public communication services, and management consultancy services, as well as reports on the application of Best Practice referred to in Article 7(3) of the Act of 16 December 2016 on the principles of state property management,
- approving the remuneration policy for the PGE Group,
- approving the Financial Plan of PGE Polska Grupa Energetyczna S.A. for 2025, including the Investment Plan of PGE Polska Grupa Energetyczna S.A.
- giving an opinion on the Company's Management Board's proposal to the General Meeting of the Company regarding amendments to the Articles of Association and the Company's scope of business;
- giving an opinion on all proposals for resolutions submitted by the Management Board to the Company's General Meeting.
- issuing opinions on key provisions of commercial contracts relating to the implementation of strategic investment projects aimed at ensuring energy security;
- granting approval for the implementation of investment projects and entering into the resulting commitments in connection with the incurrence of expenditure or liabilities exceeding the Management Board's authority in accordance with the provisions of the Company's Articles of Association.
- giving consent to conclude and change agreements for legal services, marketing services, public relations and social communications services as well as management advisory services, in which the amount of the total net fee stipulated for the services in such an agreement or other agreements concluded with the same entity exceeded PLN 500,000.00 annually,
- approving increases in the share capital of selected companies within the PGE Capital Group and companies in which PGE holds a stake, as well as the subscription of shares in the increased share capital of those companies.
- giving consent to the exercise of voting rights attached to shares in selected companies in relation to amendments to those companies' articles of association.
- granting authorisation to exercise voting rights at general meetings and shareholders' meetings in relation to mergers with other companies and the reorganisation of companies within the PGE Group.

In 2025, the Supervisory Board of PGE S.A. also adopted resolutions concerning, amongst other things:

- launching a recruitment process for the following positions: the President of the Management Board and the Vice-President of the Management Board for Operations,

- the delegation of members of the Supervisory Board to perform the duties of members of the Management Board on a temporary basis.
- the adoption of the "Report on the Remuneration of Members of the Management Board and Supervisory Board of PGE Polska Grupa Energetyczna S.A. for 2024".

In addition, the Supervisory Board of PGE S.A. discussed and analysed the results of audits carried out within the Company, as well as complaints from customers of the PGE Capital Group.

The actions of the Supervisory Board described above are reflected in the resolutions adopted by the Supervisory Board and in the minutes of the Supervisory Board's meetings in 2025.

Information on the implementation of General Meeting resolutions relating to the activities of the Supervisory Board.

Two General Meetings of the Company were held in 2025.

On 27 June 2025, an Annual General Meeting was held, at which resolutions were passed regarding:

- the approval of the "Separate financial Statements of PGE Polska Grupa Energetyczna S.A. for the year 2024 ended 31 December 2024, prepared in accordance with EU IFRS (in million PLN)",
- the approval of the "Consolidated Financial Statements of PGE Polska Grupa Energetyczna S.A. for the year ended 31 December 2024, prepared in accordance with EU IFRS (in million PLN)",
- the approval of the "Management Board's Report on the Activities of PGE Polska Grupa Energetyczna S.A. and the PGE Group for the year 2024 ended 31 December 2024",
- distribution of net profit for the financial year 2024,
- the approval of the "Report on the Activities of the Supervisory Board of PGE Polska Grupa Energetyczna S.A. for 2024",
- the approval of the "Report of the Supervisory Board of PGE Polska Grupa Energetyczna S.A. on the assessment of the financial statements for 2024, the proposal regarding the allocation of net profit for 2024, and the Management Board's compliance with the disclosure obligations under the Commercial Companies Act",
- issuing an opinion by the General Meeting of PGE Polska Grupa Energetyczna S.A. on the "Report on the remuneration of members of the Management Board and Supervisory Board of PGE Polska Grupa Energetyczna S.A. for the year 2024",
- granting or refusing to grant a vote of approval to the current and former members of the Management Board and the Supervisory Board in respect of the performance of their duties in 2024.

On 4 December 2025, an Extraordinary General Meeting was held, at which resolutions were passed, including those concerning changes to the composition of the Supervisory Board of PGE S.A., as described above.

The General Meeting did not adopt any resolutions relating to the activities of the PGE Supervisory Board.

Information on the implementation of a strategic or recovery programme.

On 12 June 2025, the PGE Capital Group Strategy to 2035 ("the Strategy") was adopted, with the motto "Energy for a Secure Future". PGE's strategy has been developed in response to growing market volatility, an unpredictable operating environment, the need for a responsible transformation of the sector, and the challenges associated with the implementation of major energy projects, and will be implemented on the basis of three pillars:

1. energy security, understood as system stability and uninterrupted energy supplies thanks to smart grid infrastructure, modern generation sources and energy storage facilities;

2. increasing the competitiveness of the Polish economy and reducing energy costs through investment in renewable energy sources, modern models of cooperation with customers and support for the domestic supply chain (local content),
3. creating value for shareholders whilst respecting our employees and local communities, and in accordance with ESG principles.

On 12 June 2025, by Resolution No. 549/XII/2025, the Supervisory Board approved the PGE Group's Strategy up to 2035, whose motto is "Energy for a Secure Future. Flexibility". It is an answer to the increasing volatility and unpredictability of the business environment. The strategy aims to meet market challenges and stakeholder expectations and to ensure the Group's sustainable development through its participation in the execution of the most important projects for the growth of the Polish economy. PGE operates in a reality where volatility, more than ever before, presents a challenge that necessitates resilience and the ability to respond quickly and effectively. As the market leader, PGE is therefore taking sensible and sustainable measures to promote a competitive economy and energy security.

In 2025, no recovery plan was adopted for PGE S.A.

Information regarding the Supervisory Board's suspension of Management Board members from their duties and the secondment of Supervisory Board members to serve as members of the Management Board.

In 2025, the Supervisory Board did not pass any resolutions regarding the suspension of members of the Management Board from their duties.

On 8 December 2025, the Supervisory Board of PGE S.A. adopted Resolution No. 639/XII/2025 appointing Supervisory Board member Dariusz Lubera to temporarily perform the duties of a member of the Company's Management Board for a period of up to three months and entrusting him with the duties of President of the Management Board.

On 14 January 2026, the Company received notice of Dariusz Lubera's resignation from his position as a member of the Supervisory Board.

Following the selection process, on 14 January 2026, the Supervisory Board of PGE S.A. adopted the following resolutions:

- No. 668/XII/2026 on the appointment of Dariusz Lubera to the Management Board for the 12th term of office with effect from 15 January 2026 and the appointment of him as President of the Management Board,
- No. 669/XII/2026 on the appointment of Katarzyna Rozenfeld to the Management Board for the 12th term of office with effect from 19 January 2026 and her appointment as Vice-President of the Management Board for Operations.

Information regarding the Supervisory Board's decisions on the selection of an auditor.

The auditor responsible for auditing the separate financial statements of PGE S.A. and the consolidated financial statements of the PGE Group for the years 2025–2026 is KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k. (KPMG). In 2024, KPMG was selected following a public procurement procedure conducted via sectoral negotiations with prior publication. The selection procedure was compatible with the law and internal regulations.

Analysis and assessment of the company's operations within a group of companies within the meaning of the Commercial Companies Code (hereinafter 'CCC')

In 2025, PGE S.A. did not operate as part of a group of companies within the meaning of the CCC.

3. Supervisory Board Committees

In accordance with the Company's Articles of Association, the Rules of Procedure of the Supervisory Board or a resolution of the General Meeting may provide for the establishment of committees within the

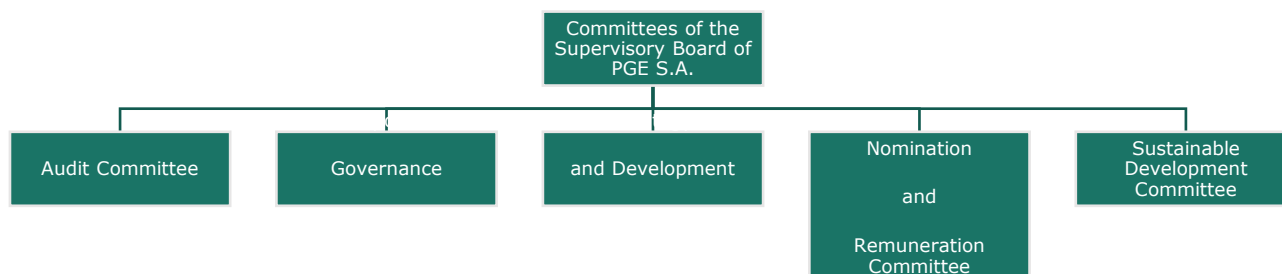
Supervisory Board, in particular an audit committee and a nomination and remuneration committee. The current Rules of Procedure of the Supervisory Board stipulate that the Supervisory Board may appoint standing committees or ad hoc committees to act as collegial advisory and consultative bodies to the Supervisory Board. The specific purpose of the committees is to submit recommendations and opinions to the Supervisory Board on matters falling within their remit. Committees are appointed by the Supervisory Board from among its members. The committee consists of between 3 and 5 people. The committee elects a chairperson from among its members. The Chair convenes committee meetings, directs the committee's work and represents the committee in its dealings with the Company's bodies and staff. A committee member's term of office expires upon the expiry of their term as a member of the Supervisory Board, upon their resignation from the committee, or upon their removal from the committee by the Supervisory Board. Every member of the Supervisory Board is entitled to attend committee meetings. The chair of the committee may invite members of the Management Board, Company staff and other persons whose attendance at the meeting is justified. Decisions of the committee are taken by consensus, unless the committee's regulations provide otherwise.

The activities of the Supervisory Board of PGE S.A. were supported by committees acting as collegial advisory and consultative bodies of the Supervisory Board of PGE S.A., appointed from among its members.

In 2025, the following standing committees operated within the Supervisory Board of PGE S.A.:

- Audit Committee
- Strategy and Development Committee
- Nomination and Remuneration Committee
- Corporate Governance Committee
- Sustainable Development Committee (established on 4 September 2025)

Diagram: Committees of the Supervisory Board of PGE S.A.



The detailed scope of the Committees' work in 2025 is documented in the minutes of the individual Committees' meetings (a total of 23 meetings of the PGE S.A. Supervisory Board Committees were held in 2025).

The documents setting out in detail the scope and remit of each of the Committees are, respectively, the regulations of the Supervisory Board Committees of PGE S.A.

From 24 March 2026, the following regulations will come into force (in addition to the existing Rules of Procedure of the Audit Committee and the Rules of Procedure of the Sustainable Development Committee):

- Rules of Procedure of Strategy and Development Committee
- Rules of Procedure of Nomination and Remuneration Committee
- Rules of Procedure of Corporate Governance Committee

As at 1 January 2025, the composition of the Supervisory Board's committees was as shown in the table below.

Table: The composition of the standing committees of the Supervisory Board of PGE S.A. as at 1 January 2025

First name and surname of the Member of the Supervisory Board	Audit Committee	Corporate Governance Committee	Strategy and Development Committee	Nomination and Remuneration Committee
Małgorzata Banasik			Chairperson	Member
Michał Domagała	Member			Member
Anna Kowalik	Member	Member		Chairperson
Andrzej Kozyra		Member		Member
Elżbieta Niebisz	Member		Member	
Sławomir Patyra		Chairperson		Member
Andrzej Rzońca	Chairperson		Member	
Andrzej Sadkowski			Member	

The changes to the composition of the Supervisory Board of PGE S.A. and to the committees of the PGE Supervisory Board in 2025 consisted in:

- the establishment on 4 September 2025 of the Sustainable Development Committee of the Supervisory Board of PGE S.A. composed of: Małgorzata Banasik, Michał Domagała, Andrzej Kozyra, Andrzej Rzońca, and the appointment of Małgorzata Banasik as Chair of the Sustainable Development Committee,
- following the resignation on 4 September 2025 of Małgorzata Banasik from her position as Chair of the Strategy and Development Committee of the Supervisory Board of PGE S.A.,
- the appointment on 4 September 2025 of Andrzej Kozyra to the Strategy and Development Committee,
- the appointment on 2 October 2025 of Andrzej Kozyra as Chair of the Strategy and Development Committee,
- the adoption of resolutions by the Extraordinary General Meeting to remove Małgorzata Banasik and Sławomir Patyra from the Supervisory Board with effect from 4 December 2025,
- the adoption of resolutions by the Extraordinary General Meeting appointing Dariusz Lubera and Piotr Stolarczyk to the Supervisory Board of PGE S.A. with effect from 5 December 2025,
- the appointment by the PGE Supervisory Board of Dariusz Lubera to act as a President of the PGE Management Board on a temporary basis from 8 December 2025,
- the appointment on 8 December 2025 of Piotr Stolarczyk to the Strategy and Development Committee and the Audit Committee, and of Michał Domagała to the Corporate Governance Committee.

have resulted in changes to the membership of the Supervisory Board Committees of PGE S.A. and are set out below.

Table: The composition of the Supervisory Board's standing committees as at 31 December 2025

First name and surname of the Member of the Supervisory Board	Audit Committee	Corporate Governance Committee	Strategy and Development Committee	Nomination and Remuneration Committee	Sustainable Development Committee
Michał Domagała	Member	Member		Member	Member
Anna Kowalik	Member	Member		Chairperson	
Andrzej Kozyra		Member	Chairperson	Member	Member
Elżbieta Niebisz	Member		Member		
Andrzej Rzońca	Chairperson		Member		Member
Andrzej Sadkowski			Member		
Piotr Stolarczyk	Member		Member		

On 14 January 2026, Dariusz Lubera submitted his resignation from his position as a member of the Supervisory Board.

Following a selection process, on 14 January 2026 the Supervisory Board of PGE S.A. adopted Resolution No. 668/XII/2026 appointing Dariusz Lubera to the Management Board for the 12th term of office with effect from 15 January 2026 and appointing him as Chairperson of the Management Board.

The Extraordinary General Meeting of PGE S.A. then adopted resolutions appointing the following persons to the Supervisory Board of PGE S.A. with effect from 28 January 2026:

- Arkadiusz Krężel (Resolution No. 4 of the Extraordinary General Meeting),
- Wojciech Wróbel (Resolution No. 5 of the Extraordinary General Meeting).

Further changes have been made to the composition of the standing committees of the Supervisory Board of PGE S.A.:

- On 18 February 2026, Andrzej Kozyra resigned from his position as Chairperson of the Strategy and Development Committee
- On 18 February 2026, Piotr Stolarczyk was appointed Chairperson of the Strategy and Development Committee,
- On 18 February 2026, Arkadiusz Krężel was appointed to the Corporate Governance Committee,
- On 18 February 2026, Arkadiusz Krężel and Wojciech Wróbel were appointed to the Nomination and Remuneration Committee,
- On 13 March 2026, Andrzej Kozyra was appointed Chairperson of the Sustainable Development Committee.
- On 23 March 2026, Arkadiusz Krężel was appointed Chairperson of the Corporate Governance Committee.

As a result of the above changes, the composition of the standing committees of the Supervisory Board of PGE S.A. as at the date of signing this report was as shown in the table below.

Table: The composition of the Supervisory Board's standing committees as at the date of signing this report

First name and surname of the Member of the Supervisory Board	Audit Committee	Corporate Governance Committee	Strategy and Development Committee	Nomination and Remuneration Committee	Sustainable Development Committee
Michał Domagała	Member	Member		Member	Member
Anna Kowalik	Member	Member		Chairperson	
Andrzej Kozyra		Member	Member	Member	Chairperson
Arkadiusz Krężel		Chairperson		Member	
Elżbieta Niebisz	Member		Member		
Piotr Stolarczyk	Member		Chairperson		
Andrzej Rzońca	Chairperson		Member		Member
Andrzej Sadkowski			Member		
Wojciech Wróbel				Member	

3.1 Audit Committee

The document setting out in detail the scope and remit of the Audit Committee is the Rules of Procedure of the Audit Committee of the Supervisory Board of PGE S.A.

As at the date of signing this report, the composition of the Audit Committee was as follows:

- Andrzej Rzońca – Chairperson
- Michał Domagała – Member
- Anna Kowalik – Member
- Elżbieta Niebisz – Member
- Piotr Stolarczyk – Member

The Audit Committee operates in accordance with the Rules of Procedure of the Audit Committee of the Supervisory Board of PGE S.A., which comply with the requirements of the Act of 11 May 2017 on Statutory

Auditors, Audit Firms and Public Oversight (the Statutory Auditors Act). The Company also has the following policies, adopted by the Audit Committee:

- The Policy and Procedure for selecting an audit company to carry out the audit (Auditor Selection Policy).
- The policy on the provision of permitted non-audit services by the audit company conducting the audit, by entities affiliated with that audit company, and by a member of the audit company's network (Service Provision Policy).

All members of the Supervisory Board's Audit Committee have made a statement for the record confirming that they meet the requirements set out in the Act on Statutory Auditors concerning the Audit Committee.

In 2025, there were the following members of the Supervisory Board's Audit Committee,

- who met the statutory criteria for independence: Andrzej Rzońca, Michał Domagała, Elżbieta Niebisz, Piotr Stolarczyk.
- who possessed the knowledge and skills required in the field of accounting or the auditing of financial statements, by virtue of their education and experience: Andrzej Rzońca and Piotr Stolarczyk.
- who possessed knowledge and skills relating to the sector in which the Company operates, by virtue of their education and professional experience: Andrzej Rzońca, Michał Domagała, Anna Kowalik, Elżbieta Niebisz and Piotr Stolarczyk.

The CVs of the members of the Audit Committee of the Supervisory Board of PGE S.A., containing details of their education and professional experience and confirming that they meet the requirements set out above, are available on the PGE S.A. website.

The primary role of the Audit Committee is to review the adequacy and effectiveness of internal controls within the Company and the PGE Group, and to liaise with the Company's Statutory Auditors.

In particular, the Audit Committee is responsible for drawing up the criteria for selecting an audit company to audit the Company's financial statements and for monitoring the Company's financial reporting process.

In 2025, there were 9 meetings of the Audit Committee. At its meetings, the Audit Committee reviewed, amongst other things, the reports for 2024, namely: the Company's separate financial statements, the consolidated financial statements of the PGE Group, and the Management Board's report on the activities of the Company and the PGE Group. The Audit Committee also held regular meetings with representatives of the auditor, KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k., regarding the results for 2025.

In addition, the Audit Committee reviewed the Company's separate financial statements for the first half of 2025, as well as the consolidated financial statements of the PGE Group for the same period.

In 2025, the Audit Committee approved the PGE Group's Compliance Programme for 2025.

The Audit Committee has given a favourable opinion on the PGE Group's Audit Plan for 2025.

The Audit Committee also examined:

- the results of audits carried out at the Company and within the PGE Group,
- reports on the services provided by the statutory auditor of PGE S.A. and entities affiliated with the statutory auditor to companies within the PGE Capital Group for the years 2024 and 2025,
- information regarding the adoption of a recommendation to the Supervisory Board of PGE S.A. concerning the assessment of transactions entered into by PGE S.A. and its subsidiaries with related parties as to whether they were concluded on market terms in the ordinary course of business.

3.2 Sustainable Development Committee

The Sustainable Development Committee operates in accordance with the Rules of Procedure of the Sustainable Development Committee of the Supervisory Board of PGE S.A., which comply with the requirements of the Act on Statutory Auditors. The Company has also the following documents, adopted by the Sustainability Committee:

- The policy and procedure for selecting an audit company to carry out the assurance of sustainability reporting (Policy and Procedure for selecting an audit company to carry out the assurance of sustainability reporting);
- The policy on the provision of permitted services other than the assurance of sustainability reporting by the audit company carrying out the assurance of sustainability reporting, by entities affiliated with that audit company, and by a member of the network to which the audit company belongs (Policy on the provision of permitted services other than the assurance of sustainability reporting by the audit company conducting the assurance of sustainability reporting, by entities affiliated with that audit company, and by a member of the network to which the audit company belongs).

As at the date of signing this report, the composition of the Sustainable Development Committee was as follows:

- Andrzej Kozyra – Chairperson
- Michał Domagała – Member
- Andrzej Rzońca – Member

On 4 September 2025, the Sustainable Development Committee of the Supervisory Board of PGE S.A. was established, composed of: Małgorzata Banasik, Michał Domagała, Andrzej Kozyra, Andrzej Rzońca. Małgorzata Banasik was appointed Chairperson of the Sustainable Development Committee at that time, but on 4 December 2025 she was removed from the Supervisory Board of PGE S.A. Andrzej Kozyra has been appointed Chairperson.

The members of the Supervisory Board's Sustainability Committee have issued a statement confirming that they met the requirements set out in the Act on Statutory Auditors regarding the Sustainability Committee.

In 2025, there were the following members of the Supervisory Board's Sustainable Development Committee:

- who met the statutory criteria for independence: Małgorzata Banasik, Andrzej Rzońca, Michał Domagała, Andrzej Kozyra;
- who possessed the knowledge and skills required in the field of accounting or the auditing of financial statements, by virtue of their education and experience: Andrzej Rzońca;
- who possessed knowledge and skills relating to the sector in which the Company operates, by virtue of their education and professional experience: Małgorzata Banasik, Michał Domagała, Andrzej Kozyra and Andrzej Rzońca.

The CVs of the members of the Supervisory Board's Sustainable Development Committee, containing details of their education and professional experience and confirming that they meet the requirements set out above, are available on the PGE S.A. website.

The main tasks of the Supervisory Board's Sustainable Development Committee include:

- cooperation with the Company's auditors regarding sustainability reporting,
- carrying out the tasks set out in the Act on Statutory Auditors, the Committee's Rules of Procedure and the relevant legislation, where such legislation imposes sustainability reporting obligations on the Committee.

In 2025, two meetings of the Sustainable Development Committee were held. At its meetings, the Committee took four decisions on:

- the adoption of the Policy and Procedure for selecting an audit company to carry out the assurance of sustainability reporting,
- the adoption of the Policy for the provision of services by the audit company performing the assurance of sustainability reporting, by entities affiliated with that audit company, and by a member of the audit company's network, of permitted services other than the assurance of sustainability reporting,
- recommendations on the procedure for selecting an audit company to carry out the assurance of the 2025 sustainability report,
- a recommendation on the selection of an audit company to carry out the assurance of sustainability reporting, including the EU environmental taxonomy, for 2025.

3.3 Strategy and Development Committee

The document setting out in detail the scope and remit of the Strategy and Development Committee, effective from 24 March 2026, is the Rules of Procedure of the Strategy and Development Committee.

As at the date of signing this report, the composition of the Strategy and Development Committee was as follows:

- Piotr Stolarczyk – Chairperson
- Andrzej Kozyra – Member
- Elżbieta Niebisz – Member
- Andrzej Rzońca – Member
- Andrzej Sadkowski – Member

The role of the Strategy and Development Committee is to provide opinions and make recommendations to the Supervisory Board of PGE S.A. on matters relating to the formulation of strategy and the planning of the development of the Company and the PGE Group.

In particular, the Strategy and Development Committee is responsible for issuing opinions on strategies and strategic plans, as well as on investments that have a significant impact on the Company's assets, which are submitted to the Supervisory Board of PGE S.A. by the Management Board.

In 2025, the Strategy and Development Committee held five meetings.

The Strategy and Development Committee's discussions in 2025 covered, among other things, the following topics:

- recommendation to adopt the PGE Group Strategy up to 2035,
- implementation of the PGE Group Strategy up to 2035,
- information on energy storage facilities and ESP,
- information on energy storage technologies,
- information on the onshore wind farm market,
- the Company's strategy regarding electricity trading on the Polish Power Exchange (TGE) and on European exchanges.

3.4 Nomination and Remuneration Committee

The document setting out in detail the scope and remit of the Nomination and Remuneration Committee from 24 March 2026 is the Rules of Procedure of the Nomination and Remuneration Committee.

As at the date of signing this report, the composition of the Nomination and Remuneration Committee was as follows:

- Anna Kowalik – Chairperson
- Michał Domagała – Member
- Andrzej Kozyra – Member
- Arkadiusz Krężel – Member
- Wojciech Wróbel – Member

The role of the Nomination and Remuneration Committee is to support the achievement of the Company's strategic objectives by providing the Supervisory Board with opinions and recommendations on the management structure, including organisational arrangements, the remuneration system and the selection of staff with the appropriate qualifications. In particular, the tasks of the Nomination and Remuneration Committee include:

- initiating and reviewing proposals regarding the system for appointing members of the Management Board,

- providing opinions on the solutions proposed by the Management Board regarding the Company's management system, with a view to ensuring the effectiveness, consistency and security of the Company's management, as well as compliance with the law and internal regulations,
- periodically reviewing and recommending guidelines for determining incentive remuneration for members of the Management Board and senior management, in the Company's best interests,
- periodically reviewing the remuneration system for members of the Management Board and senior management reporting directly to members of the Management Board, including management contracts and incentive schemes, and submitting to the Supervisory Board of proposals for their structure in the context of achieving the Company's strategic objectives,
- submitting opinions to the Supervisory Board regarding the justification for awarding performance-related remuneration in the context of assessing the extent to which the Company's specific tasks and objectives have been achieved,
- assessing the Company's human resources management system.

In 2025, the Nomination and Remuneration Committee held three meetings.

The agenda of the Nomination and Remuneration Committee in 2025 included, amongst other things, a discussion of the proposed Management Objectives for the Management Board of PGE S.A. for 2025.

3.5 Corporate Governance Committee

The document setting out in detail the scope and remit of the Corporate Governance Committee from 24 March 2026 is the Corporate Governance Committee's Rules of Procedure.

As at the date of signing this report, the composition of the Corporate Governance Committee was as follows:

- Arkadiusz Krężel – Chairperson
- Anna Kowalik – Member
- Andrzej Kozyra – Member
- Michał Domagała – Member

The Corporate Governance Committee is responsible for assessing the implementation of corporate governance principles within the Company and evaluating the Company's compliance with disclosure obligations relating to the application of corporate governance principles, as well as submitting recommendations or proposals for changes in this area to the Supervisory Board, issuing opinions on internal regulations and other Company documents submitted to the Supervisory Board which have a significant impact on corporate governance, as well as initiating and drafting proposals for amendments to the Company's internal regulations concerning corporate governance and presenting them to the Supervisory Board.

In 2025, the Corporate Governance Committee held four meetings.

In 2025, the Corporate Governance Committee issued a unanimous recommendation to the Supervisory Board regarding the consolidated text of the Company's Articles of Association, concerning amendments to the Rules of Procedure of the Supervisory Board in connection with the establishment of the Sustainability Committee.

4. List of matters considered by the Supervisory Board following a request from the entity authorised to exercise the rights attached to shares held by the State Treasury

In fulfilment of its reporting obligations, the Supervisory Board of PGE S.A. submitted quarterly reports on the Company to the Ministry of State Assets in 2025.

The quarterly reports included, amongst other things:

- information about the Company's operations;

- information regarding the Company's governing bodies and ownership structure;
- economic and financial data;
- events occurring during the quarter that have a significant impact on the Company's operations (social and business aspects)
- information on key investments.

The Supervisory Board responded to all correspondence submitted by the shareholder entitled to exercise rights attached to the shares held by the State Treasury, relating to the supervision of the Company by the Supervisory Board of PGE S.A.

5. Review of the financial statements and the Management Board's report on the activities of PGE Polska Grupa Energetyczna S.A. and the PGE Group for 2025

The Supervisory Board of PGE Polska Grupa Energetyczna S.A., acting pursuant to Article 382(3)(1) and (3) and Article 382(3¹) (1) of the Commercial Companies Code, and Article 18(1)(1) and (2) of the Articles of Association of PGE Polska Grupa Energetyczna S.A., and in accordance with Article 4a(1) of the Accounting Act of 29 September 1994 ("the Accounting Act"), has assessed:

1. The separate financial statements of PGE Polska Grupa Energetyczna S.A. for the year 2025 ended 31 December 2025, prepared in accordance with EU IFRS (in million PLN),
2. Consolidated financial statements of the PGE Polska Grupa Energetyczna S.A. Group for the year 2025 ended 31 December 2025, prepared in accordance with EU IFRS (in million PLN),
3. Management Board report on the operations of PGE Polska Grupa Energetyczna S.A. and the PGE Group for the year ended 31 December 2025 (including a separate Sustainability Statement),

By Resolution No. 728/XII/2026 of 15 April 2026, the Supervisory Board of PGE Polska Grupa Energetyczna S.A. gave a positive assessment of:

1. The separate financial statements of PGE Polska Grupa Energetyczna S.A. for the year 2025 ended 31 December 2025, prepared in accordance with EU IFRS (in million PLN),
2. Consolidated financial statements of the PGE Polska Grupa Energetyczna S.A. Group for the year 2025 ended 31 December 2025, prepared in accordance with EU IFRS (in million PLN),
3. Management Board report on the operations of PGE Polska Grupa Energetyczna S.A. and the PGE Group for the year ended 31 December 2025 (including a separate Sustainability Statement).

In addition, by the aforementioned resolution, the Supervisory Board of PGE Polska Grupa Energetyczna S.A. adopted the document "Assessment by the Supervisory Board of PGE Polska Grupa Energetyczna S.A. of the financial statements and the management report of PGE Polska Grupa Energetyczna S.A. and the PGE Capital Group for the year 2025", which, pursuant to Articles 72(1)(16) and 73(1)(14) of the Regulation of the Minister of Finance of 6 June 2025 on current and periodic information disclosed by issuers of securities and the conditions for recognising as equivalent information required by the laws of a non-member state, was published as part of the annual stock exchange report and the consolidated annual report of PGE Polska Grupa Energetyczna S.A. and posted on the website www.gkpge.pl.

The assessment by the Supervisory Board of PGE Polska Grupa Energetyczna S.A., in addition to its own analyses, was also based on the findings and assurance of the audit companies referred to in the reports of the independent auditor from:

- audit of the separate financial statements of PGE Polska Grupa Energetyczna S.A. for the year 2025
- audit of the consolidated financial statements of the PGE Group for the year 2025
- assurance of the Sustainability Statement.

The audit of the separate and consolidated financial statements was carried out by KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k., with its registered office in Warsaw, entered on the list of entities authorised to conduct audits under registration number 3546, maintained by the Polish Audit Oversight Agency.

The assurance of the Sustainability Statement for 2025 was carried out by PKF Consult spółka z ograniczoną odpowiedzialnością sp. k., a limited liability partnership with its registered office in Warsaw, entered on the list of entities authorised to conduct audits under registration number 477, maintained by the Polish Audit Oversight Agency.

In accordance with Article 382(3) of the Commercial Companies Code and Article 18(1)(3) of the Articles of Association of PGE Polska Grupa Energetyczna S.A., the Supervisory Board of PGE Polska Grupa Energetyczna S.A. is required to prepare a report on the results of the aforementioned assessment and to submit such a report to the Annual General Meeting of PGE Polska Grupa Energetyczna S.A. This report contains the findings of the assessment of the Management Board's report on the activities of the Company and the PGE Group, as well as the financial statements (separate and consolidated) for the previous financial year.

In view of the above, the Supervisory Board of PGE hereby states as follows:

Scoring:

The separate financial statements of PGE Polska Grupa Energetyczna S.A. for the year 2025 ended 31 December 2025, prepared in accordance with EU IFRS (in million PLN).

1. The Supervisory Board of PGE S.A. has reviewed and analysed the separate financial statements of PGE Polska Grupa Energetyczna S.A. for the financial year 2025 ended 31 December 2025, comprising: the statement of comprehensive income, the statement of financial position as at 31 December 2025, the statement of changes in equity, the cash flow statement for the period from 1 January 2025 to 31 December 2025, and general information, the basis for the preparation of the financial statements and other explanatory notes.
2. The separate financial statements of PGE Polska Grupa Energetyczna S.A. for the financial year 2025:
 - present the Company's financial position as at 31 December 2025, as well as its financial results and cash flows for the financial year ended on that date, in accordance with the applicable International Financial Reporting Standards as adopted by the European Union ("IFRS") and the adopted accounting principles (policies);
 - comply in terms of form and content with the legal regulations applicable to the Company and its Articles of Association;
 - were prepared on the basis of properly maintained accounting records, in accordance with Chapter 2 of the Accounting Act.

Consolidated financial statements of the PGE Polska Grupa Energetyczna S.A. Group for the financial year 2025 ended 31 December 2025, prepared in accordance with EU IFRS (in million PLN).

1. The Supervisory Board has reviewed and analysed the consolidated financial statements of the PGE Polska Grupa Energetyczna S.A. Capital Group () for the financial year 2025 ended 31 December 2025, comprising: the consolidated statement of comprehensive income, the consolidated statement of financial position as at 31 December 2025, the consolidated statement of changes in equity, the consolidated cash flow statement for the period from 1 January 2025 to 31 December 2025, and general information, the basis for preparation of the financial statements and other explanatory notes.
2. Consolidated financial statements for 2025:
 - present the Group's financial position as at 31 December 2025, as well as its financial results and cash flows for the financial year ended on that date, in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and the adopted accounting principles (policies);
 - comply in terms of form and content with the legal regulations applicable to the Company and its Articles of Association;

Management Board report on the operations of PGE Polska Grupa Energetyczna S.A. and the PGE Group for the year ended 31 December 2025 (including a separate Sustainability Statement).

1. This report has been prepared in accordance with the information contained in the separate financial statements and the consolidated financial statements.

2. This report has been prepared in accordance with Article 4a(1) of the Accounting Act and Articles 72 and 73 of the Regulation of the Minister of Finance of 6 June 2025 on current and periodic information disclosed by issuers of securities and the conditions for recognising as equivalent information required by the laws of a non-member state,
3. In accordance with Article 63x of the Accounting Act, a separate section of the report contains the information necessary to understand the impact of the PGE Capital Group on sustainability issues, as well as information on how sustainability issues affect the development, performance and financial position of the PGE Capital Group, i.e. Sustainability Statement.

This sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS), and its structure is consistent with that set out in Appendix D of ESRS 1. The content of the Statement is the result of a dual materiality assessment process and covers the PGE Capital Group's value chain, encompassing both its downstream and upstream segments. Representatives from all companies within the PGE Capital Group were involved in the preparation of the Sustainability Statement. With regard to information concerning employees, the Sustainability Statement was discussed with the PGE S.A. Works Council, as the representative of all employees at the corporate centre.

As part of its Sustainability Statement, the PGE Group also fulfils its obligation to disclose the extent to which its business activities can be considered environmentally sustainable. This requirement stems from 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, amending Regulation (EU) 2019/2088, and from the Delegated Rules of Procedure on the establishment of a framework to facilitate sustainable investment (the so-called EU Environmental Taxonomy).

As part of the process of analysing the financial statements, the Audit Committee of the Supervisory Board of PGE Polska Grupa Energetyczna S.A. met with the representatives of the audit company. The Audit Committee also reviewed the independent auditor's reports on the audit of the annual consolidated financial statements and the separate financial statements, as well as the auditor's supplementary report prepared for the Audit Committee.

As part of the process of analysing the financial statements and the Sustainability Statement, the Audit Committee and the Sustainability Committee of the Supervisory Board of PGE Polska Grupa Energetyczna S.A. met with representatives of the audit companies. The committees also reviewed the reports of the independent auditors on the audit of the annual consolidated financial statements, the separate financial statements and the assurance report on the Sustainability Statement, as well as the auditors' final reports on the audit and assurance.

Consequently, the Audit Committee and the Sustainability Committee recommended the Supervisory Board of PGE S.A. to give a positive assessment of the reports submitted for 2025.

Final conclusions:

In view of the above, the Supervisory Board has given a positive assessment of:

1. The separate financial statements of PGE Polska Grupa Energetyczna S.A. for the year ended 31 December 2025, prepared in accordance with EU IFRS (in million PLN),
2. Consolidated financial statements of the PGE Polska Grupa Energetyczna S.A. Group for the financial year 2025 ended 31 December 2025, prepared in accordance with EU IFRS (in million PLN),
3. Management Board report on the operations of PGE Polska Grupa Energetyczna S.A. and the PGE Group for the year ended 31 December 2025 (including a separate Sustainability Statement,

and recommends that the Annual General Meeting of PGE Polska Grupa Energetyczna S.A. approve the documents referred to in points 1–3 above.

6. Assessment of the motion to cover the loss for the year 2025

The motion by the Management Board of PGE Polska Grupa Energetyczna S.A. to the Annual General Meeting of PGE Polska Grupa Energetyczna S.A. regarding the net loss for the financial year 2025.

The Company's Management Board, by Resolution No. 148/33/2026 of 14 April 2026, in view of the Company's reporting of a net loss of PLN 6,950,232,510.69 (in words: six billion nine hundred and fifty

million two hundred and thirty-two thousand five hundred and ten zlotys and sixty-nine groszy), resolved to submit a motion to the Company's Annual General Meeting regarding the coverage of the net loss for the financial year 2025 from the supplementary fund.

Having considered the above-mentioned motion, the Supervisory Board of PGE, by Resolution No. 730/XII/2026 of 15 April 2026, approved the motion and submitted its recommendation to the Annual General Meeting of PGE Polska Grupa Energetyczna S.A.

Final conclusion:

The Supervisory Board has given its positive assessment of the motion submitted by the Management Board of PGE Polska Grupa Energetyczna S.A. to the Annual General Meeting of PGE Polska Grupa Energetyczna S.A. regarding the proposed coverage of the loss for the 2025 financial year from the supplementary fund, in accordance with the motion of the Management Board of PGE Polska Grupa Energetyczna S.A.

7. An assessment of the use of fixed assets in the Company's operations, with particular regard to real property

Office building, Warsaw, ul. Mysia 2:

An office building dating from 1951–56, with a total floor area of 22,711.28 m², as per Decision No. 396/96 of 14 June 1996, which is the Company's separate property, is situated in Warsaw (00-496) at ul. Mysia 2, on a plot of land held under a leasehold with an area of 4,434.00 m² Reg. No. 109/3 and 110/3, cadastral district 5-05-02. The District Court for Warsaw-Mokotów in Warsaw, 10th Land Registry Division, maintains land register no. WA4M/00168674/5 for the above-mentioned property.

Lease in an office building located at ul. Mysia 2 in Warsaw:

The total leased area at the end of 2024 was 2,308.08 m².

Major tenants (total leased area: 1,966.88 m² - as at 31 December 2025):

- Polskie Sieci Elektroenergetyczne S.A. (613.29m²)
- PGE Systemy S.A. (478.38m²)
- KRN FOOD sp. z o.o. (453.03m²)
- PGE Dom Maklerski S.A. (422.18m²)

Other tenants (total leased area: 341.20 m²):

PGE Ventures sp. z o.o., Exatel S.A., Fundacja PGE, Pracownicze Towarzystwo Emerytalne Nowy Świat S.A., PGE Asekuracja S.A., Towerlink Poland sp. z o.o., ORANGE POLSKA S.A. PGE Energia Ciepła S.A., PGE Inwest 2 sp. z o.o., PGE Gryfino 2050 sp. z o.o., PGE Inwest 9 sp. z o.o., PGE Inwest 10 sp. z o.o., PGE Inwest 11 sp. z o.o., PGE Inwest 12 sp. z o.o., PGE Inwest 20 sp. z o.o., PGE Inwest 23 sp. z o.o., PGE Inwest 25 sp. z o.o.; PGE Inwest 26 sp. z o.o., PGE Inwest 27 sp. z o.o., PGE Inwest 28 sp. z o.o., PGE Inwest 29 sp. z o.o., PGE Inwest 30 sp. z o.o., PGE Inwest 31 sp. z o.o., PGE Inwest 32 sp. z o.o., PGE Inwest 33 sp. z o.o., PGE Inwest 34 sp. z o.o.

Total rental income for 2025 amounted to: PLN 6,222,228.51, including: main tenants:

- Polskie Sieci Elektroenergetyczne S.A. - PLN 3,295,907.51
- PGE Systemy S.A. - PLN 788,424.98
- PGE Dom Maklerski S.A. - PLN 806,484.23
- KRN FOOD sp. z o.o. - PLN 286,081.22

8. Information on the total remuneration payable by the company in respect of all studies commissioned by the Supervisory Board during the financial year.

In 2025, the Supervisory Board of PGE S.A. did not exercise the power provided for in the Commercial Companies Code and did not appoint an adviser to the Supervisory Board. Consequently, the Company did not incur any costs in this regard in 2025.

9. An assessment of the company's situation on a consolidated basis, taking into account the adequacy and effectiveness of the company's internal control, risk management, compliance and internal audit systems, together with information on the measures taken by the supervisory board to carry out this assessment

This assessment has been prepared on the basis of documents submitted by the Company's Management Board, discussions held with the Management Board at meetings of the Supervisory Board and at meetings of the Supervisory Board's standing committees, and taking into account the reports submitted to the Supervisory Board: The separate financial statements of PGE Polska Grupa Energetyczna S.A. for the year 2025 ended 31 December 2025, prepared in accordance with EU IFRS (in million PLN), consolidated financial statements of the PGE Polska Grupa Energetyczna S.A. Group for the year 2025 ended 31 December 2025 in accordance with EU IFRS (in million PLN), Management Board Report on the operations of PGE Polska Grupa Energetyczna S.A. and the PGE Capital Group for the year ended 31 December 2025 (including a separate Sustainability Statement).

This assessment covers all relevant control mechanisms, including, in particular, those relating to the reporting of operational activities.

SIGNIFICANT EVENTS DURING THE 2025 REPORTING PERIOD

January

Final investment decision (FID) for the Baltica offshore project.

February

Completion of the installation of the steam turbine in the new unit at PGE Nowy Rybnik.

First synchronisation of the combined heat and power unit at the Bydgoszcz II CHP plant.

March

Signing of an agreement for the construction of the Żarnowiec energy storage facility.

Signing of agreements with BGK (National Reconstruction Plan funds) for the expansion of distribution – PLN 12 billion.

May

Commissioning of the Nowa Czechnica gas-fired combined heat and power plant (315 MWt).

June

Adoption of the PGE Group's strategy up to 2035.

July

Signing of a letter of intent regarding energy and heating security in Rybnik.

August

Call for tenders for the construction of new gas-fired power stations in Rybnik and Gryfino.

Call for tenders for the construction of an energy storage facility in Gryfino.

September

Start of construction of the Żarnowiec energy storage facility.

Commissioning of a new gas-fired unit at the Bydgoszcz CHP plant.

October

Additional funding from BGK for distribution development – PLN 1.1 billion (amendment to the loan agreement).

November

The Baltica 1 offshore wind farm project has been granted an environmental permit.

December

The OCGT gas-fired power plant projects in Rybnik and Gryfino have been awarded 17-year Capacity Market contracts.

The Baltica 9 wind farm project has secured a contract for difference in the offshore auction.

THE ECONOMIC AND FINANCIAL SITUATION OF PGE S.A. for 2025

(in PLN million)

Key financial results

Key financial data	Q4 2025	Q4 2024 ¹	Change	Change %	2025	2024 ¹	Change	Change %
Sales revenue	16,897	21,671	-4,774	-22%	42,942	50,916	-7,974	-16%
Reported EBIT	287	397	-110	-28%	1,069	1,462	-393	-27%
Recurring EBIT	291	399	-108	-27%	1,073	1,464	-391	-27%
Reported EBITDA	291	401	-110	-27%	1,084	1,476	-392	-27%
Reported EBITDA margin	2%	2%			3%	3%		
Recurring EBITDA	295	403	-108	-27%	1,088	1,478	-390	-26%
Recurring EBITDA margin	2%	2%			3%	3%		
Net profit/loss	-11,960	691	-12,651	-	-6,950	4,836	-11,786	-
Capital expenditure	2	1	1	100%	3	4	-1	-25%
Net cash from operating activities	-6,530	-7,386	856	-12%	-11,048	-9,471	-1,577	17%
Net cash from investing activities	3,061	657	2,404	366%	15,200	11,438	3,762	33%
Net cash from financing activities	169	1,981	-1,812	-91%	1,890	-1,823	3,713	-

Key financial data	31 December 2025	31 December 2024 ¹	Change	Change %
Working capital	9,862	15,846	-5,984	-38%
Shares in subsidiaries	25,181	23,370	1,811	8%
Net debt	-168	-5,316	5,148	-97%
Net debt / reported LTM EBITDA	-0.15	-3.60		
Net debt / recurring LTM EBITDA	-0.15	-3.60		

¹ Figures restated as described in Note 3 to the separate financial statements.

One-off events affecting Reported EBITDA	Q4 2025	Q4 2024 ¹	Change	Change %	2025	2024 ¹	Change	Change %
Change in the actuarial provision	-4	-1	-3	300%	-4	-1	-3	300%
Adjustment to the provision for the Price Difference Payment Fund for the previous period	0	-1	1	-100%	0	-1	1	-100%
Total	-4	-2	-2	100%	-4	-2	-2	100%

REVENUE FROM GEOGRAPHICAL AREAS

In 2025, PGE S.A. generated the vast majority of its revenue on the domestic market. Revenue from sales on the domestic market accounted for over 99.9%.

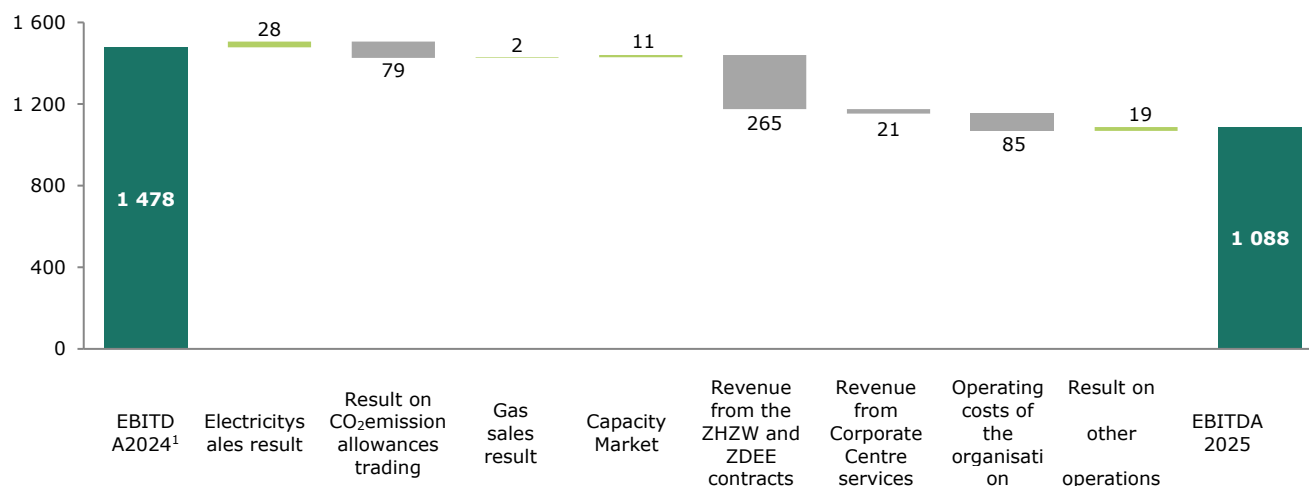
KEY FINANCIAL FIGURES FOR PGE S.A. OVER THE PAST FIVE YEARS

Table: Key financial figures for PGE S.A. (PLN million)

	2025	2024 ²	Change	Change %	2023	2022	2021
Sales revenue	42,942	50,916	-7,974	-16%	65,842	35,922	35,917
Reported EBIT	1,069	1,462	-393	-27%	1,988	1,139	601
Reported EBITDA	1,084	1,476	-392	-27%	2,002	1,151	613
Recurring EBITDA	1,088	1,478	-390	-26%	2,042	752	602
One-off events ¹	-4	-2	-2	100%	-40	399	11
Net profit/loss	-6,950	4,836	-11,786	-	-5,894	3,097	1,734
Net debt	-168	-5,316	5,148	-97%	-10,021	-10,906	-5,337
Net debt / reported LTM EBITDA	-0.15	-3.60			-5.01	-9.48	-8.71
Net debt / recurring LTM EBITDA	-0.15	-3.60			-4.91	-14.50	-8.87
Working capital	9,862	15,846	-5,984	-38%	24,074	17,253	11,517
Capital expenditure	3	4	-1	-25%	22	6	2

¹ One-off events at EBITDA level² Figures restated in accordance with the description provided in Note 3 to the separate financial statements.

Diagram: Key factors affecting EBITDA (PLN million).



Deviation	28	-79	2	11	-265	-21	-85	19	
reported EBITDA 2024	1,476								
One-off events 2024	-2								
Recurring EBITDA 2024	1,478	41	258	2	33	1,448	329	636	3
Recurring EBITDA 2025		69	179	4	44	1,183	308	721	22
One-off events 2025									-4
reported EBITDA 2025									1,084

¹ Figures restated in accordance with the description provided in Note 3 to the separate financial statements.

Key factors affecting PGE S.A.'s results year-on-year:

- **Higher revenue from electricity sales in 2025**, driven by a 0.3 PLN/MWh increase in the unit margin on electricity sales and a 10.7 TWh increase in the volume of electricity sold.
- **The lower turnover in CO₂ emission allowances** was driven by a lower realised margin on CO₂ trading, which was partially offset by a higher valuation of forward transactions. The lower margin is mainly due to a decrease in the average selling price of PLN 104 per tonne and a reduction in the volume of CO₂ emission allowances sold by 11 million tonnes, which is attributable to a different schedule for the delivery of CO₂ allowances for cancellation in 2024 and 2023, as well as lower demand resulting from reduced production.
- **The decline in revenue from companies within the PGE Group relating to ZHZW and ZDEE services** is due to the lower value of electricity managed on behalf of PGE Group companies and a lower weighted average margin by 0.10 percentage points. The decline in the value of electricity under management is due to a lower average electricity price of PLN 102/MWh and a lower volume of electricity of 4.4 TWh. The decline in volume and the weighted average margin is mainly due to changes in 2025 to the rules for calculating revenue under the ZHZW agreement; at the same time, there is revenue from hard coal supplies to PGE GiEK S.A. and revenue from the value of balancing capacity provided to companies within the PGE Group.
- **The decline in revenue from the Corporate Centre's services** is mainly due to lower revenue from licence agreements, as a result of lower revenue received by PGE Group companies from external entities.
- **The increase in the organisation's operating costs** is primarily due to a rise in employee benefit costs, mainly as a result of adapting the organisational structure to the tasks being carried out, as well as to the intensification of marketing activities.

- **The higher result from other operations** was mainly driven by write-downs on receivables (the reversal in 2025 of a write-down on receivables from ENESTA sp. z o.o. amounting to PLN 34 million, compared with PLN 12 million in write-downs released in 2024).

FINANCIAL ACTIVITY

Table: Financial income (PLN million)

Finance income	2025	2024 ¹	Change	Change %
Dividends	3,294	2,374	920	39%
Interest	2,362	2,411	-49	-2%
Gain on disposal of investments	3	-	3	-
Revaluation of financial instruments	13	42	-29	-69%
Reversal of impairment losses	83	37	46	124%
Exchange gains or losses	33	32	1	3%
Other	29	31	-2	-6%
Total finance income	5,817	4,927	890	18%

¹ Figures restated in accordance with the description provided in Note 3 to the separate financial statements.

The key factors influencing the year-on-year change in PGE S.A.'s revenue were:

- **The increase in dividend income** is mainly due to higher income from PGE Dystrybucja S.A. by PLN 406 million, from PGE Energia Odnawialna S.A. by PLN 354 million, from PGE Energia Ciepła S.A. by PLN 91 million and from PGE Energetyka Kolejowa Holding sp. z o.o. by PLN 58 million
- **The decrease in interest** - is mainly due to lower interest on loans, resulting from a lower volume of loans granted to companies within the PGE Group.
- **Revaluation of financial instruments** – the deviation is mainly due to the valuation in 2024 of financial instruments relating to the hedging of a foreign currency loan.
- **Reversal of impairment losses** – in 2025, there was a reduction in the impairment loss on the shares of PGE Systemy S.A. amounting to PLN 83 million (in the comparative period, there was a reduction in the impairment loss on the shares of PGE Systemy S.A. amounting to PLN 37 million).

Table: Financial expenses (PLN million)

Financial expenses	2025	2024 ¹	Change	Change %
Interest	618	781	-163	-21%
Impairment of financial instruments	12,230	79	12,151	15,381%
Recognition of impairment losses	345	5	340	6,800%
Exchange gains or losses	38	75	-37	-49%
Other	55	43	12	28%
Total financial expenses	13,286	983	12,303	1,252%

¹ Figures restated in accordance with the description provided in Note 3 to the separate financial statements.

Key factors influencing the year-on-year change in PGE S.A.'s financial costs:

- **The decrease in interest** is attributable to lower interest costs on loans and borrowings, as well as cash pooling, resulting from lower interest rates on the settlement and valuation of hedging instruments.
- **Impairment of financial instruments** – the deviation is mainly attributable to an impairment charge on loans granted by PGE GiEK S.A. amounting to PLN 11,988 million (PLN 12,010 million in 2025, compared with PLN 22 million in the comparative period) and from the revaluation of a liability arising from expected credit losses on guarantees granted to PGE GiEK S.A. amounting to PLN 170 million (PLN 215 million in 2025 compared to PLN 45 million in the comparative period).
- **Recognition of impairment losses** – in 2025, impairment losses were recognised on the value of shares in PGE Obrót S.A. amounting to PLN 335 million and on the value of shares in Megazec sp. z o.o.

amounting to PLN 10 million. In 2024, an impairment loss was recognised on the shares of PGE Sweden AB in the amount of PLN 5 million.

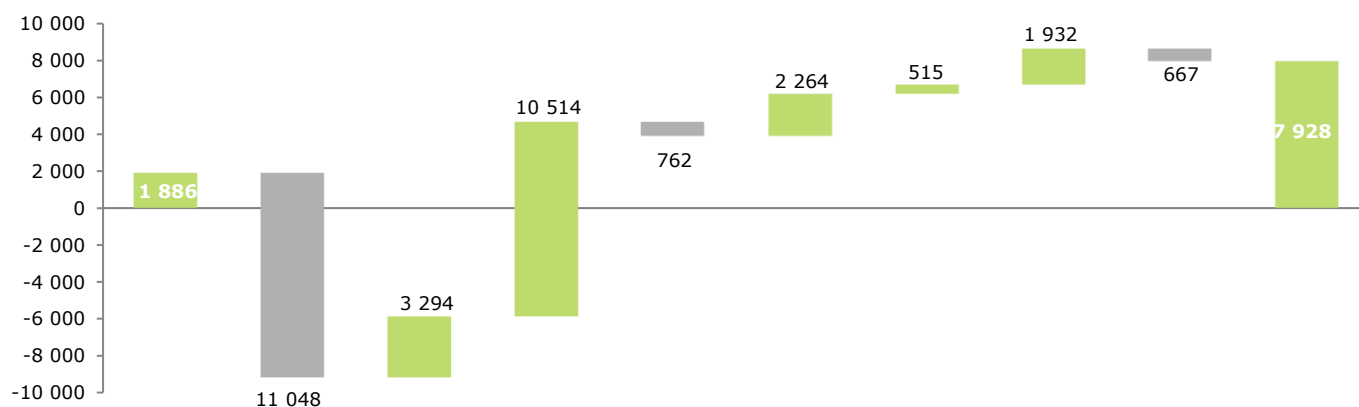
STATEMENT OF FINANCIAL POSITION

Diagram: Breakdown of Assets, Equity and Liabilities (PLN million).¹

¹ The figures for 2024 have been restated.

CASH FLOW STATEMENT

Diagram: Change in cash and cash equivalents (PLN million).



	Cash and cash equivalents at 1 January, 2025	Net cash from operating activities	Dividends received	Granting / repayment of loans	Purchase / sale of shares and shares in subsidiaries	Taking out / repaying loans, credits, bond issues	Income and expenditure arising from cash pooling	Interest received	Other	Cash and cash equivalents at 31 December, 2025
Impact on cash flow		-11,048	3,294	10,514	-762	2,264	515	1,932	-667	
Cash and cash equivalents	1,886									7,928

PGE S.A.'S NET DEBT AND KEY FINANCIAL RATIOS

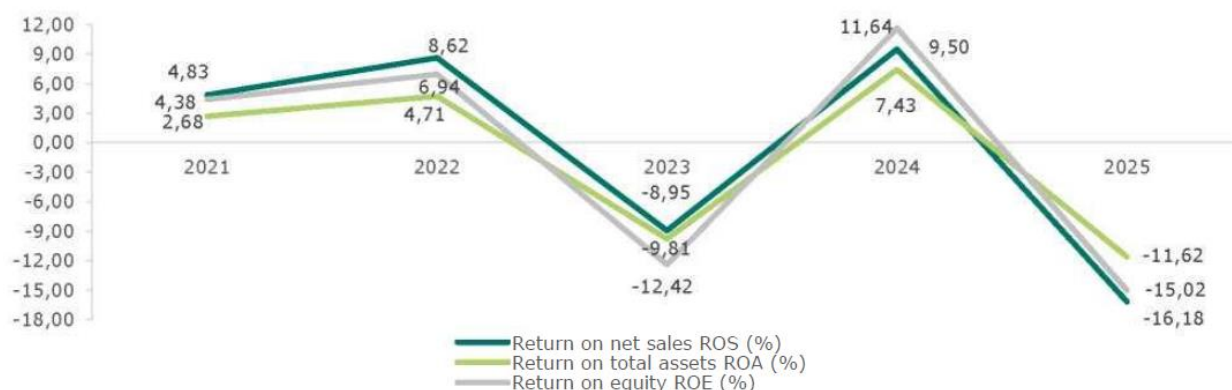
Table: The Company's net debt as at 31 December 2025 and 2024 (PLN million).

	As at 31 December 2025	As at 31 December 2024 ¹	Change	Change %
Cash at bank and in hand	719	58	661	>1000%
Short-term deposits	7,040	1,151	5,889	512%
VAT account funds	169	677	-508	-75%
Cash and cash equivalents	7,928	1,886	6,042	320%
Short-term loans and debt securities (PGE Group)	4,102	15,367	-11,265	-73%
Loans and receivables – cash pooling	356	581	-225	-39%
Cash at the Company's disposal	12,386	17,834	-5,448	-31%
Short-term credits and loans	740	2,330	-1,590	-68%
Short-term bonds (interest)	408	10	398	>1000%
Current liabilities – cash pooling	2,267	1,977	290	15%
Long-term credits and loans	7,803	6,801	1,002	15%
Long-term bonds issued	1,000	1,400	-400	-29%
Gross financial debt (short- and long-term)	12,218	12,518	-300	-2%
Net financial debt	-168	-5,316	5,148	-97%

¹ Figures restated in accordance with the description provided in Note 3 to the separate financial statements.

KEY FINANCIAL INDICATORS

Diagram: Profitability ratios¹



¹ Figures restated in accordance with the description provided in Note 3 to the separate financial statements.

Diagram: Receivables and payables turnover ratios



Diagram: Liquidity indicators¹

¹ Figures restated in accordance with the description provided in Note 3 to the separate financial statements.

Diagram: Debt ratios¹

¹ Figures restated in accordance with the description provided in Note 3 to the separate financial statements.

Key operating results and sales and supply markets

Table: Summary of electricity sales (TWh).

Sales volume	Q4 2025	Q4 2024	Change	Change %	2025	2024	Change	Change %
Sales of electricity to the PGE Group	11.55	10.02	1.53	15%	39.98	35.82	4.16	12%
Sales of electricity on the exchange market and through bilateral transactions outside the PGE Group	3.16	0.33	2.83	858%	7.58	1.15	6.43	559%
Sales within GB and RB	0.41	0.56	-0.15	-27%	2.24	2.13	0.11	5%
Total electricity sales	15.12	10.91	4.21	39%	49.80	39.10	10.70	27%

PGE S.A. acts as the wholesale trading centre of excellence for the PGE Group. The year-on-year increase in the volume of electricity sold in 2025 to companies within the PGE Group is mainly due to an increase in sales volumes to the generators PGE GiEK S.A. and PGE Gryfino Dolna Odra sp. z o.o., which is primarily the result of electricity repurchases. The increase in electricity sold to entities outside the PGE Capital Group is a result of higher trading volumes on the Polish Power Exchange (TGE), which is mainly due to a change in 2025 to the model for the exchange-traded sale of electricity from generation assets.

The main recipient of the electricity sold by PGE S.A. is its subsidiary, PGE Obrót S.A., which accounted for 59% of total sales in 2025.

Table: Summary of electricity sales (TWh) over a five-year period.

Sales volume	2025	2024	2023	2022	2021
Sales of electricity to the PGE Group	39.98	35.82	39.29	39.94	42.02
Sales of electricity on the exchange market and through bilateral transactions outside the PGE Group	7.58	1.15	0.31	0.77	1.57
Sales within the Balancing Group and the Balancing Market	2.24	2.13	1.96	1.64	1.39
Total electricity sales	49.80	39.10	41.56	42.35	44.98

Table: Gas sales summary (TWh).

Sales volume	Q4 2025	Q4 2024	Change	Change %	2025	2024	Change	Change %
Gas sales to the PGE Group	2.78	0.37	2.41	651%	7.26	0.79	6.47	819%
Gas sales on the exchange market and through bilateral transactions outside the PGE Group	1.79	0.03	1.76	>1,000%	5.13	0.08	5.05	>1,000%
Total gas sales	4.57	0.40	4.17	>1,000%	12.39	0.87	11.52	>1,000%

The higher year-on-year volume of natural gas sales is mainly due to the commissioning in the second half of 2024 of the gas-fired power station at PGE Gryfino Dolna Odra sp. z o.o. and the resale on the exchange of gas that had been purchased to meet the requirements of generation units for the production of electricity and heat but was not used by those units.

The main customers for the natural gas sold by PGE S.A. in 2025 were its subsidiaries: PGE Gryfino Dolna Odra sp. z o.o., which accounted for 50% of sales volume, and PGE Dom Maklerski S.A., with a 41% share.

Table: Volume of natural gas sales (TWh) over a five-year period.

Sales volume	2025	2024	2023	2022	2021
Gas sales to the PGE Group	7.26	0.79	2.80	2.86	3.09
Gas sales on the exchange market and through bilateral transactions outside the PGE Group	5.13	0.08	0.21	0.71	0.79
Total gas sales	12.39	0.87	3.01	3.57	3.88

Table: CO₂ sales (million tonnes) over a five-year period.

Sales volume	2025	2024	2023	2022	2021
CO ₂ sales to the PGE Group	47.98	59.34	81.11	48.32	116.10
CO ₂ sales on the exchange market and through bilateral transactions outside the PGE Group	0.16	0.02	0.18	0.67	36.69
Total CO₂ sales	48.14	59.36	81.29	48.99	152.79

The main recipients of the CO₂ emission allowances sold by PGE S.A. in 2025 were companies within the PGE Group, with PGE GiEK S.A. (90%) and PGE Energia Ciepła S.A. (6%) accounting for the largest share.

The largest suppliers of electricity to PGE S.A. in 2025 were its subsidiaries, with PGE GiEK S.A. accounting for 54% of the total volume purchased, PGE Gryfino Dolna Odra sp. z o.o. accounting for 13% and PGE Energia Ciepła S.A. accounting for 10%.

PGE S.A. purchased natural gas through its subsidiaries: PGE Dom Maklerski S.A., accounting for 49% of the volume, and PGE Gryfino Dolna Odra sp. z o.o., accounting for 45% (following the resale of unused gas).

In the case of CO₂, however, PGE S.A. purchased CO₂ emission allowances through entities outside the PGE Capital Group, which accounted for 87% of the total volume purchased, and through its subsidiary PGE Dom Maklerski S.A., which accounted for 12%.

In the case of PGE S.A., no supplier or customer outside the PGE Group accounts for more than 10% of total sales revenue.

INTERNAL AUDIT

PGE S.A. complies with the recommendations set out in the Best Practice for GPW Listed Companies regarding the maintenance of an effective internal audit function, commensurate with the company's size and the nature and scale of its operations. The internal audit function within the Company covers all areas of the PGE Group's operations, with the exception of the protection of classified information, the control

of which is governed by the relevant legislation. The internal audit function operates in accordance with the PGE Group Audit Rules of Procedure and the PGE Group Internal Audit Charter, which have been drawn up in line with generally accepted internal audit standards.

The audit function is centralised within the PGE Group and is carried out by the Internal Audit Department, which conducts audit work on behalf of PGE S.A. and the individual companies within the PGE Group. The exception is the companies within the PGE Group's Conventional Energy Segment, which have separate audit structures.

The Internal Audit Department of PGE S.A. carries out independent and objective assessments of risk management, corporate governance and internal control systems. This assessment, carried out in a systematic and structured manner, helps to improve the effectiveness and efficiency of operational processes. The internal audit function, carried out in this way, helps the organisation to achieve its objectives both by ensuring the effectiveness of operational processes and by providing advice.

The audit is independent of operational activities. The Director of the Internal Audit Department reports directly to the President of the Management Board of PGE S.A. Matters relating to internal audit are also presented to the Supervisory Board's Audit Committee through the reporting of the results of individual audit tasks and as part of regular reporting covering the overall functioning of internal audit within the PGE Group.

Internal audit activities are carried out on a planned basis. The Internal Audit Department sets out the audit tasks and the resources required to carry them out in the PGE Group's Annual Audit Plan, which is approved by the Management Board of PGE S.A. The Annual Audit Plan is drawn up on the basis of, amongst other things, the Long-Term Audit Plan, which covers a four-year cycle, the operational results of risk analyses, and reported audit requirements. In addition to scheduled audit tasks, ad hoc tasks are also carried out.

The internal structure of the Internal Audit Department comprises organisational units dedicated to supporting specific operational segments of the PGE Group, as well as departments carrying out activities at the Corporate Centre level. To ensure the independence of the audit, the Internal Audit Department within the organisational structure of PGE S.A. reports directly to the President of the Management Board. Both the Department's management and the internal auditors support the Company's operational and reporting processes by carrying out advisory tasks and communicating relevant issues arising from completed audit tasks to the relevant departments within PGE S.A.

In 2025, the performance of the internal audit function within the Company was subject to an external assessment, in accordance with the Best Practice for GPW Listed Companies.

One of the key features of the internal control system within the PGE Group is that it operates on the basis of ongoing cooperation between the departments responsible for audit, security and compliance, which is achieved, in particular, through the regular and prompt exchange of information.

ASSESSMENT OF THE ADEQUACY AND EFFECTIVENESS OF THE COMPLIANCE SYSTEM

Characteristics of the compliance management system at the PGE Group

The aim of the compliance function is to support the management boards of companies within the PGE Capital Group in implementing uniform operating principles across the Group, thereby fostering an organisational culture that promotes compliance with the law and ethical standards, as well as practices consistent with the principles of sustainable business.

Compliance policies

Policies are statements of commitment to acting in a consistent and ethical manner towards internal and external stakeholders. These documents are published on the website www.gkpge.pl (under the 'Compliance' tab) – in Polish and English:

- PGE Capital Group Code of Ethics,
- PGE Capital Group Anti-Corruption Policy,
- PGE Capital Group Code of Conduct for Business Partners.

Information on the channels for reporting irregularities is also available on the websites of the companies within the PGE Group.

Compliance management system standard

The compliance management system in place within the PGE Capital Group is based on the recommendations of the ISO 37301 Compliance Management Systems (CMS) standard (no steps have yet been taken towards certification), which sets out requirements for the design, implementation and assurance of the effectiveness of compliance management systems. The system also complies with the Best Practice for GPW Listed Companies.

The structure of the compliance management system and reporting channels

The PGE Capital Group has an organisational structure dedicated to carrying out compliance tasks. At the corporate centre – PGE S.A. – this is the Compliance Department (hereinafter: (CD), operating within the Security Division, whose director reports to the President of the Management Board. The Director of CD also has a direct reporting line to the Management Board and to the Audit Committee of PGE's Supervisory Board. Compliance Coordinators are appointed within the companies of the PGE Group; in the performance of their duties, they report to the Director of the Compliance Department at PGE S.A. These individuals also have a direct reporting line to the management boards of their companies.

The Supervisory Board's assessment of the compliance system's performance in 2025 within the PGE Group

In 2025, CD PGE S.A. continued and refined its existing practices in the area of compliance management by conducting regular training sessions on the PGE Capital Group's Code of Ethics and anti-corruption regulations, as well as on compliance communication, and by carrying out the core tasks of the process, namely the identification of legal provisions and internal regulations, identifying and assessing risks in areas of compliance interest, compliance assessment and regular reporting.

The effectiveness of these measures is assessed on an ongoing basis and improved where necessary. In 2025:

- extensive work was carried out to update all internal regulations owned by CD,
- a new approach to identifying legislation and internal regulations has been developed; this is currently being tested as part of the ongoing identification process and will be further refined and simplified,
- ongoing monitoring of the implementation of follow-up measures following investigations and compliance reviews continued,
- across all companies in the PGE Group, the employee training target set out in *the PGE Group Strategy to 2035* (90%) has been achieved.

CD continued to support the organisation in meeting its sustainability reporting requirements and improving this process, as well as in conducting sanctions screening of counterparties and maintaining the Group's AML standards.

In 2025, the individual companies of the PGE Capital Group carried out compliance assessments in the form of self-assessments covering the following areas: implementation of the compliance management process, building a values-based corporate culture, compliance monitoring, reporting systems, personal data protection, information security, anti-corruption, prevention of conflicts of interest, employee rights, relations with business partners, verification of business partners, and anti-money laundering and counter-terrorist financing (AML/CFT).

In selected companies within the PGE Capital Group, the compliance assessment also examined issues relating to consumer protection (companies that deal with consumers) and ESG issues (PGE S.A.).

The summary results of the Compliance Assessments for individual companies within the PGE Group and the Compliance Assessment for PGE S.A. for the fourth quarter of 2024 and 2025, as well as the Assessment of the effectiveness of the Compliance system and function and the PGE Group Compliance Review for 2025, were adopted by the Audit Committee of the Supervisory Board of PGE S.A. by Resolution No. 2/XII/2026 of 23 March 2026.

RISKS AND THREATS FACING PGE S.A. and PGE Group.

Risks in the operations of the PGE Group

PGE S.A., as the Corporate Centre managing the PGE Capital Group, develops and implements solutions relating to the integrated risk management framework within the PGE Capital Group. In particular, it shapes

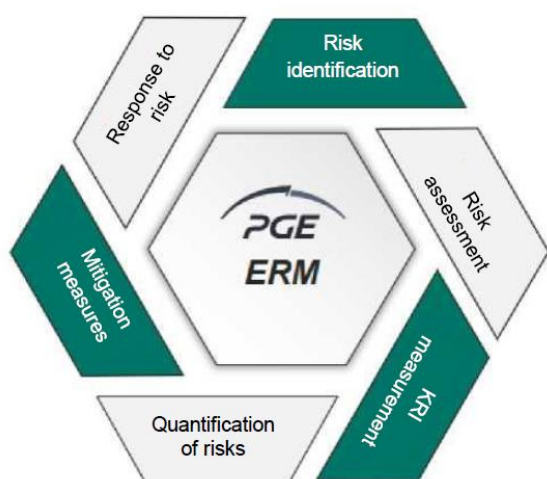
risk management policies, standards and practices within the PGE Group, develops and refines internal IT tools to support these processes, defines the Group's overall risk appetite and appropriate limits, and monitors these levels. The companies within the PGE Capital Group, like other entities in the electricity sector, are exposed to risks and threats arising from the specific nature of their operations and from operating within a particular market, regulatory and legal environment.

The Group analyses several areas of risk associated with its operations. These include, amongst others, those described in the following processes:

1. corporate risks,
2. ESG risks, including climate risks.

1. Corporate risks

Within the PGE Group, risk management is tailored to the management levels in each area of operation. The establishment of committees for risk, investment and sustainable development at the highest management level, reporting directly to the Management Board of PGE S.A., ensures oversight of the effectiveness of risk management processes across the PGE Group. The function of monitoring, coordinating and supporting risk management is carried out by the Risk and Insurance Department at PGE S.A., which enables an independent assessment of risks and their impact on the PGE Group's operations.



The PGE Group is systematically developing a comprehensive risk management system and assesses and analyses risks within the key companies of the PGE Group. The mechanisms for identifying areas exposed to risk and the methods for measuring the level of risk are subject to periodic review and improvement; as a result, significant risks relating to individual business segments are kept within established limits by mitigating the adverse effects of these risks and taking pre-emptive or corrective action, in accordance with the cycle outlined.

All risks identified and assessed in relation to the Group's day-to-day operations are recorded in the risk management system.

The risk registers set out the levels and values of individual risk parameters, together with information on the mitigation measures in place and their effectiveness.

Risk identification is based on the PGE Group's universal risk model. The starting point for identification is the risk categories, which encompass risks of a similar nature and with similar consequences. The PGE Group Risk Model defines five categories of risk:

- market and product risks – risks that generally affect revenue and are associated with the products and services offered,
- property risks – risks generally affecting fixed assets,
- operational risks – risks that generally affect costs,
- regulatory and legal risks – risks that generally affect regulatory compliance,
- financial risks – risks that generally affect the financial sector.

Within each category, risks are identified, defined and described, and risk factors are assigned to them, along with the mitigation measures implemented.

2. ESG risks, including climate risks

The financial materiality of ESG risks

In compliance with national and European regulatory requirements, the PGE Group is drafting a Sustainability Statement, the formal basis for which is the CSRD Directive¹, the European Sustainability Reporting Standards (ESRS) and the Accounting Act. The sustainability statement is included in the Management Board's Report on the operations of PGE Polska Grupa Energetyczna S.A. and the PGE Group for the year 2025.



The CSRD Directive requires the PGE Group to carry out a double materiality assessment, the results of which determine the scope of sustainability reporting across the entire Group.

The assessment covers all areas relating to environmental protection, social responsibility and corporate governance, including transformational climate risks associated with legal, technological and reputational factors. ESG risks are understood in this

process as threats (events leading to increased costs or reduced revenue) and opportunities (events leading to reduced costs or increased revenue).

The ESG risk assessment process consists of the following stages:

Identification of ESG risks and assessment of their anticipated financial impact – the extent to which the PGE Group's assets and business operations may be exposed to and are vulnerable to the identified ESG risks is assessed.

Aggregation of ESG risks at the PGE Capital Group level and materiality analysis – the results received from individual owners are verified and aggregated against established thresholds for the assessment of financial impact and an additional qualitative assessment for items deemed material from the perspective of the PGE Capital Group.

Preparation and approval of results – based on the financial materiality assessment, the following results are compiled: a list of issues material to the PGE Group and a list of financially material ESG risks, which undergo a multi-stage approval process.

In addition, a process for managing material ESG risks and opportunities is currently being implemented within the PGE Group, drawing on the experience gained from the overall risk management process.

Assessment of the impact of physical climate risks on business operations

Aware of the impact of its operations on the climate, as well as the threats posed by climate change to the PGE Capital Group's operations, the PGE Capital Group analyses both the risks and opportunities for development. In this way, it meets stakeholders' expectations regarding the reporting of the impact of its operations on the climate, as well as its dependence on it, recognising climate risk management as a key element of strategic management, with a direct impact on financial aspects.

Climate change has a direct impact on every aspect of the electricity system: generation capacity and efficiency, demand for heating and cooling, the resilience of transmission and distribution networks, and demand patterns.

In 2025, the PGE Group once again carried out an assessment of key physical climate risks that could have a negative impact on its operations. The assessment of risks associated with physical climate hazards within the PGE Group is carried out from both a short-term and a long-term perspective, using scientific models that describe possible climate scenarios (optimistic – RCP 4.5 and pessimistic – RCP 8.5).

The assessment carried out indicated that the risks associated with physical climate hazards would have a low or moderate impact on the PGE Capital Group's core operations in 2025. The implementation and continuous improvement of the adaptation measures developed within the PGE Group have had a significant impact on the results of the process, demonstrating that the measures taken have increased the PGE Group's resilience to physical climate risks.

¹ CSRD (Corporate Sustainability Reporting Directive) – Directive of the European Parliament and of the Council on corporate sustainability reporting.

10. Assessment of the company's compliance with the corporate governance principles and the manner of compliance with the disclosure obligations concerning compliance with the corporate governance principles defined in the Exchange Rules and the regulations on current and periodic reports published by issuers of securities, and information about measures taken by the supervisory board to perform such assessment

DISCLOSURE OBLIGATIONS RELATING TO THE APPLICATION OF CORPORATE GOVERNANCE PRINCIPLES AS SET OUT IN THE STOCK EXCHANGE RULES

In 2025, PGE S.A. was subject to the corporate governance principles set out in the Best Practice for GPW Listed Companies. The Best Practice was adopted by Warsaw Stock Exchange Council Resolution No. 13/1834/2021 of 29 March 2021 and has been applied by PGE S.A. since 1 July 2021. The text of the Best Practice is available on the Warsaw Stock Exchange's official website dedicated to corporate governance: <https://www.gpw.pl/dobre-praktyki2021>.

Furthermore, pursuant to Article 7(3) of the Act on the principles of state property management, the Prime Minister may set out best practices in the field of corporate governance. As the Prime Minister has not defined the best practices referred to above, the Company did not apply any other best practices in 2025 apart from those set out in the Best Practice.

Companies that adhere to the Best Practice are required to disclose how they apply it. A comprehensive review of compliance with the principles of Best Practice was carried out within the Company and the PGE Group, involving a number of specialist departments. A matrix setting out the responsibilities of organisational units in relation to specific principles has been drawn up, and data and the necessary explanations have been gathered to determine the extent to which the principles of Best Practice are being met. In addition, the Company has taken into account the guidance provided by the Corporate Governance Committee regarding the application of the Best Practice principles, which was drafted on the basis of questions raised by issuers. The implementation report was presented to the Company's Management Board and Supervisory Board, together with explanations and comments.

In the report, the Company declared that it applies 53 Best Practice principles, which, according to the data available on the Best Practice Scanner website (<https://www.gpw.pl/dpsn-skaner>), implies a COMPLY score (declared level of compliance with Best Practice) of 84%, compared to 83% for the Energy sector and 79% for companies in the WIG index. The company monitors compliance with the rules on an ongoing basis and is obliged to publish relevant information in the event of any breach.

Since December 2021, the Company has had a Sustainability Committee, which is responsible for implementing ESG principles within the PGE Group, including in the context of governance, and prepares recommendations and guidelines on expanding the scope of application of the Best Practice.

In 2025, the Company applied the Best Practice, with the exception of the principles set out below:

1.3.2 "The company integrates ESG factors in their business strategy, including in particular social and employee factors, including among others actions taken and planned to ensure equal treatment of women and men, decent working conditions, respect for employees' rights, dialogue with local communities, customer relations.

In its Business Strategy up to 2030, the Company took into account social and employee issues in the broadest sense; however, the Strategy did not cover matters relating to measures taken or planned to ensure gender equality. However, the company made every effort to ensure that its actions in relation to employment matters were based on the principle of equal treatment of both sexes. In the PGE Group Strategy to 2035, announced in June 2025, these issues were addressed, amongst other things, by setting a target for the pay gap, and ESG is recognised as a source of value for stakeholders.

1.4.2 which reads as follows: “In order to ensure proper communication with stakeholders, in terms of the adopted business strategy, the company provides information on its website on the elements of the strategy, measurable goals, including especially long-term goals, planned actions and progress in this regard, defined with the aid of financial and non-financial measures.

ESG information concerning the strategy should among others present the equal pay index for employees, defined as the percentage difference between the average monthly pay (including bonuses, awards and other benefits) of women and men in the last year, and present information about actions taken to eliminate any pay gaps, including a presentation of related risks and the time horizon of the equality target”.

The company did not provide any information on the measures it has taken or plans to take to ensure gender pay equality. The pay equity indicator was presented as part of the Sustainability Statement, which forms part of the Management Board’s Report on the Activities of PGE Polska Grupa Energetyczna S.A. and the PGE Capital Group.

In the PGE Group’s Strategy to 2035, announced in June 2025, these issues were addressed, amongst other things, by setting a target for the pay gap.

2.1 “The company should have in place a diversity policy applicable to the management board and the supervisory board, approved by the supervisory board and the general 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%.”

PGE S.A. does not have a diversity policy in relation to the Company’s governing bodies; however, the process of selecting candidates for management positions takes into account factors such as relevant education, professional experience, qualifications and competencies, and does not in any way disqualify candidates on the basis of the elements typically included in a diversity policy. There was no gender diversity on the Company’s Management Board, whilst the proportion of women on the Supervisory Board stood at 25% (as at 31 December 2025).

2.2 “Persons making decisions on the election of members of the company’s Management or Supervisory Board should secure comprehensiveness of these bodies by choosing persons ensuring diversity, making it possible, inter alia to achieve the target ratio of the minimum proportion of minorities set at no less than 30%, in accordance with the goals set out in the adopted diversity policy referred to in principle 2.1.”

PGE S.A. does not have a diversity policy in relation to the Company’s governing bodies; however, the process of selecting candidates for management positions takes into account factors such as relevant education, professional experience, qualifications and competencies, and does not in any way disqualify candidates on the basis of the elements typically included in a diversity policy. In the Company’s view, the versatility of its governing bodies is ensured by the diversity of the members of the Management Board and the Supervisory Board in terms of their education, specialist knowledge in various fields and professional experience. There was no gender diversity on the Company’s Management Board, whilst the proportion of women on the Supervisory Board stood at 25% (as at 31 December 2025).

2.11.6 “In addition to its responsibilities laid down in the legislation, the supervisory board prepares and presents an annual report to the annual general meeting once per year. Such report includes at least the following: information regarding the degree of implementation of the diversity policy applicable to the management board and the supervisory board, including the achievement of goals referred to in principle 2.1”

The company does not have a formal diversity policy in relation to the Management Board and the Supervisory Board, and therefore does not produce a report detailing the extent to which the diversity policy has been implemented.

3.5 “Persons responsible for risk and compliance management report directly to the president or other member of the management board.”

Under the current organisational structure, the person responsible for risk management reported to the Director of the Finance Division, who reported directly to a Member of the Management Board. The fact that the director of the department responsible for risk management does not report directly to anyone stems from the Company's organisational structure and the consistent treatment of risks alongside financial matters. Notwithstanding his reporting line to the Director of the Finance Division, the Director of the Risk and Insurance Department maintained direct contact with the Board Member responsible for finance as part of his duties. Under the current organisational structure, the person responsible for compliance was able to report directly to the President of the Management Board, whilst organisationally they reported to the Director of the Security Division, who reported directly to the President of the Management Board.

3.7 "Principles 3.4 to 3.6 apply also to members of the company's group which are material to its activity if they appoint persons to perform such tasks."

This requirement was not met in relation to Principle 3.5 in the case of those responsible for risk management in certain companies within the PGE Group which are material to its activity.

In the other companies of the PGE Capital Group which are material to its activity, persons appointed to carry out risk management and compliance tasks reported to the CEOs or members of the management boards of the respective companies.

3.8 "The person responsible for internal audit or the management board if such function is not performed separately in the company reports to the supervisory board at least once per year with their assessment of the efficiency of the systems and functions referred to in principle 3.1 and tables a relevant report."

Currently, information regarding the assessment of the effectiveness of the systems and functions referred to in Principle 3.1 (internal control, risk management and compliance systems and an efficient internal audit function) was presented to the Supervisory Board by the heads of the respective departments and the President of the Management Board.

4.1 "The company should enable their shareholders to participate in a general 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 general meeting to proceed."

The Management Board of PGE does not rule out the possibility of adopting the aforementioned policy in the future.

In the opinion of the PGE Management Board, failure to apply the above rule will not affect the integrity of the disclosure policy, nor will it give rise to any risk of restricting or hindering Shareholders' participation in General Meetings. The company provides a live stream of the General Meeting.

6.4. "As the supervisory board performs its responsibilities on a continuous basis, the remuneration of supervisory board members cannot depend on the number of meetings held. The remuneration of members of committees, in particular the audit committee, should take into account additional workload on the committee."

The remuneration of the members of the Supervisory Board of PGE S.A. was determined by Resolution No. 5 of the Extraordinary General Meeting of 14 December 2016 (as subsequently amended) on the rules for determining the remuneration of members of the Supervisory Board, pursuant to which the monthly remuneration of members of the Supervisory Board was set as the product of the average monthly remuneration in the enterprise sector, excluding profit-related bonuses, in the fourth quarter of the previous year, as announced by the President of the Central Statistical Office, and a multiplier:

- 1.7 (multiplier applicable until 26 June 2025) and 3.02 (multiplier applicable from 27 June 2025) for the Chairperson of the Supervisory Board,
- 1.5 (multiplier applicable until 26 June 2025) and 2.75 (multiplier applicable from 27 June 2025) for the other members of the Supervisory Board.

The remuneration of Supervisory Board members is not dependent on the number of meetings; however, work on committees was not remunerated separately. The remuneration paid to members of the Supervisory Board of PGE S.A. complies with the principles set out in the Act on the principles of remuneration for directors of certain companies (the so-called 'Pay Cap Act').

INFORMATION ON VIOLATIONS OF THE BEST PRACTICE FOR GPW LISTED COMPANIES 2021

In 2025, the Company did not report any isolated breaches of the Best Practice.

Disclosure requirements relating to the application of corporate governance principles as set out in the regulations governing current and periodic disclosures by issuers of securities.

In force as at the date of publication of PGE's annual report for 2025, i.e. 15 April 2026, the Regulation of the Minister of Finance on current and periodic information provided by issuers of securities and the conditions for recognising as equivalent information required by the laws of a non-member state, imposed on issuers of securities an obligation to publish a statement on the application of corporate governance in the issuer's annual report (Article 72(7)(5)).

In 2026, in accordance with the aforementioned Regulation, the Company included a relevant statement in the "Management Board Report on the Activities of PGE Polska Grupa Energetyczna S.A. and the PGE Capital Group for the year ended 31 December 2025" regarding the application of corporate governance principles in 2025, which was made public on 15 April 2026.

The above statement contains information that complies with the requirements of the aforementioned Regulation, including:

- Information on the set of corporate governance principles to which the Company was subject in 2025,
- Information on deviations from the provisions of the corporate governance principles,
- A description of the key features of the internal control and risk management systems relating to the financial reporting process applied by the Company,
- Information on the Company's shareholders holding significant shareholdings,
- Information on the Company's shareholders holding special control rights,
- Description of restrictions on the exercise of voting rights attached to existing shares,
- Specification of any restrictions on the transfer of the title to securities issued by the Company,
- Information on the rules governing amendments to the Company's Articles of Association,
- A description of the functioning of the Company's General Meeting, its principal powers, and the rights of shareholders and the manner in which they are exercised,
- A description of the rules governing the appointment and removal of management and supervisory personnel, and their powers,
- Information on the composition and description of the activities of the Company's management and supervisory bodies and the committees of the Supervisory Board,
- Further information regarding the audit committee, including, amongst other things, compliance with the criteria of being independent, the knowledge and skills of committee members, and the policy for selecting an audit company,
- Information on the remuneration of the management of PGE S.A.,
- Information on shares and other securities,
- Description of the management structure at PGE S.A. and the division of responsibilities among the members of the Management Board,
- The role of the Management Board in the context of sustainable development,
- Information about the Sustainable Development Committee.

Furthermore, in compliance with Directive (EU) 2022/2464 of the European Parliament and of the Council (Corporate Sustainability Reporting Directive, CSRD) and the Accounting Act, PGE has prepared a

Sustainability Statement in accordance with the European Sustainability Reporting Standards (ESRS), which forms part of the Management Board's Report on the Activities of PGE Polska Grupa Energetyczna S.A. and the PGE Capital Group for the year ended 31 December 2025 and contains, amongst other things, information relating to corporate governance (Chapter 9.4 Information relating to corporate governance [ESRS G]).

The verification of the Company's compliance with its disclosure obligations regarding the application of corporate governance principles by the Supervisory Board of PGE was carried out as part of the assessment of the Management Board's Report on the Activities of PGE Polska Grupa Energetyczna S.A. and the PGE Capital Group for the year ended 31 December 2025.

The above demonstrates that the Company is complying with its disclosure obligations regarding the application of corporate governance principles, as set out in the Warsaw Stock Exchange Rules and the regulations governing current and periodic disclosures by issuers of securities.

11. An assessment of the validity of sponsorship and donation expenditure incurred by the company and its group, together with the value of such expenditure

SPONSORSHIP POLICY

The PGE Capital Group's sponsorship activities in 2025 were conducted in accordance with the "General Procedure – Rules for Conducting Sponsorship Activities at PGE Polska Grupa Energetyczna S.A. and Other Companies of the PGE Capital Group", which has been in force since 21 April 2021. This document set out the rules governing the planning, implementation and evaluation of sponsorship projects, ensuring that activities were consistent with the PGE Group's strategic objectives and applicable corporate regulations.

In April 2025, the Chancellery of the Prime Minister published a document entitled "Best Practices for sports sponsorship by companies in which the State Treasury holds a stake" (hereinafter "Best Sponsorship Practices"). PGE S.A.'s sports sponsorship activities in 2025 were carried out in accordance with the guidelines set out in this document; however, PGE's existing sponsorship policies already incorporated most of the provisions of the Best Sponsorship Practices at the time they were implemented.

During the 2025 financial year, work continued on the full implementation of the principles and guidelines set out in the Best Sponsorship Practices into the PGE Capital Group's internal regulations. The new General Procedure – Guidelines for sponsorship activities within the PGE Group companies, which fully incorporates the guidelines of the Chancellery of the Prime Minister, was adopted by PGE S.A. and came into force on 25 February 2026. Until the end of 2025, PGE S.A.'s sponsorship activities were conducted in accordance with the existing rules, which remained largely consistent with the guidelines set out in the Best Sponsorship Practices.

In accordance with the PGE Group's Strategy to 2030 (valid until June 2025), the key strategic objectives identified include: generating environmentally friendly energy, developing modern energy services, and operating as a streamlined and efficient organisation. The nature of PGE S.A.'s business, which encompasses energy distribution, generation and related activities, means that sponsorship initiatives – although they were not assessed according to separately codified regional criteria – were subject in each case to an analysis of social and reputational benefits, taking into account the location of the Company's assets and their significance for local communities.

Consequently, PGE S.A. has sought to support sporting and community initiatives in regions where its presence is a key component of the economic and social fabric. This approach is consistent with the objectives of the Best Sponsorship Practices, in particular with the principle of conducting sponsorship activities in a rational, transparent and socially responsible manner.

In 2025, PGE S.A.'s sponsorship activities were conducted in a manner consistent both with the PGE Group Strategy to 2030 in force at the start of the year and with the new PGE Group Strategy adopted in mid-

2025, which took into account market and macroeconomic changes and updated the Group's development priorities. The updated strategy placed greater emphasis on strengthening relations with local communities, supporting initiatives of high social value, and promoting physical activity, sports education for children and young people, and Olympic sports. The sponsorship projects carried out in 2025 were fully in line with these priorities, reinforcing the Company's long-term objectives in terms of brand image, social impact and reputation.

PGE S.A.'s sponsorship activities in 2025 were carried out in accordance with the "Annual Sponsorship Activity Plan of PGE Polska Grupa Energetyczna S.A. for 2025" (hereinafter "Sponsorship Activity Plan"), adopted by Management Board Resolution No. 47/17/2025 of 4 February 2025 and approved by Supervisory Board Resolution No. 491/XII/2025 of 10 March 2025. During the year, the Sponsorship Activity Plan was updated and adopted by Management Board Resolution No. 409/124/2025 of 12 September 2025, and subsequently approved by Supervisory Board Resolution No. 607/XII/2025 of 16 September 2025. The Sponsorship Activity Plan sets out planned sponsorship activities in the areas of sport, culture, and conferences and congresses, broken down by contractors, projects, objectives, implementation period and the amount of funds involved. Every sponsorship initiative with a net value of PLN 150,000 or more was assessed for effectiveness, both before and after its completion. These assessments were prepared in the form of reports drawn up by an external specialist organisation. The overall effectiveness of completed and audited sponsorship projects, calculated as the ratio of the advertising equivalent value to expenditure incurred in 2025, stood at 773.15%.

The total value of PGE S.A.'s sponsorship expenditure in 2025 amounted to PLN 74,945,000, of which:

- sports sponsorship – PLN 57,950,000,
- cultural sponsorship – PLN 13,755,000,
- conferences and congresses - PLN 2,290,000,
- sponsorship reserve used – PLN 950,000.

PGE S.A.'s sponsorship activities in 2025 were carried out in accordance with the structure of the sponsorship programmes set out in the Sponsorship Activity Plan, as subsequently amended in the Sponsorship Activity Plan update of September 2025. Adopting this structure made it possible to manage the portfolio of sponsorship projects effectively, to focus resources on selected areas, and to achieve synergies between projects of a similar nature and with similar objectives.

1. "MOCna Liga PGE" (PGE Power League)

In 2025, the "MOCna Liga PGE" programme was the cornerstone of PGE S.A.'s professional sports sponsorship and comprised projects with the highest national profile and brand impact.

The following activities were continued as part of the programme:

- title sponsorship of the National Stadium named after Kazimierz Górski – PGE Narodowy,
- title sponsorship of the PGE Ekstraliga, the world's top speedway league, which also includes the Ekstraliga International Individual Championships.

In addition, as part of the "MOCna Liga PGE", sponsorship projects were carried out for professional sports clubs in the top divisions, including:

- PGE Wybrzeże Gdańsk (men's handball),
- PGE Spójnia Stargard (men's basketball),
- PGE Start Lublin and PGE MKS FunFloor Lublin (women's basketball and handball).

The programme focused on sports with high viewership and media coverage, whilst also taking into account the location of PGE S.A.'s assets and business presence, which helped to build lasting relationships with local communities.

2. "PGE Siatka Mocy" (PGE Power Net)

In 2025, the "PGE Siatka Mocy" programme was one of PGE S.A.'s key sponsorship initiatives, capitalising on the popularity of volleyball as one of the most widely watched and played sports in Poland.

The programme included, amongst other things:

- title sponsorship of PGE Projekt Warszawa (men's volleyball),
- sponsorship of PGE Grot Budowlani Łódź (women's volleyball),
- event projects and special competitions, such as the Polish Volleyball League Grand Prix,
- amateur activities and initiatives to promote volleyball.

The programme enabled the seamless integration of sponsorship activities at professional, youth and amateur levels, reinforcing PGE S.A.'s image as a promoter of team sports and an active lifestyle.

3. “Moc Wiatru i Wody” (The Power of Wind and Water)

The “Moc Wiatru i Wody” programme involved sponsoring sports associations and events related to sports that make use of natural elements, in particular water and wind, which was in line with the PGE Group’s energy transition strategy.

In 2025, the programme involved collaboration with, amongst others:

- the Polish Sailing Association,
- the Polish Kayak Association,
- the Polish Swimming Federation,
- the Sopot Sailing Club,
- projects such as Gdynia Sailing Days.

The programme supported both competitive sport at national level and initiatives to promote physical activity among children, young people and families.

4. “Zimowa Energia z PGE” (Winter Energy from PGE)

The “Zimowa Energia z PGE” programme involved sponsoring winter sports, with a particular focus on speed skating and figure skating.

In 2025, PGE S.A. retained its status as the main sponsor of:

- Polish Speed Skating Federation,
- Polish Figure Skating Federation.

This collaboration included support for national teams at major championship events, including Olympic-level competitions, as well as programmes to promote winter sports among children and young people (such as the ‘Come Ice Skating’ (“Chodź na łyżwy”) initiative).

5. “Moc Ciała i Umysłu” (Power of Body and Mind)

The “Moc Ciała i Umysłu” programme focused on sports that combine physical exertion with strategic and intellectual elements.

As part of the programme in 2025, cooperation took place with, amongst others:

- the Polish Chess Federation,
- the Polish Tennis Association.

The aim of the programme was to promote the all-round development of athletes and to inspire young people to combine physical activity with the development of cognitive skills.

6. PGE Junior

The “PGE Junior” programme formed the basis of PGE S.A.’s sponsorship activities in the field of sport for children and young people.

In 2025, the programme included:

- sponsorship of sports academies in various disciplines,
- support for local youth clubs,
- nationwide projects, including initiatives carried out in collaboration with sports leagues and associations.

The programme enabled the development of long-term training pathways and helped achieve PGE S.A.’s social objectives regarding the promotion of physical activity among children and young people.

In the area of sports sponsorship, PGE S.A. supported numerous organisations operating within sports associations in 2025, as well as initiatives carried out outside the framework of such associations. Every project, regardless of the organiser’s status, was subject to a standardised assessment of its marketing, business and image aspects. This approach ensured both compliance with the government’s sports policy and the prudent use of sponsorship funds.

PGE S.A. did not apply the principle of excluding non-association events in its entirety, given the specific nature of the Polish sports system, in which many valuable and socially necessary initiatives operate outside the structures of sports associations. Introducing such a rule without exceptions would limit the ability to reach local communities and support grassroots sport, which plays a vital role in promoting physical activity, a healthy lifestyle and social integration.

At the same time, PGE S.A. focused on supporting Olympic sports, national teams and the development of young talent, including athletes with high potential but limited media exposure. A key element of the sponsorship programme was the PGE Junior initiative, which involved supporting sports academies and youth and children’s training centres, thereby facilitating the development of a long-term training pathway.

In 2025, PGE S.A. supported, amongst others, the Polish Figure Skating Association and the Polish Speed Skating Association, whose representatives competed on the international stage in kits bearing the PGE logo, as well as individual athletes, including Klaudia Zwolińska, a white-water kayaking.

7. “PGE Kulturalna Grupa Energetyczna” (PGE Cultural Energy Group)

The “PGE Kulturalna Grupa Energetyczna” programme involved sponsoring cultural institutions and artistic events of national, regional and local significance.

In 2025, PGE S.A. carried out the following activities as part of the programme:

- patronage of concert halls across the country,
- support for national museums and cultural institutions,
- sponsorship of cultural and educational events.

The programme played a key role in implementing PGE S.A.’s ESG strategy, enhancing access to cultural and educational activities across various regions of Poland.

8. PGE: a leader in transformation

The “PGE Leader of Transformation” programme involved sponsoring conferences, congresses and industry events related to the energy sector, the energy transition, innovation and sustainable development.

In 2025, the programme enabled:

- presenting PGE S.A. as an expert and a leader in driving change within the energy sector,
- building relationships with market stakeholders,
- participation in the public debate on the future of the energy sector.

The programme structure adopted in 2025 made it possible to focus resources on clearly defined areas of sponsorship, thereby increasing the transparency of the project portfolio and the effectiveness of the activities carried out.

Charitable and community work

The scope of corporate social responsibility initiatives implemented in 2025 was based on the objectives set out in the PGE Capital Group’s strategy, as well as the United Nations Sustainable Development Goals (SDGs), in particular:

Objective 7. Affordable and clean energy,

Objective 11. Sustainable cities and communities,

Objective 12. Responsible consumption and production,

Objective 13. Climate action.

The initiatives undertaken and partnerships developed in the area of social engagement support the achievement of the PGE Capital Group’s business objectives and help to build lasting relationships with stakeholders.

The PGE Capital Group submits examples of Best Practice each year to the Responsible Business Forum’s report, “Responsible Business in Poland. Good practices.” In 2025, all five initiatives submitted by the PGE Capital Group, relating to activities carried out in 2024, were published.

The initiatives highlighted in the publication include:

- Safety around overhead power lines;
- Health and Safety campaign: “Don’t leave only emptiness behind”;
- The “ESG Unveiled” podcast series;
- Environmentally friendly customer service;
- Autumn in the colours of health.

Key projects to be implemented in 2025:

- **“Autumn in the colours of health”**

In 2025, the PGE Group ran another edition of its health promotion project aimed at employees. The activities included an autumn series of preventive health checks and specialist consultations available directly at the workplace, and were aimed at fostering a culture of health awareness and promoting a proactive approach to personal wellbeing.

- **“Together against depression”**

In 2025, the PGE Group launched the “Together Against Depression” project, which forms a key part of its efforts to support employees’ mental health. The aim of the initiative is to raise awareness of depression

and encourage openness to discussing difficult emotions – both in the workplace and beyond. A series of webinars led by psychologists and psychiatrists was held in the first half of the year.

- **“The Power of Diversity”**

Since 2025, the PGE Capital Group has been implementing the “Power of Diversity” project, which aims to consciously develop the organisational culture in the areas of diversity, equity and inclusion (DEI). The initiative promotes a better understanding of the needs of employees with diverse abilities, helps to create an accessible working environment, and identifies and removes barriers that prevent full participation in working life. The project helps to foster a modern, responsible and supportive workplace.

- **“A lesson for the future – energy for generations”**

The project has been running in primary schools since 2025 and is aimed at pupils in Years 7 and 8, introducing them to the world of energy, technology and sustainable development. Its main aim is to inspire young people to explore modern energy solutions and issues relating to the future of the energy sector. The initiative combines modern teaching methods with practical knowledge, demonstrating how rapidly the industry is changing and which skills will be essential in the future job market.

- **“Sharing the warmth”**

In 2025, PGE Energia Ciepła S.A. continued to run the “Sharing the warmth” programme, aimed at customers in need of support. As part of the initiative, the company provided subsidies towards heating and hot water bills for socially vulnerable institutions, such as nurseries, hospitals and care homes, helping them to carry out their work and strengthening local communities.

- **Information campaign for farmers – “Stay safe with PGE Dystrybucja”**

In 2025, PGE Dystrybucja S.A. continued its awareness campaign aimed at farmers and field workers, with the aim of raising awareness and promoting safe behaviour in the vicinity of electrical equipment. The initiatives carried out under the slogan “Stay safe with PGE Dystrybucja” helped to reduce the likelihood of accidents involving people and agricultural machinery.

- **Information campaign for sailors – “Stay safe with PGE Dystrybucja”**

In 2025, PGE Dystrybucja S.A., out of concern for the safety of local communities, continued its information campaign on the safety of sailors on the waterways of the Great Masurian Lakes.

-As part of these activities, maps of overhead power lines running over the waters of northern and eastern Poland, prepared by staff at the aforementioned company, were used; these enabled the training of skippers and yacht crews on the risks involved and the locations where masts must be lowered.

- **The Energy Schoolbag**

In 2025, PGE Górnictwo i Energetyka Konwencjonalna S.A. donated 372 school starter kits to Year 1 pupils from the most disadvantaged families in five provinces: Łódź, Silesia, Lower Silesia, Opole and West Pomerania.

- **Safety for the youngest – Children’s Safety School**

In 2025, PGE Dystrybucja S.A. continued its educational initiatives aimed at children and young people on the safe use of electrical appliances and – a particularly important topic at present – energy efficiency. Company staff hold meetings on safety rules when using electrical equipment and on how to behave around electrical installations.

- **Blood donation**

“Blood, not water – don’t be indifferent” is an initiative that has become a permanent fixture in the PGE Capital Group’s calendar of social activities and has been providing tangible support to those most in need for many years. There are seven honorary blood donors clubs within the PGE Group, with a total of 601 members.

- **The “HEATING in a Box” educational programme**

April 2025 saw the conclusion of the third edition of the educational programme, which had been running since November 2024 and was organised by PGE Energia Ciepła S.A. and PGE Toruń S.A. in collaboration with the Młyn Wiedzy Centre of Modernity in Toruń. Over 3,000 primary and secondary school pupils from across Poland took part. The aim of the project is to raise awareness among schoolchildren about the production, use and conservation of heat, as well as to spark young people’s interest in physical phenomena and the natural sciences.

The most important special events and initiatives supported by PGE Volunteers:

- The “Give the gift of Christmas” campaign – aimed at children in care homes across Poland;

- A Christmas gift drive for senior citizens and residents of a care home;
- “Szlachetna Paczka” (Nobel Gift): support for the next edition of the campaign;
- Forests Full of Energy.

In 2025, the PGE Capital Group’s activities included the implementation of projects aimed at preserving and enhancing biodiversity, including, amongst others:

- The Energy of Nature’s Rhythm – collaboration with National Parks;
- Support for initiatives to protect storks;
- Restoring the peregrine falcon population;
- Nesting boxes for swifts and house martins.

PGE Foundation

The PGE Foundation also carries out socially responsible initiatives, which form a key part of the PGE Capital Group’s corporate social responsibility. The Foundation’s aim is to organise and strengthen the company’s social activities, ensure transparency in its operations, as well as to facilitate communication regarding social initiatives and contribute to building a positive image for the PGE Group.

Through donations and the implementation of its own and partner projects, the Foundation supports social initiatives and carries out work in the fields of science and education, environmental activities and conservation, healthcare, culture and the arts, and volunteering. In addition, the Foundation provides financial support to employees of the PGE Capital Group and their immediate families when they face difficult circumstances. In 2025, the PGE Foundation received 847 requests for donations; 462 of these were approved, totalling PLN 13,760,863.23. The Foundation has received 10 donations from companies within the PGE Group: 3 in the second quarter, 5 in the third quarter, and the remainder in the fourth quarter of 2025

As part of its financial support, the Foundation made donations to institutions of the following nature:

- environmental organisations, including thirteen national parks, the League for Nature Conservation (Ligi Ochrony Przyrody), ornithological societies and other organisations working to protect nature and the climate. The donations received have enabled the implementation of projects promoting biodiversity and environmental education;
- social initiatives, including “Gmina Napędzana Wiatrem” (Wind-Powered Community) and “Dzielimy się ciepłem” (Sharing the Warmth).

In 2025, the Foundation carried out 18 projects. The scope of the projects was determined by the areas of activity of the PGE Group and the Foundation’s statutory objectives, with a particular focus on industry-specific education and raising awareness of energy security. The most important projects are:

- “Farma Dobrej Energii” (the Good Energy Farm) – raising awareness of offshore wind energy;
- “Olimpiada Wiedzy o Elektrotechnice i Energetyce” (Electrical Engineering and Energy Knowledge Competition) – vocational education; involving nearly 2,500 students from over 100 vocational schools;
- “Energetyczne Centrum Nauki” (The Energy Science Centre) in Kielce – the PGE Foundation has become a Patron of Science at the Centre;
- “Konkurs Grantowy Fundusz Inicjowania Rozwoju” (Development Initiation Fund Grant Scheme) – a Pomeranian programme supporting cross-sectoral social initiatives;
- The 5th National Competition for Local Government Units for the Most Energy-Efficient Local Authority – in collaboration with the Ignacy Łukasiewicz Institute of Energy Policy;
- The 4th edition of the “Encounters with Art” competition – cultural and arts education, countering restrictions on access to Poland’s most important cultural institutions. The competition received 3,254 entries (compared to around 500 in the first edition), and nearly 6,300 primary school pupils are taking part in museum lessons; the National Museums in Wrocław and Szczecin have joined the competition; the competition is held under the honorary patronage of the Minister of National Education and the Minister of Culture and National Heritage, with media patronage provided by TVP and niezlasztuka.pl;
- “Podkarpacka Mini Olimpiada Przedszkolaka” (the Podkarpacie Mini Kindergarten Games) – a project promoting the development of sporting activity and social skills;
- “Wolontariat Dobrej Energii” (Good Energy Volunteering) – 20 projects were carried out, with 332 volunteers taking part in a variety of projects to benefit local communities;

- “Nasz lek to śmiech” (Our medicine is laughter) – a charity project aimed at children in hospital and elderly people in care homes;
- Gift parcels for children in care homes;
- Academic and sports scholarships for outstanding achievements in study or sport; a programme aimed at children (Years (6-8) of employees of the PGE Group;
- “Polska na TAK” (Poland Says YES) – a project aimed at preserving national traditions and fostering Polish identity.
- The total cost of carrying out statutory tasks (donations and projects) amounted to PLN 19,969,853.

The Supervisory Board has given a positive assessment of the Company’s and the PGE Group companies’ activities in the area of sponsorship and donations.

12. Analysis and assessment of the operations of the PGE Capital Group, in conjunction with the assessment of the PGE Capital Group’s consolidated financial statements

PGE S.A. is the parent company of the PGE Group, whose operations are organised into eight operating segments: Renewable Energy, Gas-Fired Generation, Coal-fired Power Generation, District Heating, Distribution, Railway Energy Services, Trading, Other Operations.

CHANGES TO THE ORGANISATION OF THE PGE GROUP

Company formation

On 26–27 May 2025, PGE S.A. incorporated four single-member limited companies with the following names: PGE Inwest 28 sp. z o.o., PGE Inwest 29 sp. z o.o., PGE Inwest 30 sp. z o.o. and PGE Inwest 31 sp. z o.o. The share capital of each company amounts to PLN 300,000. On 28–29 May 2025, the above-mentioned companies were entered in the Register of Entrepreneurs of the National Court Register (‘KRS’).

On 20 August 2025, PGE S.A. established two single-member limited companies with the following names: PGE Inwest 33 sp. z o.o. and PGE Inwest 34 sp. z o.o. The share capital of each company amounts to PLN 5,000. On 17 and 24 September 2025, the above-mentioned companies were registered in the National Court Register.

On 2 October 2025, PGE S.A. established four single-member limited companies with the following names: PGE Inwest 35 sp. z o.o., PGE Inwest 36 sp. z o.o., PGE Inwest 37 sp. z o.o. and PGE Inwest 38 sp. z o.o. The share capital of each company amounts to PLN 5,000. Between 7 and 27 November 2025, the above-mentioned companies were registered with the National Court Register.

On 5 November 2025, PGE Energia Ciepła S.A. incorporated a single-member limited liability company with the following name: PGE EC Operator sp. z o.o. The company’s share capital amounts to PLN 50,000. On 27 January 2026, the company was registered with the National Court Register.

The acquisition, subscription or disposal of shares by companies within the PGE Group

On 15 October 2025, a preliminary conditional agreement for the sale of shares in PGE PAK Energia Jądrowa S.A. (now PGE Energia Jądrowa S.A.) was concluded between PGE S.A. as the buyer and ZE PAK S.A. as the seller, pursuant to which PGE S.A. and ZE PAK S.A. undertook to enter into a definitive agreement for the sale of 50% of the shares in PGE Energia Jądrowa S.A. to PGE S.A. On 17 October 2025, following the fulfilment of a specific condition precedent, PGE S.A. and ZE PAK S.A. entered into the definitive sale agreement referred to above, pursuant to which PGE S.A. acquired from ZE PAK S.A. 50% of the shares in PGE Energia Jądrowa S.A. and became the sole shareholder of PGE Energia Jądrowa S.A., holding 100% of the shares in that company; the acquisition of the shares, in accordance with Article 328⁹ of the Commercial Companies Code, took effect upon the relevant entry being made in the register of shareholders of PGE Energia Jądrowa S.A. – this entry was made on 20 October 2025.

On 23 October 2025, a sale agreement was concluded between PGE S.A. as the buyer and ENEA S.A. as the seller for the sale of 33.76% of the shares in Elektrownia Wiatrowa Baltica-6 sp. z o.o., as a result of which PGE S.A. became the sole shareholder of that company, holding 100% of its shares. The transfer of

ownership of the aforementioned shares to PGE S.A. took place upon the conclusion of the share sale agreement.

On 1 December 2025, an agreement was concluded between PGE S.A. (as the buyer) and PGE Energia Ciepła S.A. (as the seller) for the sale of 100% of the shares in PGE Paliwa sp. z o.o., as a result of which PGE S.A. became the sole shareholder of that company, holding 100% of its shares. The transfer of ownership of the aforementioned shares to PGE S.A. took place on the date the share sale agreement was concluded, i.e. on 1 December 2025.

On 19 December 2025, a sale agreement was concluded between PGE S.A. as the buyer and ENEA S.A. as the seller for the sale of 33.92% of the shares in Elektrownia Wiatrowa Baltica-4 sp. z o.o., as a result of which PGE S.A. became the sole shareholder of that company, holding 100% of its shares. The transfer of ownership of the aforementioned shares to PGE S.A. took place on the date the share sale agreement was concluded, i.e. 19 December 2025.

On 28 January 2026, a preliminary conditional agreement for the sale of shares in Wind Farm Łada sp. z o.o. was concluded between PGE Energia Odnawialna S.A. as the buyer and Green Energy Holding sp. z o.o. as the seller, as a result of which PGE Energia Odnawialna S.A. and Green Energy Holding sp. z o.o. undertook to conclude a definitive agreement for the sale of 100% of the shares in Wind Farm Łada sp. z o.o. to PGE Energia Odnawialna S.A. On 29 January 2026, following the fulfilment of certain conditions precedent, the final sale agreement was concluded and the aforementioned shares were acquired on that date.

On 25 November 2025, a conditional agreement was concluded between Elektrownia Wiatrowa Baltica 9 sp. z o.o. as the buyer and RWE Renewables International Participations B.V. as the seller for the sale of 100% of the shares in RWE Offshore Wind Poland sp. z o.o. On 10 March 2026, following the fulfilment of the conditions set out in the aforementioned agreement, Elektrownia Wiatrowa Baltica 9 sp. z o.o. acquired 100% of the shares in RWE Offshore Wind Poland sp. z o.o.

On 13 February 2026, a conditional agreement was concluded between PGE Energia Ciepła S.A. as the buyer and Gdańskie Przedsiębiorstwo Energetyki Ciepłej sp. z o.o. as the seller for the sale of 50% of the shares in DKRB Gdańsk sp. z o.o., under which the parties undertook to enter into an agreement to transfer ownership of those shares (disposal agreement) to PGE Energia Ciepła S.A., provided that the condition set out in that agreement is met. On 19 March 2026, following the fulfilment of a specific condition precedent, the share transfer agreement (disposal agreement) referred to above was concluded, as a result of which PGE Energia Ciepła S.A. acquired 50% of the shares in DKRB Gdańsk sp. z o.o. The transfer of ownership of the aforementioned shares to PGE Energia Ciepła S.A. took place on the date of conclusion of the aforementioned disposal agreement, i.e. 19 March 2026.

Mergers

On 15 April 2025, the Extraordinary General Meeting of PGE Energia Odnawialna S.A. (the acquiring company) and the Extraordinary General Meetings of the shareholders of Mithra D, F, G, H, I, K, M, N, O and P sp. z o.o. (the acquired companies) adopted resolutions to merge the companies by way of acquisition, by transferring all the assets of the acquired companies to the acquiring company without issuing new shares in the acquiring company, and to dissolve the acquired companies without winding them up.

PGE Energia Odnawialna S.A. was the sole shareholder of the acquired companies. On 5 May 2025, the entry was made in the National Court Register (the date of the merger).

On 07 October 2025, the Extraordinary General Meeting of PGE Energia Odnawialna S.A. (the acquiring company) and the Extraordinary General Meetings of the shareholders of LongWing Polska sp. z o.o. and PGE Soleo 2 sp. z o.o. (the acquired companies) adopted resolutions to merge the companies by way of acquisition, by transferring all the assets of the acquired companies to the acquiring company without issuing new shares in the acquiring company in exchange for the shares of the acquired companies, and to dissolve the acquired companies without winding them up. PGE Energia Odnawialna S.A. was the sole shareholder of the acquired companies. On 03 November 2025, the entry was made in the National Court Register (the date of the merger).

Demerger of companies

On 22 October 2025, the Extraordinary General Meetings of the shareholders of Energoserwis Kleszczów sp. z o.o. (the company being split) and ELMEN sp. z o.o. (the acquiring company) adopted resolutions concerning the division of the company being split by spin-off pursuant to Article 529(1)(4) of the Commercial Companies Code (division by spin-off) by transferring to ELMEN sp. z o.o. a part of assets of the company being split constituting an organised part of the enterprise (OPE), within which construction and assembly activities are carried out, together with the associated liabilities, receivables and other assets. The transfer of OPE to the acquiring company was effected by reducing the share capital of the company being split through the cancellation of all shares in the company being split held by PGE S.A., and by increasing the share capital of the acquiring company through the creation of new shares in the acquiring company. In exchange for the shares in the company being split that were cancelled, PGE S.A. acquired all the new shares in the increased share capital of the acquiring company. Prior to the aforementioned transaction, PGE S.A. held a 51% stake in the share capital of Energoserwis Kleszczów sp. z o.o., whilst 100% of the shares in the share capital of ELMEN sp. z o.o. were held by PGE GiEK S.A. On 28 October 2025, a reduction in the share capital of Energoserwis Kleszczów sp. z o.o. was entered in the National Court Register, and on 2 January 2026, an increase in the share capital of ELMEN sp. z o.o. was entered in the National Court Register (the date of the spin-off).

On 3 November 2025 the Extraordinary General Meeting of PGE Energetyka Kolejowa S.A. (the company being split) and the Extraordinary General Meeting of Shareholders of PGE Energetyka Kolejowa Obsługa sp. z o.o. (acquiring company) (current name: PGE Energetyka Kolejowa Operator sp. z o.o. adopted resolutions regarding the division of PGE Energetyka Kolejowa S.A. by way of a spin-off pursuant to Article 529(1)(4) of the Commercial Companies Code (division by spin-off) through the transfer of assets to PGE Energetyka Kolejowa Operator sp. z o.o. (the acquiring company) part of the assets of the company being split, in the form of a branch of that company operating under the name: PGE Energetyka Kolejowa S.A. Warsaw Branch – Dystrybucja Energii Elektrycznej, forming part of OPE. The transfer of the OPE was effected by reducing the share capital of the company being split and increasing the share capital of the acquiring company. PGE Energetyka Kolejowa Holding sp. z o.o. is the sole shareholder of the company being split and the sole partner of the acquiring company. On 2 January 2026, an entry was made in the National Court Register regarding the reduction of the share capital of PGE Energetyka Kolejowa S.A. and the increase in the share capital of PGE Energetyka Kolejowa Operator sp. z o.o. (the date of the spin-off).

Winding up and bankruptcy of companies

On 1 March 2021, the Extraordinary General Meeting of Shareholders of PGE Trading GmbH, based in Berlin, in which PGE S.A. holds a 100% stake, passed a resolution to wind up the company and appoint a liquidator to carry out the liquidation proceedings. The company is currently in the process of being wound up.

On 26 January 2023, the Extraordinary General Meeting of Shareholders of Railen GmbH, in which PGE Energetyka Kolejowa Holding sp. z o.o. holds 100% of the share capital, adopted a resolution, effective from 31 January 2023, to wind up the company and appoint a liquidator to carry out the liquidation proceedings. By order of 15 May 2025, the Insolvency Court opened insolvency proceedings in respect of the company's assets as the debtor and appointed an insolvency administrator. Insolvency proceedings against the company are currently underway.

On 2 June 2025, the Extraordinary General Meeting of Shareholders of Energetyka Kolejowa Obrót sp. z o.o. passed a resolution to wind up the company and appoint a liquidator to carry out the liquidation proceedings. On 20 April 2026, the company was removed from the Register of Companies.

On 2 June 2025, the Extraordinary General Meeting of Shareholders of Remton Investments sp. z o.o., in which PGE Energetyka Kolejowa Holding sp. z o.o. holds a 100% stake in the share capital, passed a resolution to wind up the company and appoint a liquidator to carry out the liquidation proceedings. The company is currently in the process of being wound up.

On 23 December 2025, the Meeting of Creditors of Railen Baltics, UAB, based in Vilnius, in which PGE Energetyka Kolejowa Holding sp. z o.o. holds 100% of the share capital, adopted resolutions pursuant to which it decided to initiate insolvency proceedings against the company through out-of-court procedure and appointed an insolvency administrator. Insolvency proceedings against the company are currently underway.

Restructuring of companies

On 21 June 2022, the District Court in Rzeszów opened restructuring proceedings in respect of ENESTA sp. z o.o. and appointed an administrator for those proceedings in accordance with the provisions of the Restructuring Law. On 15 August 2025, the decision approving the arrangement adopted at the Meeting of Creditors on 16 June 2025 became final, thereby bringing the restructuring proceedings of ENESTA sp. z o.o. to a close. Furthermore, in accordance with the Restructuring Law, the Administrator has become the Supervisor of the implementation of the arrangement with creditors, and ENESTA sp. z o.o. has regained the right to manage its own assets.

KEY FINANCIAL RESULTS OF THE PGE CAPITAL GROUP

Table: Key financial figures for the PGE Group (PLN million).

Key financial data	Q4 2025	Q4 2024 ¹	Change	Change %	2025	2024 ¹	Change	Change %
Sales revenue	16,678	17,627	-949	-5%	61,434	64,483	-3,049	-5%
Reported EBIT	-436	-3,756	3,320	-88%	-2,460	400	-2,860	-
Recurring EBIT	1,329	2,819	-1,490	-53%	8,873	6,802	2,071	30%
Reported EBITDA	1,137	5,082	-3,945	-78%	11,427	12,680	-1,253	-10%
Reported EBITDA margin	7%	29%			19%	20%		
Recurring EBITDA	2,332	4,052	-1,720	-42%	12,892	11,343	1,549	14%
Recurring EBITDA margin	14%	23%			21%	18%		
Net profit/loss	3,185	-5,434	8,619	-	-3,394	-2,623	-771	29%
Capital expenditure (on an accrual basis)	3,463	3,468	-5	0%	11,117	10,719	398	4%
Net cash from operating activities	38	-3,813	3,851	-	13,486	10,806	2,680	25%
Net cash from investing activities	-4,235	-2,906	-1,329	46%	-11,406	-10,300	-1,106	11%
Net cash from financing activities	1,344	2,208	-864	-39%	4,366	-2,176	6,542	-

Key financial data	31 December 2025	31 December 2024	Change	Change %
Working capital	-3,279	-7,024 ¹	3,745	-53%
Net debt	4,207 ²	9,531 ³	-5,324	-56%
Net debt /reported LTM EBITDA ⁴	0.37x	0.75 ^{1,3} x		
Net debt /recurring LTM EBITDA ⁴	0.33x	0.84 ^{1,3} x		
Adjusted net debt ⁵ /reported LTM EBITDA ⁴	0.23x	-		
Adjusted net debt ⁵ /recurring LTM EBITDA ⁴	0.21x	-		

One-off events affecting reported EBITDA	Q4 2025	Q4 2024	Change	Change %	2025	2024	Change	Change %
Provision for the settlement of the Price Difference Payment Fund (PDP) Fund with the Energy Regulatory Office	-605	0	-605	-	-605	0	-605	-
Change in the restoration provision ⁶	-356	642	-998	-	-435	622	-1,057	-
Provision for the restructuring of the Dolna Odra Power Station	5	0	5	-	-228	0	-228	-
Write-down of strategic stocks	6	0	6	-	-129	0	-129	-
Voluntary Redundancy Scheme (VRS)	-14	-3	-11	367%	-78	-5	-73	>1,000%
Change in the actuarial provision	-41	15	-56	-	-61	15	-76	-
Insurance against loss of profit caused by delays in the completion of a project	-42	0	-42	-	-42	0	-42	-
Adjustment to the provision for the Price Difference Payment Fund for the previous period	0	208	-208	-	-23	208	-231	-
Recognition of impairment losses on receivables of PKP Cargo S.A. LTC (long-term contracts) compensation	0	-1	1	-	0	-121	121	-
Adjustment of electricity compensation for the previous period	5	7	-2	-29%	35	4	31	775%
Release of the provision for a one-off benefit – spin-off of NABE	105	162	-57	-35%	170	614	-444	-72%
	0	0	0	-	187	0	187	-

Other	-258	0	-258	-	-256	0	-256	-
Total	-1,195	1,030	-2,225	-	-1,465	1,337	-2,802	-

¹ The restatement of comparative figures is described in Note 5 to the consolidated financial statements.

² The net financial debt figure includes loans from the National Recovery and Resilience Plan (NRRP) measured at amortised cost. The estimated net economic debt (taking into account future payments for CO₂ emission allowances) amounts to PLN 15,809 million.

³ Net debt and ratios as at 31 December 2024 have been adjusted to reflect the calculation method required by the bank covenants (with regard to leases under IFRS 16); the net debt figure of PLN 11,045 million was originally reported as at 31 December 2024.

⁴ LTM EBITDA – EBITDA for the 12 months ending on the reporting date.

⁵ Ratios adjusted for the value of the Project Finance liability and the funds of offshore companies, in accordance with the calculation method used for bank covenants.

⁶ The effect of changes in the discount rate and the valuation of the restoration provision resulting from changes in other assumptions.

Table: Key financial figures for the PGE Capital Group over the past 5 years (PLN million).

Key financial data	2025	2024 ¹	Change	Change %	2023	2022	2021
Sales revenue	61,434	64,483	-3,049	-5%	95,964	73,435	52,772
Reported EBIT	-2,460	400	-2,860	-	-3,431	4,299	5,123
Recurring EBIT	8,873	6,802	2,071	30%	5,963	2,866	3,933
reported EBITDA	11,427	12,680	-1,253	-10%	10,028	8,657	9,535
Recurring EBITDA	12,892	11,343	1,549	14%	10,722	7,120	8,129
One-off events ²	-1,465	1,337	-2,802	-	-694	1,537	1,406
Net profit/loss	-3,394	-2,623	-771	29%	-4,902	3,390	3,945
Net debt	4,207	9,531 ³	-5,324	-56%	9,664 ³	-3,630 ³	3,311 ³
Net debt /reported LTM EBITDA	0.37	0.75 ³			0.96 ³	-0.42 ³	0.35 ³
Net debt /recurring LTM EBITDA	0.33	0.84 ³			0.90 ³	-0.51 ³	0.41 ³
Working capital	-3,279	-7,024	3,745	-53%	-7,107	-1,250 ⁴	890
Capital expenditure	11,117	10,719	398	4%	10,167 ¹	7,053	4,662

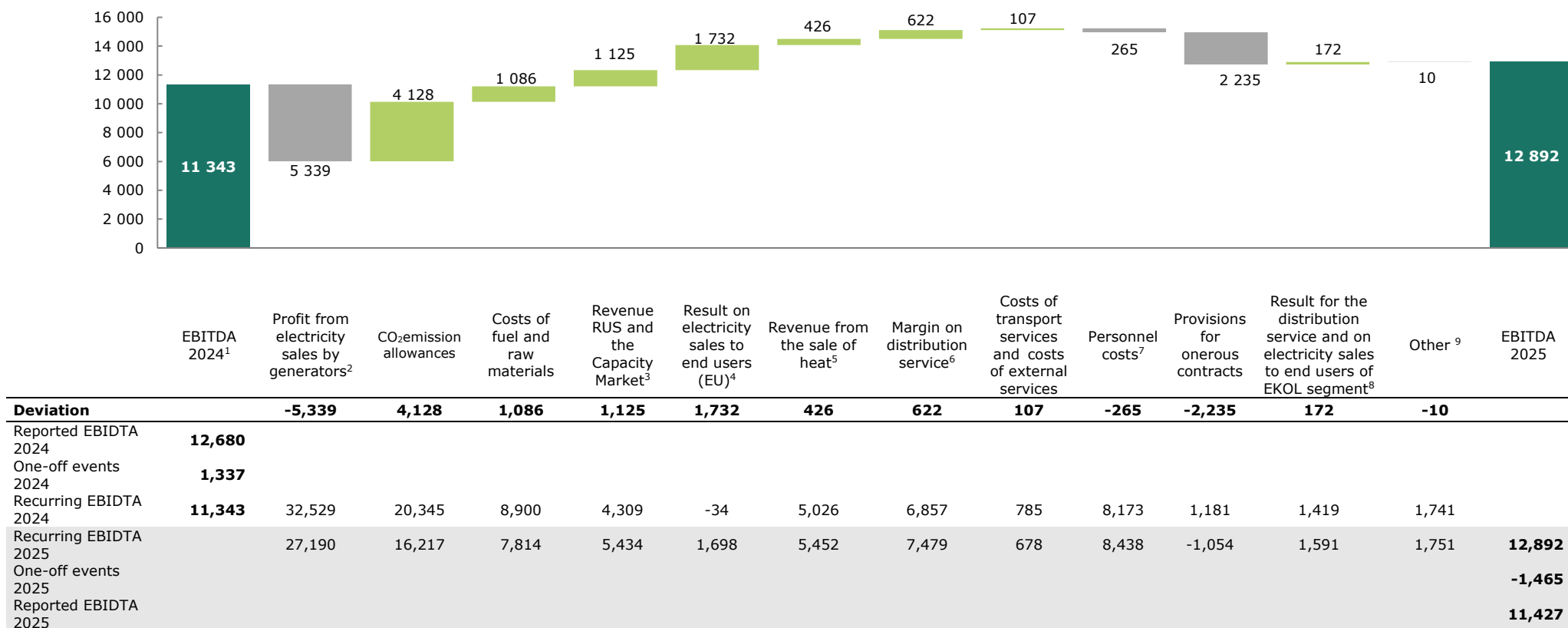
¹ The restatement of comparative figures is described in Note 5 to the consolidated financial statements.

² One-off events at EBITDA level.

³ Net debt and ratios for comparable periods have been adjusted to reflect the calculation method in accordance with bank covenants (in respect of leases under IFRS 16); the net debt figures originally presented were: as at 31 December 2024 in the amount of PLN 11,045 million, as at 31 December 2023 in the amount of PLN 11,121 million, as at 31 December 2022 in the amount of PLN -2,656 million and as at 31 December 2021 in the amount of PLN 4,228 million.

⁴ Restatement of comparative figures to ensure greater consistency in the financial data presented.

Diagram: Key factors influencing the PGE Group's EBITDA (PLN million).



¹ The financial data for 2024 has been adjusted to ensure comparability.

² Revenue from the sale of electricity, net of the cost of purchasing electricity and costs directly related to electricity generation – the figures for 2024 have been adjusted to reflect the current method of data presentation.

³ Including revenue from balancing services.

⁴ Taking into account compensation and margin adjustments on the PGE Group's PM; excluding the re-estimation of balance sheet differences; EU – end users.

⁵ Taking compensation into account.

⁶ Taking into account revenue from distribution services, compensation, PSE S.A.'s transmission service costs, the balance of transfer and transit charges, and the cost of purchasing electricity to cover the balance difference; excluding the estimated cost of the balance difference.

⁷ Excluding the actuarial provision, the Voluntary Redundancy Scheme, the provision for the restructuring of the Dolna Odra Power Station and other non-recurring items.).

⁸ Taking compensation into account.

⁹ Excluding: LTC compensation, adjustments to electricity compensation for the previous period, release of the provision for a one-off payment – spin-off of NABE, write-downs on receivables from PKP Cargo S.A., write-down of strategic stocks, provisions for land restoration, adjustments to the PDP Fund write-down for the previous period, provisions for the settlement of the PDP Fund with the Energy Regulatory Office (URE), insurance against loss of profit caused by delays in the implementation of investments (one-off events).

NET DEBT OF THE PGE CAPITAL GROUP

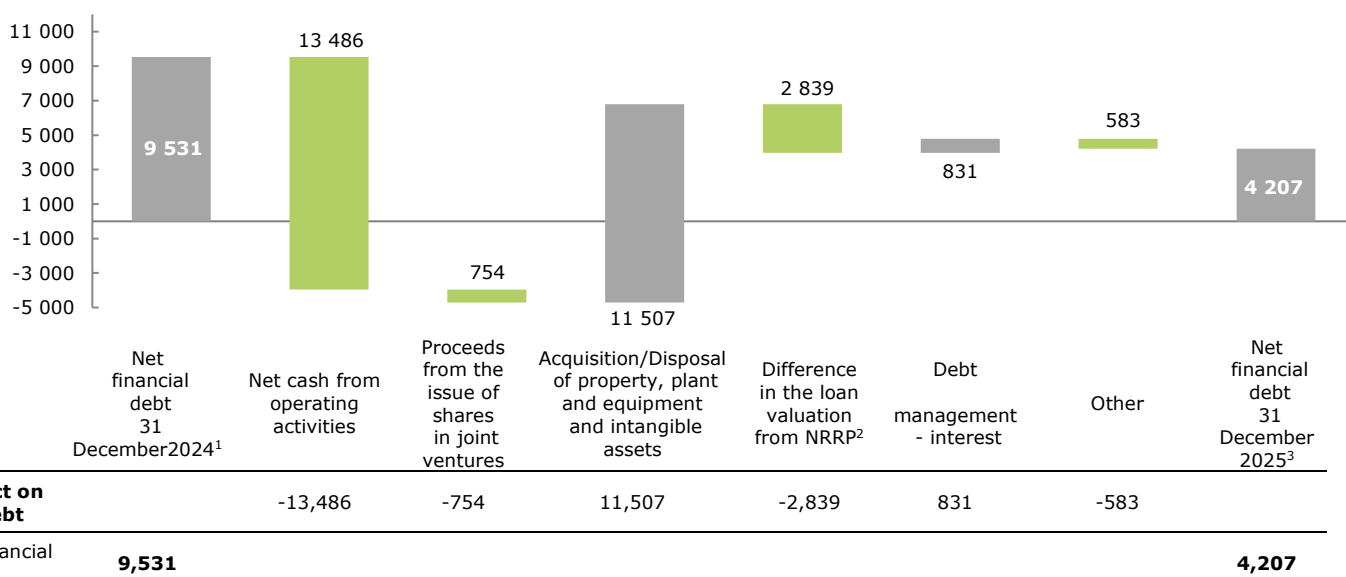
Table: The Group's net debt (PLN million)¹.

	As at 31 December				
	2025	2024	2023	2022	2021
Cash at bank and in hand	2,821	1,873	2,760	1,428	5,059
Overnight deposits	171	60	103	791	5
Short-term deposits	7,318	1,158	236	6,147	1,124
Proceeds from the issue of shares	0	0	1,309	2,727	0
VAT account funds	499	1,272	1,625	794	545
Cash and cash equivalents	10,809	4,363	6,033	11,887	6,733
Adjustment for restricted funds	-241	-207	-419	-295	-212
Originated loans	0	0	0	0	77
Cash at the disposal of the PGE Group	10,568	4,156	5,614	11,592	6,598
Short-term credits and loans	1,190	2,581	4,376	2,062	2,099
Short-term bonds issued	416	18	18	21	13
Short-term leases	7	6	5	4	4
Current liabilities arising from factoring	1,574	2,009	1,838	0	0
Long-term credits and loans	9,980	7,057	7,018	3,808	5,757
Long-term bonds issued	1,583	1,989	1,999	2,046	2,033
Long-term leasing	25	27	24	21	3
Gross financial debt (short- and long-term)	14,775	13,687	15,278	7,962	9,909
Net financial debt	4,207	9,531	9,664	-3,630	3,311

¹ Net debt for comparable periods have been adjusted to reflect the calculation method in accordance with bank covenants (in respect of leases under IFRS 16); the net debt figures originally presented were: as at 31 December 2024 in the amount of PLN 11,045 million, as at 31 December 2023 in the amount of PLN 11,121 million, as at 31 December 2022 in the amount of PLN -2,656 million and as at 31 December 2021 in the amount of PLN 4,228 million. The net financial debt figure includes loans from the National Recovery and Resilience Plan (NRRP) valued at amortised cost.

The level of debt in 2025 stood at PLN 4,207 million, which was PLN 5,324 million lower than in 2024

Diagram: Net financial debt (PLN million).



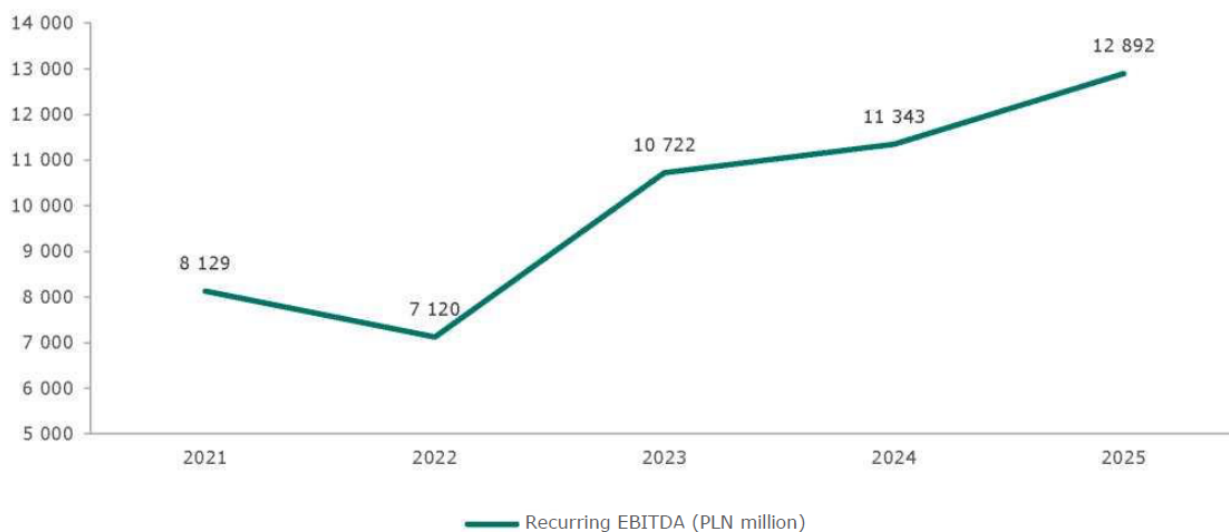
¹ Net debt as at 31 December 2024 has been adjusted to a calculation method that is broadly consistent with the bank covenants (in respect of leases under IFRS 16); the figure originally presented for 31 December 2024 was PLN 11,045 million.

² The difference between the loan's nominal value and its amortised cost; at the time of initial recognition, this difference amounted to PLN 2,881 million.

³ Net debt includes the cash holdings of offshore companies (PLN 567 million) and financial liabilities arising from project finance (PLN 2,117 million); the estimated level of economic net debt (taking into account future payments for CO₂ emission allowances) is PLN 15,809.

KEY FINANCIAL INDICATORS OF THE PGE CAPITAL GROUP

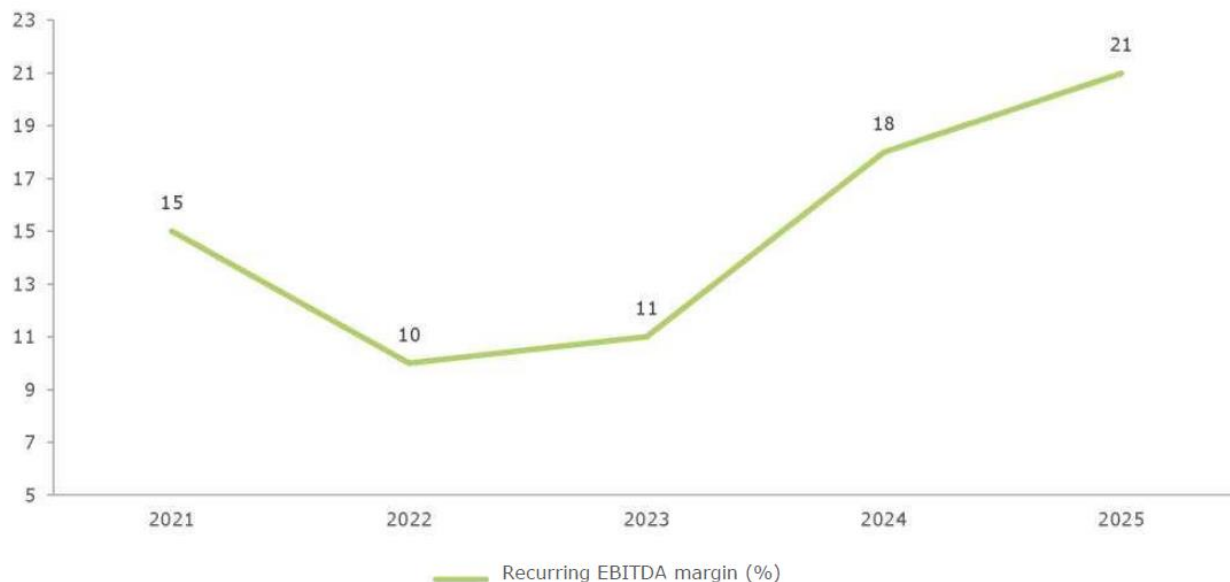
Diagram: Recurring EBITDA (PLN million)¹



¹ The comparative figures for 2024 have been restated.

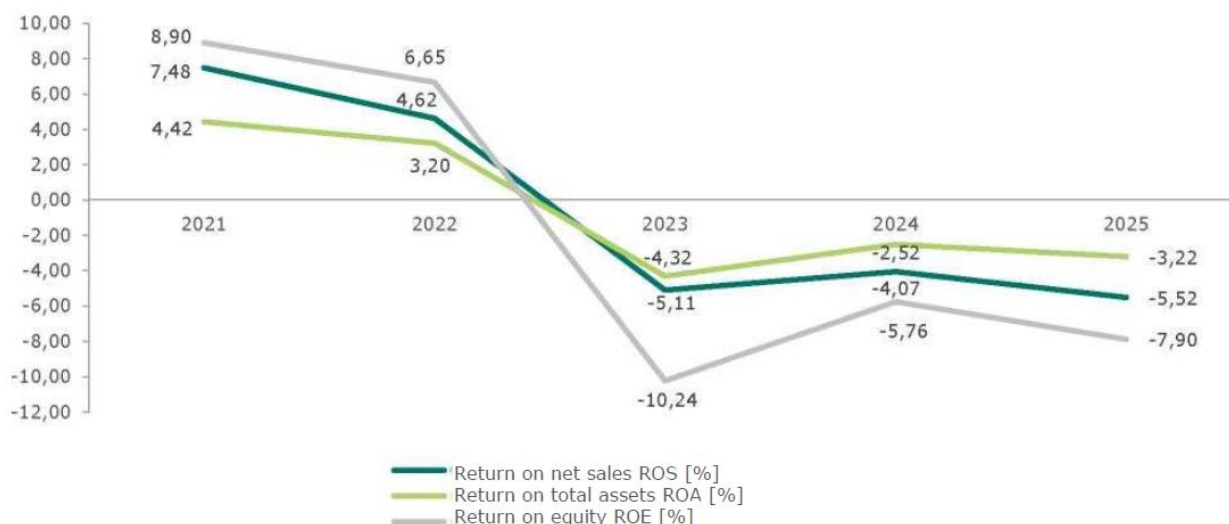
The PGE Group maintains a stable, positive recurring EBITDA figure despite significant changes in the market environment. The figure has been rising over the last three years, with a marked upturn in 2025. Only in 2022 were lower figures recorded, a development undoubtedly influenced significantly by the war in Ukraine and the sharp rise in commodity prices, particularly for hard coal, gas and CO₂ emission allowances. However, in the following year, 2023, we saw an increase and stabilisation in our results. In 2025, recurring EBITDA stood at PLN 12,892 million, an increase of PLN 1,549 million, or 14%, compared with the previous year.

Diagram: Recurring EBITDA margin (%)¹



¹ The comparative figures for 2024 have been restated.

Following a decline in 2022, the recurring EBITDA margin is now on an upward trend. In 2025, it reached its highest level during the period under review, namely 21%, representing an increase of 3 percentage points compared with the previous year.

Diagram: Profitability ratios (%)¹

¹ The comparative figures for 2024 have been restated.

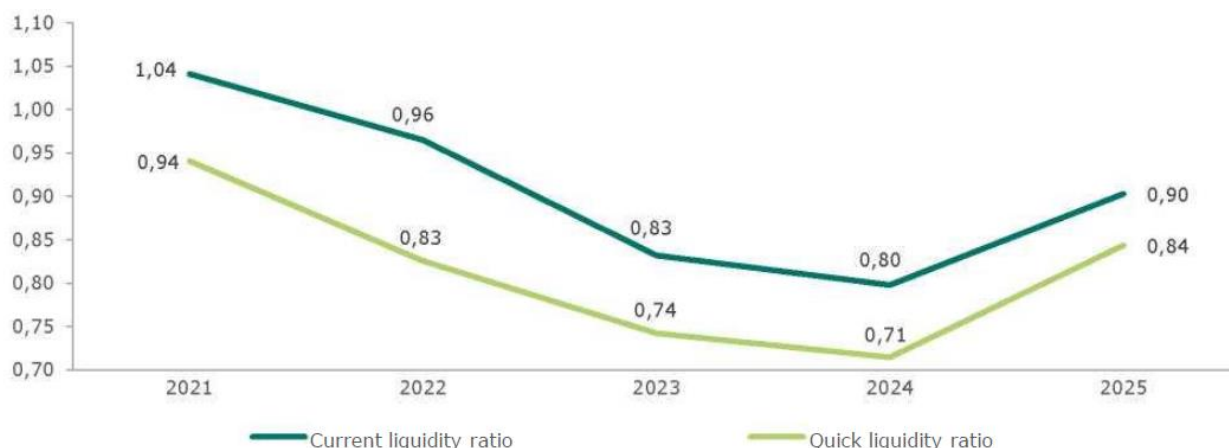
Profitability ratios have been negative since 2023, a result of the net losses incurred by the PGE Group over the following three years. The factors that have had a significant impact on the net profit in recent years relate mainly to revaluation adjustments to the PGE Group's property, plant and equipment (non-cash in nature).

Diagram: Receivables and payables turnover ratios (days)



In 2025, there was a slight increase in the accounts receivable turnover cycle, from 40 days in 2024 to 42 days in 2025, meaning that the time taken for the PGE Group to collect its receivables lengthened. The inventory turnover ratio also increased from 28 days in 2024 to 30 days in 2025. The largest increases in the indicators occurred between 2023 and 2024. This was due to lower sales revenue, resulting mainly from a fall in electricity prices (the average realised wholesale price of electricity in 2023 was PLN 722/MWh, compared to an average price of PLN 599/MWh in 2024 and PLN 499/MWh in 2025).

Diagram: Liquidity indicators



In 2025, the current ratio stood at 0.90 and the quick ratio at 0.84, which were higher than the previous year, when they stood at: 0.80 and 0.71. This is mainly due to an increase in current assets of PLN 1,731 million, or 6% year-on-year (primarily comprising: an increase in cash and cash equivalents of PLN 6,446 million, and a decrease in short-term CO₂ emission allowances of PLN 3,003 million and in inventories of PLN 849 million), accompanied by a decrease in current liabilities of PLN 2,014 million (a decrease in short-term bank loans, borrowings, bonds and leases of PLN 995 million, and a decrease in trade payables and other financial liabilities of PLN 970 million).

Diagram: Debt ratios¹

¹ Net debt and ratios for comparable periods have been adjusted to reflect the calculation method required by bank covenants (in respect of leases under IFRS 16), and comparative figures for 2024 have also been restated in respect of LTM EBITDA.

As part of its liquidity assessment, the PGE Group monitors its net debt/EBITDA ratio to ensure it remains at a level that guarantees the maintenance of investment-grade credit ratings and, consequently, the ability to finance the PGE Group's ambitious investment programme.

In 2025, the net debt to recurring LTM EBITDA ratio stood at 0.33, down from 0.84 a year earlier. This change is mainly due to higher recurring EBITDA (PLN 12,892 million) compared with 2024 (PLN 11,343 million), alongside a significantly lower level of net debt: PLN 4,207 million in 2025 vs. PLN 9,531 million in 2024.

The net debt to equity ratio for the current year stood at 0.10, which was 0.11 lower than in 2024 (0.21), mainly due to a decrease in equity attributable to shareholders of the parent company, coupled with a lower level of debt year-on-year.

Table: Key operating figures.

Key operational figures	Unit	Q4 2025	Q4 2024	Change	Change %	2025	2024	Change	Change %
Net electricity generation	TWh	15.11	15.49	-0.38	-2%	55.20	56.16	-0.96	-2%
<i>including renewable energy generation</i>	TWh	0.62	0.72	-0.10	-14%	2.41	2.77	-0.36	-13%
Sales of electricity outside the PGE Group	TWh	16.63	17.28	-0.65	-4%	64.28	68.66	-4.38	-6%
Sales of energy to end users ¹	TWh	8.28	8.36	-0.08	-1%	32.30	33.70	-1.40	-4%
Heat generation	PJ	18.53	17.85	0.68	4%	51.23	48.42	2.81	6%
Heat sales	PJ	18.12	17.47	0.65	4%	49.94	47.28	2.66	6%
Electricity distribution;	TWh	11.02	10.65	0.37	3%	40.91	40.55	0.36	1%

¹ Excluding intra-Group sales, sales were generated mainly by PGE Obrót S.A. and the Railway Energy segment.

PGE GROUP ENERGY BALANCE

Table: Summary of electricity sales, purchases, generation and consumption within the PGE Group (TWh).

Sales volume	Q4 2025	Q4 2024	Change	Change %	2025	2024	Change	Change %
A. Sales of electricity outside the PGE Group, including:	16.63	17.28	-0.65	-4%	64.28	68.66	-4.38	-6%
Sales to end users ¹	8.28	8.36	-0.08	-1%	32.30	33.70	-1.40	-4%
Sales on the wholesale and balancing markets	8.35	8.92	-0.57	-6%	31.98	34.96	-2.98	-9%
B. Purchase of electricity from outside the PGE Group (wholesale and balancing markets)	2.79	3.04	-0.25	-8%	13.39	16.97	-3.58	-21%
C. Net energy production at PGE Group entities	15.11	15.49	-0.38	-2%	55.20	56.16	-0.96	-2%
D. Own consumption by OSD, KWB and ESP (D = C + B - A)	1.27	1.25	0.02	2%	4.31	4.47	-0.16	-4%

¹Sales are primarily generated by PGE Obrót S.A. and the Railway Energy segment.

The total volume of energy purchased and generated is greater than the volume of energy sold. The difference shown in point D stems from the need to cover network losses in distribution operations, energy consumption at lignite mines, and energy consumption at pumped-storage power stations.

Lower energy sales on the wholesale and balancing markets are the result of reduced output from coal-fired power stations within the PGE Group, which was caused by a negative trade balance in 2025 due to low prices in neighbouring countries. Conversely, the lower volume of purchases on the wholesale market is mainly due to lower sales to end customers at PGE Obrót S.A. in the corporate and small and medium-sized enterprise segments, who are moving towards diversifying their energy sources, primarily through greater use of renewable energy sources.

Table: Summary of net electricity generation (TWh).

Production volume	Q4 2025	Q4 2024	Change	Change %	2025	2024	Change	Change %
ENERGY PRODUCTION IN TWh, of which:	15.11	15.49	-0.38	-2%	55.20	56.16	-0.96	-2%
Lignite-fired power stations	7.03	7.90	-0.87	-11%	28.50	30.83	-2.33	-8%
Hard coal-fired power stations	3.33	3.50	-0.17	-5%	10.98	12.35	-1.37	-11%
<i>including the co-firing of biomass</i>	<i>0.00</i>	<i>0.01</i>	<i>-0.01</i>	<i>-100%</i>	<i>0.01</i>	<i>0.04</i>	<i>-0.03</i>	<i>-75%</i>
Gas-fired power stations	1.09	1.05	0.04	4%	4.49	2.55	1.94	76%
Coal-fired combined heat and power plants	1.07	1.10	-0.03	-3%	3.22	3.21	0.01	0%
Gas-fired combined heat and power plants	1.73	1.09	0.64	59%	4.69	3.62	1.07	30%
Biomass combined heat and power plants	0.05	0.10	-0.05	-50%	0.29	0.37	-0.08	-22%
Waste-to-energy plants	0.00	0.01	-0.01	-100%	0.03	0.03	0.00	0%
Pumped storage power plants	0.24	0.14	0.10	71%	0.92	0.87	0.05	6%
Hydroelectric power stations	0.07	0.07	0.00	0%	0.31	0.40	-0.09	-23%
Wind farms	0.46	0.51	-0.05	-10%	1.58	1.78	-0.20	-11%
Photovoltaic power stations	0.04	0.02	0.02	100%	0.19	0.15	0.04	27%
<i>including renewable energy generation</i>	<i>0.62</i>	<i>0.72</i>	<i>-0.10</i>	<i>-14%</i>	<i>2.41</i>	<i>2.77</i>	<i>-0.36</i>	<i>-13%</i>

Electricity generation in 2025 was 2% lower than in 2024.

The lower output from lignite-fired power stations (a decrease of 2.33 TWh) is due to the units at the Bełchatów Power Station being in reserve for a longer period of 6,163 hours and the units at the Turów Power Station being out of service for maintenance for a longer period of 1,928 hours.

Lower output at hard coal-fired power stations (a decrease of 1.37 TWh): lower output was recorded at the Dolna Odra Power Station (a decrease of 0.90 TWh) and at the Rybnik Power Station (a decrease of 0.97 TWh), whilst output was higher at the Opole Power Station (an increase of 0.50 TWh). The lower output at the Dolna Odra Power Station is due to the units at that plant being out of service for 9,130 hours for maintenance, whilst the lower output at the Rybnik Power Station is due to the units at that plant being on standby for 8,660 hours. The increase in output at the Opole Power Station is due to a rise in the station's average unit load of 102_{MW}.

The lower output from wind farms (a decrease of 0.20 TWh) is due to poorer wind conditions in the areas where the PGE Group's wind farms are located.

The lower output from hydroelectric power stations (a decrease of 0.09 TWh) is due to poorer hydrological conditions.

The lower output from biomass combined heat and power plants (a decrease of 0.08 TWh) is due to reduced output at the Szczecin CHP plant following a turbine failure and the plant's shutdown during the last two months of 2025.

The higher output at the gas-fired power station (Gryfino Dolna Odra Power Station – an increase of 1.94 TWh) is due to the low base figure for 2024. Unit 9 was commissioned in August 2024, and Unit 10 in October 2024.

The increase in output at gas-fired combined heat and power plants (up by 1.07 TWh) is due to the commissioning of the Nowa Czechnica CHP plant and the gas engines at the Bydgoszcz CHP plant.

The increase in output at pumped-storage power stations (up by 0.05 TWh) is due to the nature of these generating units' operation and their greater utilisation by PSE S.A.

The increase in output from photovoltaic power stations (up by 0.04 TWh) is due to an increase in installed capacity.

Production at coal-fired combined heat and power plants and at municipal waste-fired combined heat and power plants remained at a level similar to that of the corresponding period.

HEAT GENERATION

Table: Summary of net heat generation (PJ).

Production volume	Q4 2025	Q4 2024	Change	Change %	2025	2024	Change	Change %
Net heat generation in PJ	18.53	17.85	0.68	4%	51.23	48.42	2.81	6%
Lignite-fired power stations	0.81	0.78	0.03	4%	2.47	2.36	0.11	5%
Hard coal-fired power stations	0.21	0.21	0.00	0%	0.65	0.64	0.01	2%
Coal-fired combined heat and power plants	10.12	11.38	-1.26	-11%	31.68	32.07	-0.39	-1%
Gas-fired combined heat and power plants	6.69	4.73	1.96	41%	13.88	10.56	3.32	31%
Biomass combined heat and power plants	0.26	0.59	-0.33	-56%	1.53	2.05	-0.52	-25%
Waste-to-energy plants	0.12	0.06	0.06	100%	0.31	0.15	0.16	107%
Other combined heat and power plants	0.32	0.10	0.22	220%	0.71	0.59	0.12	20%

The main factor contributing to the higher level of net heat production in 2025 year-on-year was the outdoor temperature. Average temperatures in 2025 were 0.2°C lower per year

HEAT SALES

In the fourth quarter of 2025, the volume of heat sold by the PGE Group amounted to 18.12 PJ, an increase of 0.65 PJ year-on-year

In 2025, the volume of heat sold by the PGE Group amounted to 49.94 PJ, an increase of 2.66 PJ year-on-year. This result was mainly driven by higher demand for heat due to lower average outdoor temperatures compared with 2024.

KEY FINANCIAL RESULTS AND CAPITAL EXPENDITURE OF THE PGE CAPITAL GROUP'S BUSINESS SEGMENTS

Table: Key financial figures for the Renewable Energy segment (PLN million).

	2025	2024	Change	Change %	2023	2022	2021
Sales revenues	2,777	2,466	311	13%	2,806	3,401	1,672
Reported EBIT	796	938	-142	-15%	753	1,440	686
Reported EBITDA	1,683	1,340	343	26%	1,114	1,795	1,016
Recurring EBITDA	1,688	1,344	344	26%	1,108	1,796	1,013
One-off events ¹	-5	-4	-1	25%	6	-1	3
Capital expenditure	3,151	1,678 ²	1,473	88%	1,302 ²	458	189

¹ One-off events at EBITDA level.

² Adjustment for the comparable period.

Table: Capital expenditure incurred in the Renewable Energy segment (PLN million).

	2025	2024 ¹	Change	Change %
Investments in production capacity, including:	3,147	1,661	1,486	89%
▪ Development	2,737	1,323	1,414	107%
▪ Modernisation and restoration	410	338	72	21%
Other	4	17	-13	-76%
Total	3,151	1,678	1,473	88%

¹ Adjustment for the comparable period.

Table: Key financial figures for the Gas-fired Power Generation segment(PLN million).

	2025	2024	Change	Change %
Sales revenues	5,228	1,574	3,654	232%
Reported EBIT	196	85	111	131%
Reported EBITDA	435	146	289	198%
Recurring EBITDA	470	146	324	222%
One-off events ¹	-35	0	-35	-
Capital expenditure	1,499	2,462	-963	-39%

¹ One-off events at EBITDA level.

Table: Capital expenditure incurred in the Gas-fired Power Generation segment (PLN million)

	2025	2024	Change	Change %
Investments in production capacity, including:	1,499	2,462	-963	-39%
▪ Development	1,478	2,457	-979	-40%
▪ Modernisation and restoration	21	5	16	320%
Total	1,499	2,462	-963	-39%

Table: Key financial figures for the Coal-fired power generation segment (PLN million).

Item	2025	2024 ¹	Change	Change %	2023	2022	2021
Sales revenues	26,730	31,010	-4,280	-14%	47,969	36,460	28,764
Reported EBIT	-10,074	-6,923	-3,151	46%	-9,418	127	1,998
Reported EBITDA	-227	2,026	-2,253	-	1,472	2,065	4,078
Recurring EBITDA	357	1,222	-865	-71%	2,086	618	2,613
One-off events ²	-584	804	-1,388	-	-614	1,447	1,465
Capital expenditure	754	1,031	-277	-27%	1,478	750	1,759

¹ The financial data for 2024 has been adjusted to ensure comparability.

² One-off events at EBITDA level.

Table: Capital expenditure incurred in the Coal-fired Power Generation segment (PLN million)

	2025	2024	Change	Change %
Investments in production capacity, including:	747	1,005	-258	-26%
▪ Development	8	8	0	-
▪ Modernisation and restoration	739	997	-258	-26%
Other	7	26	-19	-73%
Total	754	1,031	-277	-27%

Table: Key financial figures for the District Heating segment (PLN million).

	2025	2024	Change	Change %	2023	2022	2021
Sales revenues	10,162	10,696	-534	-5%	12,626	7,690	6,239
Reported EBIT	1,348	621	727	117%	1,168	-713	104
Reported EBITDA	2,235	1,505	730	49%	1,952	39	805
Recurring EBITDA	2,331	1,483	848	57%	2,061	33	844
One-off events ¹	-96	22	-118	-	-109	6	-39
Capital expenditure	1,201	1,406	-205	-15%	1,523	1,140	610

¹ One-off events at EBITDA level

Table: Capital expenditure incurred in the District Heating segment.

	2025	2024	Change	Change %
Investments in production capacity, including:	1,190	1,401	-211	-15%
▪ Development	669	870	-201	-23%
▪ Modernisation and restoration	521	531	-10	-2%
Other	11	5	6	120%
Total	1,201	1,406	-205	-15%

Table: Key financial figures for the Distribution segment (PLN million).

	2025	2024	Change	Change %	2023	2022	2021
Sales revenues	11,449	11,299	150	1%	10,590	6,803	6,492
Reported EBIT	3,757	3,133	624	20%	2,578	1,616	1,559
Reported EBITDA	5,302	4,573	729	16%	3,880	2,850	2,779
Recurring EBITDA	5,314	4,530	784	17%	3,930	2,836	2,746
One-off events ¹	-12	43	-55	-	-50	14	33
Capital expenditure	4,091	3,841	250	7%	4,224	2,576	1,358

¹ One-off events at EBITDA level.

Table: Capital expenditure incurred in the Distribution segment (PLN million).

	2025	2024	Change	Change %
Investments in production capacity, including:	4,091	3,841	250	7%
▪ Development	1,405	1,736	-331	-19%
▪ Modernisation and restoration	2,686	2,105	581	28%
Total	4,091	3,841	250	7%

Table: Key financial figures for the Railway Energy segment (PLN million).

	2025	2024	Change	Change %	2023 ¹
Sales revenues	5,334	5,305	29	1%	4,728
Reported EBIT	623	590	33	6%	866
Reported EBITDA	1,080	1,073	7	1%	1,243
Recurring EBITDA	1,297	1,112	185	17%	1,238
One-off events ²	-217	-39	-178	456%	5
Capital expenditure	524	498	26	5%	1,053

¹ In 2023, data from the date of the acquisition, i.e. 3 April 2023.² One-off events at EBITDA level.

Table: Capital expenditure incurred in the Railway Energy segment (PLN million).

	2025	2024	Change	Change %
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Investments in production capacity, including:	524	498	26	5%
▪ Development	343	395	-52	-13%
▪ Modernisation and restoration	181	103	78	76%
Total	524	498	26	5%

Table: Key financial figures for the Trading segment (in PLN million).

	2025	2024	Change	Change %	2023	2022	2021
Sales revenues	45,574	52,562	-6,988	-13%	73,316	46,566	38,223
Reported EBIT	776	1,867	-1,091	-58%	-38	2,010	794
Reported EBITDA	815	1,904	-1,089	-57%	-4	2,043	827
Recurring EBITDA	1,330	1,393	-63	-5%	-74	1,950	905
One-off events ¹	-515	511	-1,026	-	70	93	-78
Capital expenditure	13	34	-21	-62%	31	17	8

¹ One-off events at EBITDA level.

Table: Key financial figures for the Other Operations segment (PLN million).

	2025	2024 ¹	Change	Change %	2023 ²	2022 ²	2021 ²
Sales revenues	1,070	978	92	9%	738	671	743
Reported EBIT	120	102	18	18%	80	34	34
Reported EBITDA	197	166	31	19%	144	94	105
Recurring EBITDA	198	166	32	19%	146	95	104
One-off events ³	-1	0	-1	-	-2	-1	1
Capital expenditure	225	161	64	40%	114	2,216	854

¹ The figures for 2024 have been adjusted for comparability due to the transfer of companies from the Circular Economy segment to the Other Operations segment.² The figures are presented as the sum of the Circular Economy and Other Operations segments.³ One-off events at EBITDA level.Table: Capital expenditure incurred in the Other Operations segment (PLN million)¹

	2025	2024	Change	Change %
Investments in production capacity, including:	225	161	64	40%
▪ Development	202	71	131	185%
▪ Modernisation and restoration	23	90	-67	-74%
Total	225	161	64	40%

¹ The figures for 2024 have been adjusted for comparability due to the transfer of companies from the Circular Economy segment to the Other Operations segment

13. Assessment of the Management Board's fulfilment of its disclosure obligations pursuant to Article 380¹ of the Commercial Companies Code and assessment of the manner in which the Management Board prepared and submitted information, documents, reports or explanations as requested under Article 382(4) of the Commercial Companies Code

In 2025, the Company's Management Board kept the PGE Supervisory Board informed about the situation of the Company and the PGE Group, including, in particular, monthly reports on the Company's economic and financial situation, together with the results of the PGE Group. It presented key financial data regarding the Company's and the PGE Group's EBITDA performance, the margins achieved and the controllable fixed costs incurred, with particular emphasis on staff costs and maintenance and operating costs. The information provided also included an analysis of capital expenditure, with comments on the main investment projects. The Supervisory Board of PGE was also informed of the current level of net debt of the PGE Group and the fulfilment of bank covenants. The reported data were discussed, highlighting the main deviations from the planned figures and those achieved in the previous year.

The Management Board of the Company also kept the PGE Supervisory Board informed about the implementation of the Company's strategic directions of development, understood as the execution of the business strategy, long-term interests, and stability of the Company as reflected in the Management Goals defined by the General Meeting and further specified by the Supervisory Board. Among the general management objectives set for 2025 by the General Meeting, particular mention should be made of those related to the achievement of specific financial (EBITDA, net debt/EBITDA) and technical indicators: the implementation of investment projects supporting the PGE Capital Group's strategy, the implementation of research projects aimed at the effective utilisation of innovation potential, and the development of a systematic approach to communication. The bonus criteria set for individual members of the Company's Management Board for 2025 focused on the execution of key strategic directions and were intended to motivate them to take action towards achieving the Company's main strategic objectives.

The Company's Management Board regularly provided the PGE Supervisory Board with quarterly updates on the PGE Capital Group's operational and investment performance. The investment plans for each segment were analysed, along with their implementation against the plan. Regular updates were provided on the progress of strategic investments in 2025.

The Supervisory Board of PGE also regularly reviewed the technical condition of the assets of the PGE Capital Group and its subsidiaries, electricity generation, heat sales and hard coal stock levels.

The Company's Management Board also provided information regarding the Company's situation in the area of human resources. It set out joint initiatives implemented by the Corporate Centre (PGE S.A.) in collaboration with the subsidiaries, as well as key initiatives for individual segments.

Information was also provided regarding the occupational health and safety (OHS) within the PGE Group. Proactive and reactive OHS objectives have been implemented for the senior management of the subsidiaries of the PGE Capital Group.

During the meetings of the PGE Supervisory Board in 2025 the following were presented: financial flows relating to the implementation of commercial activities within the PGE Capital Group, general information reflecting the situation on the energy market, the financial aspects of commercial activities related to the implementation of the strategy in light of the objectives set out in the Financial Plan, as well as margin forecasts for the main companies of the PGE Capital Group.

The Management Board also reported on transactions and other events or circumstances that have or may have a material impact on the Company's financial position, including its profitability or liquidity.

Most of the information in question was compiled on a monthly or quarterly basis. In 2025, the Company's Management Board regularly provided the PGE Supervisory Board with information regarding the Management Board's resolutions and their subject matter. The Supervisory Board of PGE S.A. was also informed of changes to information previously provided to the Supervisory Board.

In this respect, the Company's Management Board fulfilled its obligations under Article 380¹ of the Commercial Companies Code, in relation to provision of information to the Supervisory Board. The above information also applied to the companies of the PGE Group.

The Supervisory Board of PGE S.A. positively assesses the manner in which the Management Board prepares and submits to the PGE Supervisory Board of information, documents, reports or explanations requested in accordance with the procedure set out in Article 382(4) of the Commercial Companies Code.

The Supervisory Board of PGE S.A. has given a positive assessment of its cooperation with the Company's Management Board in 2025.

This report outlines the main areas of activity of the PGE Supervisory Board during the 2025 financial year. The Members of the Supervisory Board carried out their duties, drawing on their knowledge and experience in the management and supervision of commercial companies.

The Members of the Supervisory Board of PGE S.A. presented a diverse set of competences. The members of the Supervisory Board of PGE S.A. were predominantly individuals with a higher education in law (legal advisers and barristers), as well as those with a background in economics and engineering, including those with knowledge of the energy sector. The Members of the Management Board of PGE S.A. attended meetings of the Supervisory Board of PGE, presented the Management Board's proposals to the Supervisory Board of PGE S.A., provided explanations at the request of members of the Supervisory Board of PGE S.A., and implemented the recommendations of the Supervisory Board of PGE S.A.

The number of meetings held by the Supervisory Board of PGE S.A. in 2025, the high attendance at these meetings, the number and variety of matters discussed at them, and the decisions taken by the Supervisory Board PGE S.A. indicate that the Supervisory Board of PGE S.A. exercised supervision over the Company's operations in all areas of its activity.

Chairperson of the Supervisory Board
of PGE Polska Grupa Energetyczna S.A.

Michał Domagała

Members of the supervisory board

Anna Kowalik
Andrzej Kozyra
Arkadiusz Krężel
Elżbieta Niebisz
Andrzej Rzońca
Andrzej Sadkowski
Piotr Stolarczyk
Wojciech Wróbel