

Resolution No. 6  
of the Supervisory Board of Agora S.A.  
of May 24, 2023

on the assessment of the Company's situation in 2022

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

**1. The Company's Supervisory Board has assessed the situation of the Agora Group in 2022**

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 2022 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 Human Resources 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 constitutes estimates only and any resulting conclusions are general.

The superior goal of the Company's Management Board in 2022 was to return to the standard operating procedures of the Agora Group after the COVID-19 pandemic, including after the pandemic-related restrictions ceased to be binding. Effective functioning in the unstable conditions related, among other things, to Russia's invasion on Ukraine, was a challenge for the Group. This was another difficult year for the whole organisation which operated in strict cost control conditions, with suspended investments and uncertainty as to the further developments and restrictions imposed by the Polish government.

The Supervisory Board was impressed by the Management Board's actions taken in 2022, which were aimed at minimizing the negative effects of the extremely trying economic conditions on the Company's operations. They allowed the Group to reduce losses resulting from the pandemic. The Supervisory Board positively assessed the initiatives of the Management Board's which ensured the Company's financial security and pursuit of its key projects. The Supervisory Board is impressed by the results of the Management Board's consistent investment in Agora's digital offer. In 2022, 33.4% of the Group's total revenue came from digital sources. Also, 41.6% of proceeds from content sales are digital inflows, which was powered by the gradually growing number of *Gazeta Wyborcza* subscriptions, which at the end of December 2022 amounted to nearly 304 thousand copies.

Unfortunately, the enormous cost pressure led to a drop in results in nearly all of the Group's segments. In addition the necessity to record impairment losses, including the largest one in the Digital and Printed Press segment, of PLN 43.4 million. These factors caused the Agora Group to incur net loss in 2022, which the Supervisory Board accepted with understanding.

The Supervisory Board also noticed an intensification of attacks on independent journalism in Poland – a growing number of court proceedings, an advertisement boycott of independent editorial offices, including the Company's media.

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. In 2022 the first instance court decision was announced, which totally changed the decision of the UOKiK President from January 7, 2021 which banned Agora from acquiring control over Eurozet. However, the President of the Office appealed the decision, and the proceedings were finalised in 2022. The historical verdict, which was announced on February 27, 2023, allowed the Company to purchase further shares and to take up the control package of shares in Eurozet sp. z o.o. This allowed the Agora Group to start consolidating, and its radio operations – which as a result of the

merger became the second largest radio group in Poland – became the largest media segment of the Group's operations.

The Supervisory Board welcomed the fact that the Agora Group very effectively used its debt in 2022. Agora S.A. regularly repaid the loans and borrowings drawn and, thanks to its optimal management of liquidity, has not yet used the bank overdraft of PLN 35 million.

On the other hand, Helios S.A. had working capital loans in the amount of PLN 45.5 million, of which PLN 13.8 million had not been used as at the end of 2022. Helios S.A. also fully used a preferential loan agreement with Polski Fundusz Rozwoju S.A. for the amount of PLN 18.9 million, which it was allowed to use to finance current operations. In accordance with the agreement, PFR forgave 75% of the borrowing granted to Helios S.A.

The Supervisory Board supported the Company'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 2023, despite strong concerns about the country's economic situation, including the continuing high inflation. The Supervisory Board also closely observed and supported the Company's Management Board in its setting new strategic development directions for the Agora Group for the years 2023–2026, which were finally published on April 26, 2023. Such directions as striving to achieve the third position among the media groups in Poland and achieving EBITDA of at least PLN 200 million by 2026 were especially approved. The Supervisory Board is aware of the fact that the development of the organisation in the directions indicated will allow the Agora Group to significantly reinforce its position and increase its shareholder value, therefore, it is committed to supporting the Management Board in their pursuit.

## **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. 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 authorizing decisions, evaluating business projects, recording and processing business transactions;
- processes of reporting and control of transactions, as well as the results of particular areas of operations;
- IT system controls supporting the completion of business processes and monitoring the operation of the systems themselves.

The management staff performs particular 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 2022 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. In the opinion of the Supervisory Board, the scope of information provided at meetings with the internal auditor, 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 risks 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 position 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 renowned law firms.

### **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 2022, the Agora Group continued its long-term activities under the following pillars: social, educational and cultural, including educational, cultural and charitable, while also launching new activities. These activities included both nationwide 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 consequences of Russia's invasion on Ukraine which began on 24 February 2022. The donations granted by the Agora Group for social purposes exceeded PLN 860 thousand in 2022. In the reported period no sponsoring expenses were incurred.

- 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 lifestyles, 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 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 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 the health of society) and takes into account the expectations of stakeholders. Agora's social and sponsorship activities comply with the 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 2022, members of the Company's Management Board had complementary experience 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.

**Gender structure in supervisory and management bodies of Agora S.A. (as at 12/31/2022\*)**

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

\*until 31 August 2022 there were two women on the Company's Management Board.

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 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 December 31, 2021, women accounted for 56.0% and men accounted for 44.0% of employees in the entire Group). The gender structure in the administrative bodies confirms that this objective has been achieved. The proportion of genders in the administrative bodies shows that this target was reached.

**Gender structure in the administrative bodies (management positions) at Agora S.A. (as at 12/31/2022)**

	% in Agora S.A.	
	Women	Men
<b>Agora S.A.</b>	51.7%	48.3%

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

Andrzej Szlęzak  
Chairman of the Supervisory Board

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