

"Resolution No 11  
of the Supervisory Board of Agora S.A.  
of May 18, 2022

on the assessment of the Company's situation in 2021

As Agora S.A. ("the Company") implemented the Best Practice for Companies Listed on Giełda Papierów Wartościowych w Warszawie S.A. (the Warsaw Stock Exchange — WSE), adopted pursuant to Article 29 of the Regulations of Giełda Papierów Wartościowych w Warszawie S.A., the Supervisory Board of the Company resolves as follows:

**1. The Company's Supervisory Board has assessed the situation of the Agora Group in 2021**

The opinion of the Supervisory Board is based on a review of the Agora Group's ("Group") affairs and discussions with the Company's Management Board, conducted at regular meetings and ad hoc meetings held with the Management Board and in the course of their ongoing cooperation. The Supervisory Board also took into account the evaluation of the financial statements for the first half of the year and for the financial year 2021 made by the Audit Committee, which held meetings with the participation of the Company's auditor, as well as the conclusions and observations of that body and the assessment of the Company's position to the extent laid down by the Audit Committee's Rules of Procedure. In addition, the Supervisory Board familiarised itself with annual assessment of the Company's position made by the Personnel and Remuneration Committee in the area of its competences. The assessment of the market situation was based on publicly available information about the activities of other entities, therefore, the Supervisory Board draws attention to the fact that the data is estimates only and any resulting conclusions are general.

The superior goal of the Company's Management Board in 2021 was to safely navigate the entire Agora Group through the challenges of the COVID-19 pandemic, which continued for a second year and contributed to the negative economic environment. It was an extremely difficult year for the entire organisation, which operated under the rigours of cost discipline, suspended investments and uncertainty over further developments and restrictions introduced by the Polish government. It was also another year of fight against an unfounded decision prohibiting Agora from acquiring a majority stake in Eurozet company. Moreover, last year, the Company also faced internal problems and had to suspend work on the planned consolidation of the Press segment and the Gazeta.pl division. The project, aimed at increasing the growth potential of Agora's entire online business of independent journalism, was impeded by intra-organisational conflicts. It seems that the Company has managed to find a solution to this dispute and will be able to work on a common growth strategy for the entire Agora Group.

The Supervisory Board appreciated the actions taken by the Company's Management Board in 2021 to minimise the negative impact of the COVID-19 pandemic on the Company's business operations. Thanks to them, the Group reduced the losses caused by the pandemic. The Board positively assessed the initiatives implemented by the Management Board to ensure the financial security of the Company, in particular the significant reduction of debt in Agora S.A. and additional financing obtained for Helios S.A.

The COVID-19 pandemic hit Agora's two largest sources of proceeds: advertising and cinemas. The value of the advertising market is already higher than before the outbreak of the pandemic, but its structure has changed significantly, which requires appropriate adjustment measures. In contrast, the cinema operations continued to face business constraints until the end of February 2022 and did not manage to fully rebuild their potential.

The Supervisory Board is impressed by the results of the Management Board's consistent investment in Agora's digital offer. In 2021, 33.0% of the Group's total revenue came from digital sources. Nearly 50.0% of proceeds from advertising sales are digital inflows. At the end of December 2021, the number of *Gazeta Wyborcza* digital subscriptions reached over 286 thousand, which brought the share of digital proceeds in the overall proceeds from sale of the Group's content to nearly 37.0%. Operating performance improved in all of the Groups' segments except Press.

The Supervisory Board also noticed an intensification of attacks on independent journalism in Poland – harassment with dozens of court proceedings, advertisement boycott of independent editorial offices, including Agora's media, as well as an attempt to impose a draconian financial burden on the media called an "advertising tax" under the pretense of combatting the effects of the COVID-19 pandemic.

The Supervisory Board also supported the Company's Management Board in successive actions taken regarding the Company's appeal against the ban on acquiring a majority stake in Eurozet. The historic judgement, which was rendered on 12 May 2022, gives the Company the prospect of implementing this strategic investment.

The Supervisory Board welcomed the fact that the Agora Group entered 2022 with a significantly reduced debt level and with secured financing for operations. Due to the fact that the bank with which Agora S.A. used to have a loan facility had withdrawn its operations from Poland, the Company changed the financial institution with which it cooperated in this respect. Under the signed Loan Agreements and having fulfilled the conditions that normally apply to granting loans of a comparable amount, the Company repaid its debt in the previous bank and has an overdraft facility of PLN 35 million with a 2-year availability period.

On the other hand, Helios S.A. had working capital loans in the amount of PLN 108 million, of which PLN 39.8 million had not been used as at the end of 2021. Helios S.A. also signed a preferential loan agreement with Polski Fundusz Rozwoju S.A. for the amount of PLN 18.9 million, which may be used to finance current operations of Helios. As at the date of publication of this information, the loan has not yet been disbursed. In accordance with the terms and conditions, it is possible to redeem up to 75% of the loan value on the basis of the conditions set out in the agreement, which Helios will apply for.

Due to high uncertainty in the economic environment caused by the recession, as well as the armed conflict in Ukraine, the Supervisory Board has positively assessed the recommendation of Agora's Management Board not to pay a dividend for 2021. The final decision on this matter will be taken by the Company's shareholders.

The Supervisory Board supports Agora's Management Board in its efforts to combat the negative effects of the economic crisis on the Group's financial situation in 2022, believing that the entire Agora Group will make a major step towards restoring its viability in 2022, despite strong concerns about the country's economic situation, including the highest inflation in years.

The Supervisory Board also supports the Company's Management Board in its work on a new strategic outlook for the Agora Group, which requires the entire organisation to take a fresh look at its growth potential in a revolutionised market environment. This is an opportunity not only to rebuild Agora's performance, but above all to make significant changes to the organisation's mode of operation.

## **2. Assessment of internal control, risk management, compliance and internal audit function in the Agora Group**

The Supervisory Board, jointly with the Management Board, is analysing the market environment and the risk factors to which the Agora Group is exposed on a current basis. New projects are being analysed and measured. The Group keeps its liquidity and low debt level that allow it to reduce financial risk. If there are changes to laws and regulations, the Group responds accordingly by adapting its activities to the changes. Currently, there are internal control and risk management systems in place in the Agora Group. The main elements of the internal control system are components of the Group's business processes and include, among others:

- procedures and regulations related, among others, to delegating powers and authorising decisions, evaluating business projects, recording and processing business transactions,
- processes of reporting and control of transactions, as well as reporting and control of performance of individual business areas,
- reviews of IT systems supporting the implementation of business processes and monitoring the operation of the systems themselves.

The management staff implements specific tasks resulting from the internal control system and the continuing oversight over its effectiveness as part of the management of the Group's individual segments.

In addition, the Company operates an internal audit department responsible, among others, for identifying internal control and security risks and recommending actions aimed at mitigating such risks to the Management Board. The Supervisory Board holds regular meetings with the Company's internal auditor during which outcomes of the reports on selected areas of activities are discussed and specific actions are agreed upon. In 2021, representatives of the Supervisory Board met several times with the Company's internal auditor.

The Supervisory Board, jointly with the internal auditor, establishes a work plan for the whole year, as well as a detailed schedule of activities. The scope of information provided at meetings with the internal auditor, in the opinion of the Supervisory Board, permits the latter to better recognise the key risks to which the Company is exposed and to recommend methods for their better identification and addressing. To this end, a risk map of the Agora Group has been developed and materiality levels have been determined for purposes of risk analysis in line with the Risk Management Policy. The internal audit function also assists in controlling the effectiveness of the risk management system by regularly reviewing selected areas of the Company's activities in order to eliminate possible risks. The risk management system includes: the internal control system, the risk map, a register of risk and, as well as continuous and multistage oversight over individual business segments exercised the Management Board and the management staff.

Moreover, there is an ongoing assessment of risks in terms of the achievement of specific business objectives of the Agora Group. In response to any identified risks, the Management Board and the management staff make changes to applicable procedures on an on-going basis. Based on the information provided to the Supervisory Board and the discussions with the Management Board and representatives of the internal audit department, the Supervisory Board believes that the existing internal control and risk management system proved to be effective in the previous activities of the Company and of the Group.

The Compliance Officer function has existed in the Company since 2018. The Compliance Officer is supervised directly by a member of Agora's Management Board who is also responsible for the legal security of the Company. The Supervisory Board positively evaluates the progress in building a comprehensive compliance system at Agora in the face of a dynamically changing legislative environment, including risks related to the attempts at politicising further legal regulations that directly concern the functioning of the media in Poland, as well as the diversity of the Agora Group's operating areas.

### **3. Assessment of the manner in which the Company satisfies its disclosure obligations**

The Supervisory Board has no reservations as regards the manner in which the Company complies with its disclosure obligations, both in respect of the application of the principles of corporate governance set forth in the Regulations of the Warsaw Stock Exchange and those required by the laws on current and periodic information reported by issuers of securities.

In the Supervisory Board's opinion, the Company's activities in complying with those obligations demonstrate utmost care and transparency, also thanks to ongoing cooperation in this area with a renowned law firm.

### **4. Assessment of the rationality of the Company's social and sponsorship activities policy**

- i. Based on an analysis of the policy of social and sponsorship activities of Agora S.A., the Supervisory Board believes that the policy is implemented in a reasonable and effective way and brings measurable benefits to the Company.

In 2021, the Agora Group continued its long-term activities under the following pillars: social, educational, cultural and charity, while also launching new activities. These activities included both nation-wide and regional projects.

As part of their social activities in the last year, the companies and media of the Agora Group undertook primarily **assistance and information initiatives** related to the humanitarian crisis, gender equality and activities aimed at reducing social inequalities, as well as protection of democratic values and freedom of speech in Poland.

One of the numerous examples is the **#Mediabezwyboru** [#Mediawithoutchoice] campaign, as part of which, in February 2021, Agora's media, along with most representatives of free media in Poland, ceased their broadcast for 24 hours. The campaign was an unprecedented one in the media sector - a joint protest against the plans to impose a draconian financial burden on the media, known as the "advertisement tax", which was attempted under the pretext of combating the effects of the COVID-19 pandemic

As it has been the case since the very beginning of their existence, the Agora Group media, also in 2021, spoke up on socially important issues and promoted culture, among others, through annual competitions and awards. Since 2010, *Gazeta Wyborcza* has been one of the organisers of the **Ryszard Kapuściński Award for Literary Reportage**, and it has also been supporting the **NIKE Literary Award**. Additionally, since 2018, *Gazeta Wyborcza* has also organised the international Krzysztof Miller photographic competition. AMS, as part of the promotion of social and cultural activities in 2021, for the 22<sup>nd</sup> time organised the **AMS Poster Gallery** competition, whose slogan was: *(Un)safe pedestrian crossing*. The competition was meant to raise public awareness of the dangers threatening pedestrians on a crossing and to present the principles of street crossing behavior.

Since 2004, the Agora Holding has been running the **Agora Foundation**, which in 2021 carried on with, among other things, the *Different People, One World* project to support people with disabilities in their professional development.

In 2021, the **Gazeta Wyborcza Foundation and the Wysokie Obcasy Foundation**, established by Agora in 2018, continued their operation. In the last year, these organisations were engaged in, among others: activities in the field of development of education, independent journalism and media, as well as activities for gender equality and reduction of social inequalities. In turn, on 19 November 2021, the TOK FM Foundation was registered. It was founded by Inforadio sp. z o.o. – Agora S.A. is one of its shareholders

**Charitable activities** are conducted in Agora Group not only thanks to the Foundations, but also thanks to the involvement of readers and recipients, employees and local community in projects that directly support social organisations. A perfect example are the literary campaigns and charity books of the Agora Publishing House - *Nadzieja [Hope]*, *Wszystkie kolory świata [All Colours of the World]* and *O, choroba [Oh Dear, a Disease]*. All revenues from their sales in 2021, namely PLN 472,864.21, were earmarked, among other things, for subsidising a helpline for children and young people, psychological assistance for cancer-stricken persons under care of the ISKIERKA Foundation, as well as support for seniors and hospices. In 2021, Agora spent PLN 811.5 thousand mainly to support charitable activities and institutions.

Additionally, Agora implemented activities from the area of **socially involved marketing**, namely through involving readers in the support for specific projects. In August 2021, *Gazeta Wyborcza* launched a special digital subscription offer titled *Help refugees*. All proceeds from the subscription were donated to foundations involved in helping refugees staying on the Polish-Belarusian border, including Amnesty International Poland and the Helsinki Foundation for Human Rights. The funds were allocated, among other things, to provide medical and sanitary assistance to migrants who camped on the Polish-Belarusian border. In less than 2 weeks, the amount raised exceeded PLN 100 thousand. Another example is the raising of funds for several Lebanese families named by the Polish Centre for Medical Aid (PCPM), which was initiated by Gazeta.pl (similar fundraising campaigns in 2021 were carried out by Gazeta.pl for, among others, people from Syria) The joint charity campaign of Gazeta.pl and PCPM was very successful. Thanks to the portal users, PLN 100,590 was collected to help the poorest families in Lebanon survive the winter.

**Combating social inequalities and promoting gender equality** is also an important theme for Agora's media, which is evidenced by a number of topical projects. A great example of these is a project of the Gazeta.pl team, which on the occasion of Women's Day prepared a unique publication – *History without the Polish Woman*. The publication is a compilation of texts about women from history textbooks for primary school. It clearly shows that the narrative in the history books is devoid of the social background explaining the centuries-old subordinate position of Polish women in society. The editors pointed out that the fact that Polish women tended to be overlooked throughout history – when they were denied the right to decide about their lives, to earn money or to educate themselves – does not mean that they should also be overlooked today. Another example of promotion of gender equality are the day-to-day operations of the *Wysokie Obcasy* brand – a magazine of *Gazeta Wyborcza*, whose mission is to strengthen the participation and role of women in modern society. Among numerous projects aimed at combatting social discrimination there was a social campaign titled *Without LGBT+ there is no Poland*, which was carried out in June 2021 by Agora's media

— Gazeta.pl, Wyborcza.pl, Gazeta Wyborcza, TOK FM and tokfm.pl — in cooperation with the Love Does Not Exclude Association and the MullenLowe agency.

In addition, in 2021, due to the climate crisis, which is getting worse every year, Agora's media and brands undertook **a number of pro-environmental activities**. Inspired by the COP26 climate summit, that took place at the turn of October and November 2021, *Gazeta Wyborcza* announced a Climate Declaration, in which it made an even stronger commitment to climate and environmental protection than ever before. It is also worth mentioning that as part of environmental activities, a special digital subscription offer was launched in March 2021. All proceeds from the subscription were donated to the Wild Poland Foundation to support the *Rescue for Trees* project - by the end of December 2021, the daily managed to raise over PLN 93 thousand for this purpose. The issue of the natural environment and climate crisis also occupied a key place in the Editorial Declaration of Gazeta.pl for 2021, which was manifested in several *green* initiatives taken by the portal's team, such as the *Alarm for Climate* campaign carried out together with the Climate Coalition or the *#Ekośledztwa* [*#Ecoinvestigations*] cycle. AMS also takes a number of pro-ecological measures, including by introducing environmentally friendly OOH panels. In 2021, AMS added EKO Backlight to its portfolio for clients. This is a set of ecological solutions that include energy-efficient LED lighting, reduction of light smog through the option to switch off the lighting, as well as ecologically certified printing of advertising materials.

The educational activities in 2021 brought a special edition of the programme promoting knowledge and initiatives for the development of new technologies titled *Jutronauci* [Tomorrownauts], which was created thanks to the cooperation between *Gazeta Wyborcza* and Sebastian Kulczyk in 2017. This was already the 5<sup>th</sup> edition of the project - *Jutronauci 2021: the new normal*, which was entirely devoted to considering possible scenarios for a post-pandemic future.

The implemented Social and sponsorship activities policy has brought tangible benefits to the Company: it has strengthened the Company's position as a leader among media providers as regards the implementation of social and environmental projects, as well as the involvement and satisfaction of employees due to their participation in these activities.

In Agora's opinion, implementation of the Social and sponsorship activities policy is consistent with the interest of the Company and its stakeholders, including its corporate shareholders, as it creates goodwill, contributes to social development and reflects the Company's responsibility for its impact on the environment.

- ii. To the Supervisory Board's knowledge, the projects were implemented in the social areas indicated in the Social and sponsorship activities policy in place at the Agora Group, i.e. they concerned education, individual and social development, shaping of civic attitudes and caring for human rights, promotion of culture and universal access to it, promotion of health and healthy lifestyle, care for the natural environment and other aspects of charity and support activities. Preparation, implementation and evaluation of the projects were carried out with due diligence; they also complied with stakeholder engagement and cross-sectoral partnership principles.
- iii. The good practices introduced by the Company in the area of social engagement and development of the local community strengthened its relations with local communities, enabled to raise major social problems by reaching a wide audience, improved the Company's reputation and its positive perception among stakeholders (including but not limited to customers, local communities, social organisations). The implemented Social and sponsorship activities policy brought measurable benefits to the Company; these included strengthening its leading position among the media with regard to the involvement in current social affairs, as well as involvement of employees in social activities and their satisfaction with the participation in those activities.
- iv. The Supervisory Board finds that the Company's social and sponsorship projects are an expression of its strategic approach to corporate social responsibility. That is a concept under which the Company takes responsibility for the impact of its decisions and activities on the society and on the environment, contributes to sustainable development (including to well-

being and health of the society) and takes into account the expectations of stakeholders. Agora's social and sponsorship activities comply with applicable laws, follow international standards of conduct and are integrated with the organisation's other activities and practice in its relations.

- v. The implementation of the Policy in this area serves the interests of the Company and all its stakeholders, including shareholders. In the Supervisory Board's opinion, measures taken in this area are relevant and worth continuing.

## **5. Assessment of the diversity policy and its effects**

### **I) Diversity of administrative, management and supervisory bodies in Agora S.A.**

Diversity and openness are values which form an integral part of both the Company's business activities and employment policy. The diversity policy in place at Agora S.A. is based on Agora's Charter, which was developed jointly with *Gazeta Wyborcza* and the Company.

As an employer, Agora is guided by the principles of equal treatment and counteracting all forms of discrimination, believing that this brings real benefits and fosters the Company's growth and innovation. One of the objectives of the diversity policy pursued by Agora is to emphasise the organisation's openness to diversity, which increases the effectiveness of work, builds trust and counteracts discrimination. The diversity practice is also aimed at fully tapping into the potential of employees, their diverse skills, experiences and talents in an atmosphere of respect, support and teamwork.

As an employer, Agora creates an atmosphere at work which makes employees feel respected and gives them the sense that they are able to fully realise their professional potential. The Company builds a culture of dialogue, openness, tolerance and teamwork.

In 2016, Agora S.A. adopted a diversity policy which applies to all employees. Its aim is to consistently create a workplace that is free from discrimination (regardless of the reasons) and at the same time to employ the best specialists who contribute to the Company's success. Agora is an employer that cares for the development of the team through internal and external training. Agora's diversity policy is based on overcoming barriers such as age, gender or health status and is guided by the principle that the professional potential of employees is determined by their competence. In this manner, the Company wants to support the implementation of its plans to the best of its abilities and to offer the highest-quality products and services to its consumers.

### **II) Supervisory Board**

The procedure of appointment of the Supervisory Board members is set forth in the Company's Articles of Association and other rules and regulations to which the Company is subject. Agora has a limited impact on the composition of the body supervising its operations.

### **III) Management Board**

- The procedure of appointment of the Management Board is also specified in the Company's Articles of Association. Only holders of series A shares have the right to appoint candidates for the Management Board members. In the Supervisory Board's opinion, when presenting candidates, these shareholders took into account, as a decisive criterion, first of all high qualifications, professional experience in the main areas of the Agora Group's operations and professional preparation for the position of a member of the Management Board.
- In 2021, members of the Company's Management Board had complementary experience, skills and competences. Each of the Management Board members has different education – they are graduates of universities such as: SGH Warsaw School of Economics, University of Warsaw, University of Silesia, University of Łódź, University of Edinburgh, French Institute of Management, Harvard Business School (training courses) and Warsaw University of Technology Business School.
- It is worth emphasizing that the decisive aspect in selecting the Company's governing bodies and its key managers is ensuring versatility and diversity of Agora officers, especially in the area of professional experience, age, education and gender. Outstanding qualifications, as well as

professional experience and relevant preparation for specific functions are of decisive importance in this respect.

- In accordance with the regulations of Best Practice for WSE listed Companies in force at Agora S.A, Agora will present a Diversity Policy at the next General Meeting. In the Supervisory Board's opinion, this will further promote proper diversity of the composition of the Company's governing bodies, including in terms of gender.

Gender structure in supervisory and management bodies of Agora S.A.

	Men	Women
<b>Management Board</b>	<b>4</b>	<b>2</b>
<b>Supervisory Board</b>	<b>5</b>	<b>1</b>

#### IV) Administrative bodies

The administrative bodies of Agora are composed of employees who occupy managerial positions. The diversity policy for such bodies involves the creation of a workplace free from discrimination based, among others, on gender, age, origin, health, education, political or religious beliefs, where competence and experience are the basis of the organisational culture. This approach is reflected in the diversity of teams across the Company. Gender equality is one of the key aspects of diversity due to the similar number of male and female employees (as at 31 December 2021, women accounted for 55.7% and men accounted for 44.3% of employees in the entire Group). The gender structure in the administrative bodies confirms that this objective has been achieved. The proportion of women in each body exceeds 30%. Meanwhile, the employee evaluation system in place at Agora S.A. (including assessment of managerial competences) allows the drafting of career and development paths within the Company which excludes unequal treatment regardless of the reasons.

#### Gender structure in the administrative bodies (management positions) at Agora S.A. (as at 31 December 2021).

	% in Agora S.A.	
	Women	Men
<b>Agora S.A.</b>	<b>51.5%</b>	<b>48.5%</b>

Additionally, on 8 March 2017 the Company signed the Diversity Charter, joining the European initiative to promote diversity in the workplace.

Supervisory Board:

Andrzej Szlęzak .....  
Chairman of the Supervisory Board

Wanda Rapaczynski .....  
Member of the Supervisory Board

Tomasz Wiśniewski .....  
Member of the Supervisory Board

Tomasz Sielicki .....  
Member of the Supervisory Board

Dariusz Formela .....  
Member of the Supervisory Board

Tomasz Karusewicz  
Member of the Supervisory Board

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